

**Independent Auditor's Report**

To,

The Members of

**PHL INFRASTRUCTURE FINANCE COMPANY PRIVATE LIMITED.**

**Report on the Financial Statements :**

We have audited the accompanying financial statements of **PHL INFRASTRUCTURE FINANCE COMPANY PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

**Auditor's Responsibility :**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 31st March, 2018, its loss and its cash flows for the year ended on that date.



**Report on Other legal and Regulatory requirements :**

1. As required by the Companies (Auditor`s Report) Order, 2017, ("the order"), issued by the Central Government of India, in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in Annexure 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 purpose 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 and Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies Accounts Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March,2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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" and
  - 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:
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Hyderabad

Date : 08.06.2018

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S



**(K.SRINIVASA RAO)**  
P A R T N E R  
M.No.201470



**Annexure "A" to the Independent Auditor's Report**

With reference to the Annexure referred to in paragraph 1 under the heading "Report on other legal & Regulatory Requirements" of our Report of even date to the members of **PHL INFRASTRUCTURE FINANCE COMPANY PRIVATE LIMITED**, on the financial statements for the year ended 31<sup>st</sup> March 2018, We report that :

- (i). (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
- (ii). The company did not hold any physical inventories during the year and therefore had no stocks of finished goods, stores, spare parts and raw materials during / at the end of the year.
- (iii). The company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 189 of the Companies act 2013. Hence provisions of clause (iii)(a),(b)&(c) of the order are not applicable to the company and hence not reported upon.
- iv). According to the information and explanations given to us Company has not given any Loans, guarantees, security and not made any investments hence the provisions of clause (iv) of the order are not applicable to the company.
- v). The Company has not accepted deposits from the public covered by the provisions of Section 73 to 76 of the Companies Act, 2013.
- vi). As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii). (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable. Employees State Insurance, Provident Fund, Service Tax, Sales tax, Value added Tax, Duty of Customs, Duty of Excise are not applicable to the company.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.



- viii). The company has not defaulted in repayment of dues to its Bank in respect of Loans taken by it. There were no dues payable to any financial institution/s.
- ix). The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x). According to the information and explanation 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 audit.
- xi). During the year Company has not paid any Managerial remuneration hence the provisions of clause (xi) of the order is not applicable to the company.
- xii). In Our Opinion and according to the explanations given to us, the company is not a Nidhi company. Accordingly, provisions of clause (xii) of the order are not applicable.
- xiii). According to the information and explanations given to us and based on the examination of the records of the company, transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 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, 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 any non-cash transactions with the directors or persons connected with him Accordingly, provisions of clause (xv) of the order are not applicable.
- xvi). The company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

Place : Hyderabad

Date : 08.06.2018

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S



**(K.SRINIVASA RAO)**  
P A R T N E R  
M.No.201470



**Annexure "B" to the Independent Auditors' Report of even date on the Financial Statements of PHL INFRASTRUCTURE FINANCE COMPANY PRIVATE LIMITED**

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

We have audited the internal financial controls over financial reporting of **PHL INFRASTRUCTURE FINANCE COMPANY PRIVATE LIMITED** ("the Company") as of March 31st, 2018 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.

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 March 31st, 2018, 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.

Place : Hyderabad

Date : 08.06.2018

For **S. Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S

  
**(K.SRINIVASA RAO)**  
P A R T N E R  
M.No.201470



PHL Infrastructure Finance Company Private Limited  
 CIN : U45100MH2011PTC222072  
 Regd.Office: Naman Centre, 7th Floor, Opp : Dena Bank, Plot no C-31, G Block  
 Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Balance Sheet as at March 31, 2018

(Amount in Lakhs)

| Particular                                 | Notes | March 31, 2018 | March 31, 2017 |
|--|-------|----------------|----------------|
| <b>I.EQUITY AND LIABILITIES</b>            |       |                |                |
| <b>Shareholders' Funds</b>                 |       |                |                |
| (a) Share Capital                          | 3     | 242,577.70     | 242,577.70     |
| (b) Reserves & Surplus                     | 4     | (242,581.74)   | (242,581.16)   |
| <b>Current Liabilities</b>                 |       |                |                |
| Other Current Liabilities                  | 5     | 5.14           | 3.83           |
| <b>TOTAL</b>                               |       | <b>1.10</b>    | <b>0.37</b>    |
| <b>II.ASSETS</b>                           |       |                |                |
| <b>Current Assets</b>                      |       |                |                |
| (a) Cash and Cash Equivalents              | 6     | 1.10           | 0.21           |
| (b) Other Current Assets                   | 7     | -              | 0.16           |
| <b>TOTAL</b>                               |       | <b>1.10</b>    | <b>0.37</b>    |
| Summary of significant accounting policies | 2     |                |                |

