

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF GMR KAKINADA ENERGY PRIVATE LIMITED**

**Report on the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of **GMR Kakinada Energy Private Limited** (the “Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of cash flows and for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as “Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



### **Responsibility of Management for Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**


1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,
  - (e) On the basis of written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report

**GIRISH  
MURTHY & KUMAR**  
Chartered Accountants

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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- As per information and explanation given to us the company did not have any pending litigation against the company or by the company which would have impact on its financial position.
  - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **GIRISH MURTHY & KUMAR**  
Chartered Accountants  
Firm's registration number: 000934S

  
**A.V.SATISH KUMAR**  
Partner  
Membership number: 26526



Place: Bangalore  
Date: 13th April 2019



**Annexure A as referred to in clause 1 of paragraph on report on other legal and regulatory requirements of our report of even date.**

Re:GMR Kakinada Energy Private Limited

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- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
  
(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As the company has capitalised most of its assets during the year, no physical verification is carried out during the year.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the titles of the immovable property are held in the name of the company
- ii. The nature of company's operations does not warrant requirement of holding stocks and therefore had no stocks of finished goods, stores, spare part and raw materials. Thus, paragraph 3(ii) of the order is not applicable to the company.
- iii. In our opinion and according to the information and explanations given to us, the company has not granted any secured or unsecured loans to the companies, firms, or other parties listed in the register maintained under section 189 of the companies Act 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any loans or investments. Accordingly requirement under Paragraph 3 (iv) of the Order is not applicable with respect to the loans and investments made under the provisions of section 185 and 186 of the Act.
- v. The company has not accepted deposits from the public during the year and as such this clause is not applicable.
- vi. As there is no operation in the company, no cost records are required to be maintained under sub-section (1) of Section 148 of the Companies Act, 2013 for the activities carried out by the company. Hence reporting under this clause not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the Company is generally regular in payment of undisputed statutory dues including Provident Fund, income tax, Goods and service tax, Customs Duty, Wealth tax and service tax Value added tax, and cess as applicable with appropriate authorities. We are informed by the company that the provisions of Employee state insurance scheme, Investor education and protection fund, and excise duty are not applicable.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, customs duty, wealth tax, service tax, value added tax, cess, goods and service tax and other material statutory dues were in arrears as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.
- (c) Investor education and protection fund is not applicable to the Company.
- viii. Based on our audit procedure and as per the information and explanation given by the management we are of the opinion that the company has not taken any loan from a financial institution or bank or Government or are there any dues to the debenture holders. Accordingly requirement under Paragraph 3 (viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) or has taken term loan during the year. Accordingly requirement under Paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, and based on our examination of records of the Company, the company has paid/provided any managerial remuneration during the year, as per the provisions of the companies Act, 2013
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



**GIRISH  
MURTHY & KUMAR**  
Chartered Accountants

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xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR GIRISH MURTHY & KUMAR**  
Chartered Accountants

*A.v. Satish Kumar*

A V Satish Kumar  
Partner

Membership No: 26526  
FRN No.000934S



PLACE: Bangalore  
DATE:13th April 2019

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**Annexure B to Auditors' Report of even date**

**Report on the Internal Controls on Financial Reporting under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")**

Re: GMR Kakinada Energy Private Limited

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We have audited the internal financial controls over financial reporting of GMR Kakinada Energy Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

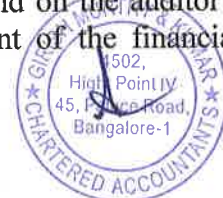
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





**GMR Kakinada Energy Private Limited**  
Statement of standalone unaudited results for quarter and year ended March 31, 2019

	Particulars	Quarter ended			Year ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		Unaudited	Unaudited	Audited	Unaudited	Audited
1	Revenue					
	a) Other income					
	i) Foreign Exchange Fluctuation (Net)	-	-	-	-	-
	ii) Others	-	-	-	-	-
	Total revenue	-	-	-	3,700	-
2	Expenses				3,700	-
	(i) Other expenses	108,043	85,105	55,740	272,954	223,841
	Total expenses	108,043	85,105	55,740	272,954	223,841
3	Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)	(108,043)	(85,105)	(55,740)	(269,254)	(223,841)
4	Exceptional items					
5	Profit/(loss) from continuing operations before tax expense (3±4)	(108,043)	(85,105)	(55,740)	(269,254)	(223,841)
6	Tax expenses					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
7	Profit/(loss) from continuing operations after tax expense (5±6)	(108,043)	(85,105)	(55,740)	(269,254)	(223,841)
8	Other Comprehensive Expenses/(expenses) (net of taxes)	-	-	-	-	-
9	Total Comprehensive income for the period (7±8)	(108,043)	(85,105)	(55,740)	(269,254)	(223,841)
10	Earning Per Share					
	Basic/Diluted	(10.80)	(8.51)	(5.57)	(26.93)	(22.38)