The accompanying notes are an integral part of Financial Statements

As per our report of even date attached  
 For S.Venkatadri & Co  
 Chartered Accountants  
 Firm's Registration No: 004614S

For and on behalf of the Board of Directors of  
 PHL Infrastructure Finance Company Private Limited

  
 K.Srinivasa Rao  
 Partner  
 Membership No. 201470

  
 T Govindarajulu  
 Director  
 DIN : 02734169

  
 Sreemannarayana K  
 Director  
 DIN : 01876402

Place : New Delhi  
 Date : 8th June'2018

A V Ramayya  
 Company Secretary



PHL Infrastructure Finance Company Private Limited  
CIN : U45100MH2011PTC222072  
Regd. Office: Naman Centre, 7th Floor, Opp : Dena Bank, Plot no C-31, G Block  
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Statement of Profit and Loss for the year ended March 31, 2018

| Particular                                 | Notes | (Amount in Lakhs) |                |
|--|-------|-------------------|----------------|
|  |       | March 31, 2018    | March 31, 2017 |
| Revenue from operations                    |       | -                 | -              |
| Total                                      |       | -                 | -              |
| Expenses                                   |       |                   |                |
| Other Expenses                             | 8     | 0.58              | 0.56           |
| Total Expenses                             |       | 0.58              | 0.56           |
| (Loss) Before exceptional items            |       | (0.58)            | (0.56)         |
| Exceptional Items                          |       | -                 | -              |
| (Loss) Before Tax                          |       | (0.58)            | (0.56)         |
| Less : Provision for Taxation              |       | -                 | -              |
| (Loss) For the Year                        |       | (0.58)            | (0.56)         |
| Earnings per equity share:                 |       |                   |                |
| Basic and diluted                          | 12    | (0.00002)         | (0.00002)      |
| Summary of significant accounting policies | 2     |                   |                |

The accompanying notes are an integral part of Financial Statements

As per our report of even date attached  
For S.Venkatadri & Co  
Chartered Accountants  
Firm's Registration No: 004614S



K.Srinivasa Rao  
Partner  
Membership No. 201470

For and on behalf of the Board of Directors of  
PHL Infrastructure Finance Company Private Limited



T Govindarajulu  
Director  
DIN : 02734169



Sreemannarayana K  
Director  
DIN : 01876402

Place : New Delhi  
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Cash Flow Statement for the year ended March 31, 2018

(Amount in Lakhs)

| Particular   | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                |                |
| Loss before tax  | (0.58)         | (0.56)         |
| Adjustments for:   |                |                |
| Less: Interest Expenses  | -              | -              |
| Operating Loss before Working Capital Changes                        | (0.58)         | (0.56)         |
| <b>Changes In Working Capital :</b>                                  |                |                |
| Increase in Other Current Liabilities                                | 1.31           | 0.56           |
| Decrease in Other Current Assets                                     | 0.16           | -              |
| Cash (Used in)/Generated From Operations                             | 0.89           | -              |
| <b>Net Cash (Used in)/From Operating Activities (A)</b>              | <b>0.89</b>    | <b>-</b>       |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                        |                |                |
| Investment in Subsidiaries   | -              | -              |
| <b>Net Cash (Used in) /From Investing Activities (B)</b>             | <b>-</b>       | <b>-</b>       |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                |                |
| Interest Paid  | -              | -              |
| <b>Net Cash (Used in)/From Financing Activities (C)</b>              | <b>-</b>       | <b>-</b>       |
| <b>Net Increase in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>       | <b>0.89</b>    | <b>-</b>       |
| <b>Cash and Cash Equivalents as at beginning of reporting period</b> | <b>0.21</b>    | <b>0.21</b>    |
| <b>Cash and Cash Equivalents as at end of the reporting period</b>   | <b>1.10</b>    | <b>0.21</b>    |
| <b>Cash and Cash Equivalents Comprise of:</b>                        |                |                |
| Balances with Banks  | 1.10           | 0.21           |

The accompanying notes are an integral part of Financial Statements

As per our report of even date attached  
For S.Venkatadri & Co  
Chartered Accountants  
Firm's Registration No: 004614S



K.Srinivasa Rao  
Partner  
Membership No. 201470

For and on behalf of the Board of Directors of  
PHL Infrastructure Finance Company Private Limited



T Govindarajulu  
Director  
DIN : 02734169



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Director  
DIN : 01876402

Place : New Delhi  
Date : 8th June'2018

A V Ramayya  
Company Secretary



**PHL Infrastructure Finance Company Private Limited**

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Regd. Office: Naman Centre, 7th Floor, Opp : Dena Bank, Plot no C-31, G Block  
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Notes forming part of Financial Statements for the period ended March 31, 2018

**1. BACKGROUND**

PHL Infrastructure Finance Company Private Limited (the 'Company') was incorporated under the Companies Act, 1956 on 16th September 2011. The primary activity of the Company involves Infrastructure projects related activities. The Company is a wholly owned subsidiary of GMR Enterprises Private Limited.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**i) Basis of Accounting**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006, the relevant provisions of the Companies Act, 1956 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees in lakhs, rounded off to nearest decimal.