For Girish Murthy & Kumar  
Chartered Accountants  
Firm Registration no.: 000934S

*A. V. Satish Kumar*

A.V. Satish Kumar  
Partner  
Membership no.: 26526

Place: Bangalore  
Date: 13.04.2019



For and on behalf of the Board of directors of  
GMR Kakinada Energy Private Limited

*Ashis Basu*

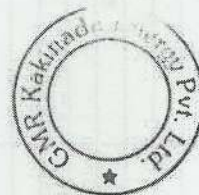
Ashis Basu  
Director  
DIN: 01872233

Place: New Delhi  
Date: 13.04.2019

*Prabir Kumar Majumdar*

Prabir Kumar Majumdar  
Director  
DIN: 03591200

Place: New Delhi  
Date: 13.04.2019



**GMR Kakinada Energy Private Limited**  
Balance sheet as at March 31, 2019

		Amount in Rs.	
Particulars	Notes	31-Mar-19	31-Mar-18
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capital work-in-progress	1	7,749,590	7,749,590
		<b>7,749,590</b>	<b>7,749,590</b>
<b>Current assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	2	48,417	4,547
Other Current Assets	3	12,634	-
		<b>61,051</b>	<b>4,547</b>
<b>Total Assets</b>		<b>7,810,641</b>	<b>7,754,137</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	4	100,000	100,000
Other Equity	5	(1,295,627)	(1,026,373)
		<b>(1,195,627)</b>	<b>(926,373)</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	6	8,933,878	8,504,755
Trade Payables	7		
- Due to Micro Small and Medium Enterprises			
- Due to others		68,390	118,845
Other current liabilities	8	4,000	11,535
Provisions	9	-	45,375
		<b>9,006,268</b>	<b>8,680,510</b>
<b>Total Equity and liabilities</b>		<b>7,810,641</b>	<b>7,754,137</b>

As per our report attached

For Girish Murthy & Kumar  
Chartered Accountants  
Firm Registration no.: 000934S

For and on behalf of the Board of directors of  
GMR Kakinada Energy Private Limited

*A. V. Satish Kumar*

A.V. Satish Kumar  
Partner  
Membership no.: 26526

Place: Bangalore  
Date: 13.04.2019



*Ashis Basu*

Ashis Basu  
Director  
DIN: 01872233

Place: New Delhi  
Date: 13.04.2019

*Prabir Kumar Majumdar*

Prabir Kumar Majumdar  
Director  
DIN: 03591200

Place: New Delhi  
Date: 13.04.2019





**GMR Kakinada Energy Private Limited**  
Statement of profit and loss for the year March 31, 2019

Amount in Rs.

Particulars	Notes	31-Mar-19	31-Mar-18
Other Income	10	3,700	-
<b>Total Income</b>		<b>3,700</b>	<b>-</b>
Expenses	11		
Other expenses		272,954	223,841
<b>Total Expenses</b>		<b>272,954</b>	<b>223,841</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(269,254)</b>	<b>(223,841)</b>
Exceptional item		-	-
<b>Profit / (Loss) before tax</b>		<b>(269,254)</b>	<b>(223,841)</b>
Tax expenses			
Current tax		-	-
Deferred tax		-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>(269,254)</b>	<b>(223,841)</b>
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the period</b>		<b>(269,254)</b>	<b>(223,841)</b>
Earnings per equity share			
Basic and diluted		(26.93)	(22.38)

As per our report attached

**For Girish Murthy & Kumar**  
Chartered Accountants  
Firm Registration no.: 000934S

*A.V. Satish Kumar*  
**A.V. Satish Kumar**  
Partner  
Membership no.: 26526

Place: Bangalore  
Date: 13.04.2019



For and on behalf of the Board of directors of  
**GMR Kakinada Energy Private Limited**

*Ashis Basu*

**Ashis Basu**  
Director  
DIN: 01872233

Place: New Delhi  
Date: 13.04.2019

*Prabir Kumar Majumdar*

**Prabir Kumar Majumdar**  
Director  
DIN: 03591200

Place: New Delhi  
Date: 13.04.2019



**GMR Kakinada Energy Private Limited**  
Statement of change in equity as at March 31, 2019

Statement of change in equity as at March 31, 2019

Particulars	Equity Share capital	Attributable to the equity holders of the parent			Total Equity
		Equity component of Financial instrument	Retained Earning		
As at April 1, 2017	100,000	-	(802,532)	(702,532)	
Share Capital Issued during the year	-	-	-	-	
Net Profit/(Loss)	-	-	(223,841)	(223,841)	
Equity component of Related Party Loans	-	-	-	-	
As at April 1, 2018	100,000	-	(1,026,373)	(926,373)	
Share Capital Issued during the year	-	-	-	-	
Net Profit/(Loss)	-	-	(269,254)	(269,254)	
Equity component of Related Party Loans	-	-	-	-	
As at March 31, 2019	100,000	-	(1,295,627)	(1,195,627)	

Amount in Rs.

**For Girish Murthy & Kumar**  
Chartered Accountants  
Firm Registration no.: 000934S

*A. V. Satish Kumar*  
A.V.Satish Kumar  
Partner  
Membership no.: 26526

Place: Bangalore  
Date: 13.04.2019



For and on behalf of the Board of directors of  
**GMR Kakinada Energy Private Limited**

*Ashis Basu*  
Ashis Basu  
Director  
DIN:01872233

*Prabir Kumar Majumdar*  
Prabir Kumar Majumdar  
Director  
DIN: 03591200

Place: New Delhi  
Date:13.04.2019

Place: New Delhi  
Date:13.04.2019





GMR Kakinada Energy Private Limited  
Notes to financial statements for the year ended March 31, 2019

1 Capital Work in Progress

Particulars	Amount in Rs.	
	31-Mar-19	31-Mar-18
Bank Charges	11,000	11,000
Communication Expenses	9,665	9,665
Consultancy & Professional Charges	5,371,098	5,371,098
Interest	971,606	971,606
Meetings & Seminars	11,891	11,891
Miscellaneous Expenses	2	2
Printing & Stationery	29,969	29,969
Rates & taxes	640,788	640,788
Rent	597,765	597,765
Repairs & Maintenance	1,160	1,160
Staff welfare	3,705	3,705
Travelling & Conveyance	100,942	100,942
<b>Total</b>	<b>7,749,590</b>	<b>7,749,590</b>

2 Current Financial Assets-Cash and cash equivalents

Particulars	31-Mar-19	31-Mar-18
Balance with banks on current accounts	48,417	4,547
<b>Total</b>	<b>48,417</b>	<b>4,547</b>

3 Other Current Assets

Particulars	31-Mar-19	31-Mar-18
Advance to employee for expenses	-	-
PAYABLES - Empl othr	12,634	-
<b>Total</b>	<b>12,634</b>	<b>-</b>

4 Share capital

Particulars	31-Mar-19	31-Mar-18
<b>Authorised Share Capital :</b>		
10,000 Equity shares of Rs.10 each	100,000	100,000
<b>Issued Share Capital :</b>		
10,000 Equity shares of Rs.10 each	100,000	100,000
<b>Issued &amp; Subscribed and Paid-up</b>		
10,000 (March 31,2018: 10,000) Equity shares of Rs.10 each	100,000	100,000

a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year

Subscribed & paid up Share Capital :	31-Mar-19	31-Mar-19	31-Mar-18	31-Mar-18
	No of shares	Amount in Rs.	No of shares	Amount in Rs.
Balance at the beginning of the year	10,000	100,000	10,000	100,000
increased/(decreased) during the year	-	-	-	-
Outstanding at the end of the year	10,000	100,000	10,000	100,000