**ii) Use of Estimates**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of financial statement. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**iii) Revenue Recognition**

The Company recognizes significant items of income and expenditure on accrual basis except in case of those with significant uncertainties

**iv) Current / Non-Current Classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. it is incurred primarily in connection with trading
- iii. it is expected to be realised within 12 months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

**v) Investments**

Investments are classified into non-current and current based on the management's intention at the time of purchase.

Non-current investments are carried at carrying cost and any decline in the carrying value, other than temporary in nature is provided for, determined separately for each independent investment.

Current investments are valued at cost or market/ net realisable value whichever is lower. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investment are recorded on trade date. The gains and losses on sale of investments are recognised in the statement of profit and loss on the trade date. Profit and loss on sale of investment is determined on First In First Out ('FIFO') basis.



Notes forming part of Financial Statements for the period ended March 31, 2018

vi) **Taxation**

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Current Tax

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred Tax

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

vii) **Earnings Per Share**

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting period.

The number of equity shares used for computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

viii) **Provisions and Contingencies**

The Company recognises a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



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Notes forming part of Financial Statements as on March 31, 2018

| Particular  | (Amount in Lakhs) |                   |
|---|-------------------|-------------------|
|   | March 31, 2018    | March 31, 2017    |
| <b>3. SHARE CAPITAL</b>   |                   |                   |
| <b>AUTHORISED</b>   |                   |                   |
| 2,500,000,000 (Previous Year: 2,500,000,000)<br>Equity Shares of Rs.10/- each | 250,000.00        | 250,000.00        |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP</b>                                       |                   |                   |
| 2,425,777,000 (Previous Year:2,425,777,000 )<br>Equity Shares of Rs.10/- each | 242,577.70        | 242,577.70        |
| <b>TOTAL</b>  | <b>242,577.70</b> | <b>242,577.70</b> |

| a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year at the end of the reporting year | March 31, 2018       |                   | March 31, 2017       |                   |
|---|----------------------|-------------------|----------------------|-------------------|
|   | No of Shares         | Amount            | No of Shares         | Amount            |
| At the beginning of the year  | 2,425,777,000        | 242,577.70        | 2,425,777,000        | 242,577.70        |
| Add: Issued during the year   | -                    | -                 | -                    | -                 |
| <b>Outstanding at the end of the year</b>   | <b>2,425,777,000</b> | <b>242,577.70</b> | <b>2,425,777,000</b> | <b>242,577.70</b> |

**b) Rights, preferences and restrictions attached to equity shares**

The company has only one class of equity shares having a par value of Rs.10 per share. Every member holding equity shares shall have voting rights in proportion to his shares to the paid up equity share capital. The company declares and pays dividend in Indian rupees. The Dividend proposed by the Board of Directors, if any, is subject to the approval of the share holders in the 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 share holders.

| c) Equity shares held by the holding / ultimate holding company and / or their subsidiaries | March 31, 2018 |            | March 31, 2017 |            |
|---|----------------|------------|----------------|------------|
|   | No of Shares   | Amount     | No of Shares   | Amount     |
| GMR Enterprises Private Limited<br>( along with its nominees)                               | 2,425,777,000  | 242,577.70 | 2,425,777,000  | 242,577.70 |

| d) Particulars of Shareholders holding more than 5% of a class of assets at the end of the year | March 31, 2018 |         | March 31, 2017 |         |
|---|----------------|---------|----------------|---------|
|   | No of Shares   | %       | No of Shares   | %       |
| GMR Enterprises Private Limited<br>( along with its nominees)                                   | 2,425,777,000  | 100.00% | 2,425,777,000  | 100.00% |

| 4. RESERVES AND SURPLUS             | March 31, 2018                   | March 31, 2017        |
|-------------------------------------|----------------------------------|-----------------------|
|                                     | <b>PROFIT &amp; LOSS ACCOUNT</b> |                       |
| Opening Balance                     | (242,581.16)                     | (242,580.60)          |
| (Loss) for the period               | (0.58)                           | (0.56)                |
| <b>TOTAL</b>                        | <b>(242,581.74)</b>              | <b>(242,581.16)</b>   |
| <b>5. OTHER CURRENT LIABILITIES</b> | <b>March 31, 2018</b>            | <b>March 31, 2017</b> |
| Dues to Group Company               | 4.22                             | 2.91                  |
| Dues to Others                      | 0.92                             | 0.92                  |
| <b>TOTAL</b>                        | <b>5.14</b>                      | <b>3.83</b>           |