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pay dividend in indian rupees. The dividend proposed by the Board of director is subject to the approval of the shareholder in ensuing Annual General meeting.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	31-Mar-19	31-Mar-18
GMR Generation Assets Limited along with it's nominees (formerly GMR Renewable Energy Limited)	100,000	100,000
10,000 (31st March, 2018: 10000 ) equity shares of Rs. 10/- each fully paid		

d) Details of shareholders holding more than 5% shares in the company

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	% holding	No. of shares	% holding
GMR Generation Assets Limited along with it's nominees (formerly GMR Renewable Energy Limited)	10,000	100%	10,000	100%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

e) There are no shares reserved for issue under options and contracts/commitments for the sale of shares /disinvestment

f) No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date:





GMR Kakinada Energy Private Limited  
Notes to financial statements for the year ended March 31, 2019

		Amount in Rs.	
5	Other Equity	31-Mar-19	31-Mar-18
	<b>Retained Earnings</b>		
	surplus in the statement of profit and loss		
	Balance as per last financial statements	(1,026,373)	(802,532)
	Add: Net profit for the year	(269,254)	(223,841)
	Net surplus in the statement of profit and loss	(1,295,627)	(1,026,373)
	<b>Equity component of financial instruments</b>		
	Equity component of related party loan		
	<b>Total Other Equity</b>	<b>(1,295,627)</b>	<b>(1,026,373)</b>

6	Financial Liabilities-Borrowings	31-Mar-19	31-Mar-18
	<b>Particulars</b>		
	Unsecured loan from Related party	8,933,878	8,504,755
	<b>Total</b>	<b>8,933,878</b>	<b>8,504,755</b>

The Company has accepted interest free intercorporate deposits from its holding company which is repayable on demand or such other time as may be mutually agreed between the parties. Interest rate for 31st March 2019 is nil, 31st March 2018 is nil.

7	Trade Payable	31-Mar-19	31-Mar-18
	<b>Particulars</b>		
	Creditors	68,390	118,845
	<b>Total</b>	<b>68,390</b>	<b>118,845</b>

8	Other current liabilities	31-Mar-19	31-Mar-18
	<b>Particulars</b>		
	Others	-	3,160
	TDS Payable	4,000	8,375
	<b>Total</b>	<b>4,000</b>	<b>11,535</b>

9 Provisions

	31-Mar-19	31-Mar-18
<b>Particulars</b>		
Provision for Expenses	-	45,375
<b>Total</b>	<b>-</b>	<b>45,375</b>



**GMR Kakinada Energy Private Limited****Notes to financial statements for the year ended March 31, 2019**

10	Other Income	Amount in Rs.	
		31-Mar-19	31-Mar-18
	Particulars		
	Miscellaneous Income	3,700	-
	<b>Total</b>	<b>3,700</b>	<b>-</b>

11	Other expenses		
		31-Mar-19	31-Mar-18
	Particulars		
	Advertisement Expenses	86,758	-
	Rates and taxes	25,053	6,066
	Legal and professional fees	67,931	600
	Rent	44,250	175,875
	Payment to auditor (Refer details below)	41,300	41,300
	Logo Fees	1,115	-
	Miscellaneous expenses	6,547	-
	<b>Total</b>	<b>272,954</b>	<b>223,841</b>

**Payment to auditor**

Particulars	31-Mar-19	31-Mar-18
As auditor:		
Audit fee	17,700	17,700
Limited review	23,600	23,600
<b>Total</b>	<b>41,300</b>	<b>41,300</b>





**GMR Kaknada Energy Private Limited**

**Related Party Transactions  
As at March 31, 2019**

**A) Share Capital**

Counter Party Group Company	Counter Party Group Company Code	Nature of Transaction	Where it is shown in Financial Statements	Operating GL Code	As at March 31, 2019
GMR Generation Assets Limited (Formerly known as GMR Renewable Energy Limited)	12361	Equity Share Capital	Share Capital	2010101006	100000

**B) Loans payable to Group Companies**

Counter Party Group Company	Counter Party Group Company Code	Nature of Transaction	Where it is shown in Financial Statements	Operating GL Code	As at March 31, 2019
GMR Generation Assets Limited (Formerly known as GMR Renewable Energy Limited)	12361	ICD payable	Borrowings	2030500010	8933878

**C) Trade Payables**

Counter Party Group Company	Counter Party Group Company Code	Nature of Transaction	Where it is shown in Financial Statements	Operating GL Code	As at March 31, 2019
GMR Enterprise Pvt Ltd	16000	Logo Fees	Provisions	2050201016	2240

For Girish Murthy & Kumar  
Chartered Accountants  
Firm Registration Number: 0009345  
A V Satish Kumar  
Partner  
Membership Number: 26526

Place: Bangalore  
Date: 13.04.2019



For and on behalf of the Board of directors of  
GMR Kaknada Energy Private Limited

Ashis Basu  
Director  
DIN: 01872233

Place: Delhi  
Date: 13.04.2019

Prabir Kumar Majumdar  
Director  
DIN: 03591200

Place: Delhi  
Date: 13.04.2019



**GMR Kakinada Energy Private Limited**

**Related Party Transactions**

**For the year ended March 31,2019**

**A) Expenditure**

S.no	Counter Party Group Company	Counter Party Group Company Code	Nature of Transaction	Where it is shown in Financial Statements	Operating GL Code	For the year ended March 31,2019
1	GMR Corporate Affairs Pvt. Ltd	16610	Rent	Other expenses- Rent	6050001001	44,250
2	GMR Enterprises Private Limited	16000	Logo Fees	Other expenses- Rates & Taxes	6100003014	1,120

**For Girish Murthy & Kumar**

**Chartered Accountants**

**Firm Registration Number: 000934S**

***(Signature)***

**A V Satish Kumar**

**Partner**

**Membership Number : 26526**

**Place: Bangalore**

**Date: 13.04.2019**



**For and on behalf of Board of Directors of  
GMR Kakinada Energy Private Limited**

***(Signature)***

**Ashis Basu**

**Director**

**DIN:01872233**

***(Signature)***

**Prabir Kumar Majumdar**

**Director**

**DIN: 03591200**

**Place: Delhi**

**Date: 13.04.2019**





**GMR Kakinda Energy Private Limited**  
**Cash Flow Statement for the year ended March 31, 2019**

Particulars	(Amount in Rs.)	
	31-Mar-19	31-Mar-18
Cash flow from operating activities		
Profit before tax	(269,254)	(223,841)
Profit before tax from discontinuing operations		
Profit before tax	(269,254)	(223,841)
Adjustments to reconcile loss before tax to net cash flows		
Operating profit before working capital changes	(269,254)	(223,841)
Movements in working capital:		
Increase/(decrease) in other current liabilities	(103,369)	(38,460)
(Increase)/decrease in other current assets	(12,634)	
Net cash flow from/ (used in) operating activities (A)	(385,253)	(262,301)
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)		
Cash flows from financing activities		
Proceeds from related party borrowings	429,123	190,000
Net cash flow from/ (used in) financing activities (C)	429,123	190,000
Net increase/(decrease) in cash and cash equivalents (A + B + C)	43,870	(72,301)
Cash and cash equivalents at the beginning of the period	4,547	76,848
Cash and cash equivalents at the end of the period	48,417	4,547
Components of cash and cash equivalents		
With banks- on current account	48,417	4,547
Total cash and cash equivalents (note 2)	48,417	4,547

**Notes:**

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 Statement of cash flows.
2. Effective April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The reconciliation is given as below:

**Reconciliation to liabilities whose cash flow movements are disclosed as part of financing activities.**

Particulars	31-March-18	Cash flows	Non-Cash changes	31-Mar-19
			Fair value changes	
Borrowings	8,504,755	429,123	-	8,933,878
Total	8,504,755	429,123	-	8,933,878

As per our limited review report of even date

For Girish Murthy & Kumar  
Chartered Accountants  
Firm Registration Number: 000934S

*A.V. Setish Kumar*  
A.V. Setish Kumar  
Partner  
Membership no.: 26526

Place: Bangalore  
Date: 13.04.2019



For and on behalf of the Board of directors of  
GMR Kakinda Energy Private Limited

*Ashis Hada*  
Ashis Hada  
Director  
DIN:01872233

*Prabir Kumar Majumdar*  
Prabir Kumar Majumdar  
Director  
DIN:03591200

Place: New Delhi  
Date: 13.04.2019

Place: Delhi  
Date: 13.04.2019





**GIRISH  
MURTHY & KUMAR**  
Chartered Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR GIRISH MURTHY & KUMAR**  
Chartered Accountants  
FRN No.000934S

  
**A V Satish Kumar**  
Partner.  
Membership No: 26526



PLACE: Bangalore  
DATE: 13th April 2019