PHL Infrastructure Finance Company Private Limited

CIN : U45100MH2011PTC222072

Regd.Office: Naman Centre, 7th Floor, Opp : Dena Bank, Plot no C-31, G Block  
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Notes forming part of Financial Statements for the year ended March 31, 2018

(Amount in Lakhs)

| Particular                              | March 31, 2018 | March 31, 2017 |
|---|----------------|----------------|
| <b>6. CASH AND CASH EQUIVALENTS</b>     |                |                |
| i. Balance with Banks                   |                |                |
| - Current Account                       | 1.10           | 0.21           |
| <b>TOTAL</b>                            | <b>1.10</b>    | <b>0.21</b>    |
| <b>7. OTHER CURRENT ASSETS</b>          |                |                |
| TDS paid                                | -              | 0.16           |
| <b>TOTAL</b>                            | <b>-</b>       | <b>0.16</b>    |
| <b>8 OTHER EXPENSES</b>                 |                |                |
| Rates & Taxes                           | 0.26           | 0.31           |
| Professional Fees                       | 0.01           | -              |
| Payment to Auditors ( Refer Note no.13) | 0.25           | 0.25           |
| Bank charges                            | 0.06           | -              |
| <b>TOTAL</b>                            | <b>0.58</b>    | <b>0.56</b>    |

**9 Related Party Disclosures, as required by Accounting Standard 18 - 'Related Party Disclosures' as**

**prescribed in the Companies (Accounting Standard) Rules, 2006 are given below:**

**A. Controlling Company**

- GMR Enterprises Private Limited

**B. Key Management personnel and their relatives**

- Mr. T.Govindarajulu - Director

- Mr. K.Sreemannarayana - Director

- Mr. A.V.Ramayya - Company Secretary



**PHL Infrastructure Finance Company Private Limited**  
**CIN : U45100MH2011PTC222072**  
 Regd. Office: Naman Centre, 7th Floor, Opp : Dena Bank, Plot no C-31, G Block  
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Notes forming part of Financial Statements for the year ended March 31, 2018

**9 Related Party Disclosures (continued)**

| (Amount in Lakhs)                                  |                |                |
|--|----------------|----------------|
| Details of Transactions                            | March 31, 2018 | March 31, 2017 |
| <b>Transactions During the year</b>                |                |                |
| Advance taken from GMR Enterprises Pvt. Ltd        | 1.31           | 0.27           |
|  | 1.31           | 0.27           |
| <b>Balances Outstanding at the end of the year</b> |                |                |
| Payable to GMR Enterprises Pvt Ltd                 | 4.22           | 2.91           |
|  | 4.22           | 2.91           |

**10 Contingent Liabilities : Nil ( 2017: Nil)**

**11 Foreign Currency Transactions : Nil ( 2017: Nil)**

**12 Earnings per share ('EPS')**

Basic and Diluted EPS is computed in accordance with Accounting Standard 20 - 'Earnings per share'.

The computation of earnings per share is set out below:

|  | March 31, 2018 | March 31, 2017 |
|--|----------------|----------------|
| Loss attributable to shareholders (Rs. In Lakhs)                                 | (0.58)         | (0.56)         |
| Weighted average number of equity shares outstanding during the year (in units). | 2,425,777,000  | 2,425,777,000  |
| EPS [Basic and Diluted] (Rs.)  | (0.00002)      | (0.00002)      |
| Face value per share (Rs.)   | 10             | 10             |

**13 Remuneration to Auditors**

|                            | March 31, 2018 | March 31, 2017 |
|----------------------------|----------------|----------------|
| Audit fees ( Rs. In Lakhs) | 0.25           | 0.25           |
| <b>Total</b>               | <b>0.25</b>    | <b>0.25</b>    |

**14 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**

On the basis of the information and records available with the management, accounts payable include Rs. Nil (previous year Rs. Nil) payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006.

**15 Previous year figures have been regrouped and reclassified wherever necessary, to conform to those of the current year**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached  
 For S.Venkatadri & Co  
 Chartered Accountants  
 Firm's Registration No: 004614S

For and on behalf of Board of Directors of  
 For PHL Infrastructure Finance Company Private Limited



K.Srinivasa Rao  
 Partner  
 Membership No. 201470



T Govindarajulu  
 Director  
 DIN : 02734169



Sreemannarayana K  
 Director  
 DIN : 01876402

Place : New Delhi  
 Date : 8th June'2018

A V Ramayya  
 Company Secretary

