CHATTERJEE & CHATTERJEE
Chartered Accountants

A-1, Commercial Centre,
Nimari Colony, Ashok Vihar,
New Delhi - 110052
Email :ca.ccnd@gmail.com

INDEPENDENT AUDITORS' REPORT

To The Members of GMR Infrastructure (UK) Limited

Report on the financial statements

We have audited the accompanying Ind AS financial statements of GMR Infrastructure (UK) Limited ("the Company"), which comprises the balance sheet as at December 31, 2018, and the statement of profit and loss including statement of other comprehensive income, the cash Flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The accompanying Ind AS financial statements have been prepared by the management, based on the audited financial statements of the Company for the financial year ended 31st December,2018 prepared in accordance with the International Financial Reporting Standards, after making adjustments as were necessary under Ind AS and the Companies Act,2013.

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 and presentation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income),cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards(Ind AS) 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. 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 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 Ind AS 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 Ind AS 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 of the Ind AS financialstatements in accordance with the Standards on Auditing, issued by The Institute of Chartered Accountants of India, as 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 and converted from IFRS to Ind AS.

Our audit involves performing procedures and applying our judgement as were necessary to obtain assurance that the Ind AS financial statements referred above are free from material misstatement and converted fromIFRS to Ind AS correctly. We believe that the procedure we performed are sufficient and appropriate to provide a basis for our audit opinion.

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

Basis for Qualified Opinion

The underlying financial statements of the company for the financial year ended December31, 2018 prepared in accordance with the applicable corporate law and International Financial Reporting Standards, have not been audited by us. We have relied upon such audited financial statements and statutory auditor report for the year ended December31, 2018 provided to us by the management, for the purpose of expressing our audit opinion and have not performed detailed verification of the underlying transactions which have been covered by statutory auditor in course of their audit.

Qualified Opinion

In our opinion and to the best of our information and according the explanations given to us except for the effects of the matter(s)described in the basis for Qualified Opinion paragraph, the financial statements give a true and fair view in conformity with accounting principles generally accepted in India:

a) In the case of the Balance sheet, of the state of the affair of the company as at December 31, 2018.
b) In case of the statement of the Profit and Loss, of the lossfor the year ended on that date and
c) In the case of the cash flow statement, of the cash flow for the year ended on that date.

For Chatterjee&Chatterjee
Chartered Accountants
Firm Registration Number: 001109C

CHATTERJEE & CHATTERJEE
CHARTERED ACCOUNTANTS
NEW DELHI

GauravAgrawal
Partner
Membership no: 403788

Place: New Delhi
Date: March 5, 2019

GMR Infrastructure (UK) Limited
Balance sheet as at December 31, 2018 - Ind AS

	Notes	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Investments	3	4,099	4,248
		4,099	4,248
Current assets			
Financial assets			
Trade receivable	4	-	-
Cash and cash equivalents	5	3,306,887	2,811,645
Other current assets	6	36,625,836	60,001,691
		39,932,723	62,813,336
TOTAL ASSETS		39,936,822	62,817,584
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	446,190,600	462,310,275
Other Equity	8	(432,715,197)	(422,466,370)
Total equity		13,475,403	39,843,905
Liabilities			
Current liabilities			
Financial Liabilities			
Trade payables	9	451,624	886,321
Other financial liabilities	10	26,009,795	22,087,358
		26,461,419	22,973,679
		26,461,419	22,973,679
TOTAL EQUITY AND LIABILITIES		39,936,822	62,817,584

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

For Chatterjee & Chatterjee
Chartered Accountants
Firm Registration no : 001109C

CHATTERJEE & CHATTERJEE CHARTERED ACCOUNTANTS NEW DELHI

Gaurav Agrawal
Partner
Membership No: 403788
Place :
Date:

For and on behalf of Board of Directors
GMR Infrastructure (UK) Limited

Director

Director

GMR Infrastructure (UK) Limited

Statement of profit and loss for the year ended December 31, 2018

	Notes	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31,2018 Amount in Rs
Other income	11	950,841	9,381
Total Income		950,841	9,381
Finance costs	12	68,781	56,505
Other expenses	13	31,148,614	33,740,675
Total Expenses		31,217,395	33,797,179
Profit/(loss) before exceptional items and tax from continuing operations		(30,266,553)	(33,787,799)
Exceptional items		-	-
Profit/(loss) before and tax from continuing operations		(30,266,553)	(33,787,799)
(1) Current tax		-	-
(2) Adjustment of tax relating to earlier periods		-	-
(3) Deferred tax		-	-
Less: Minimum Alternate Tax ('MAT') credit entitlement		-	-
Reversal of current tax of earlier years		-	-
MAT credit written off		-	-
Income tax expense		-	-
Profit/(loss) for the year from continuing operations		(30,266,553)	(33,787,799)
Loss for the year		(30,266,553)	(33,787,799)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		53,059,565	(182,900,381)
		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year, net of tax		53,059,565	(182,900,381)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		22,793,012	(216,688,180)
Attributable to:			
Equity holders of the parent		-	-
Non-controlling interests		-	-
		-	-
Earnings per share for continuing operations			
Basic, profit from continuing operations attributable to equity holders of the parent		4.55	(43.25)
Diluted, profit from continuing operations attributable to equity holders of the parent		4.55	(43.25)
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Chatterjee & Chatterjee
Chartered Accountants
Firm Registration no : 001109C

CHATTERJEE & CHATTERJEE CHARTERED ACCOUNTANTS NEW DELHI

Gaurav Agrawal
Partner
Membership No: 403788
Place :
Date:

For and on behalf of Board of Directors
GMR Infrastructure (UK) Limited

Director

Director

GMR INFRASTRUCTURE (UK) LIMITED

Cash flow statement for the year ended 31 December 2018

Particulars	31-Dec-18	31 March 2018
Cash flow from/ (used in) operating activities		
Loss before tax from continuing operations	(30,266,553)	(33,787,799)
Loss before tax from discontinuing operations	-	-
	(30,266,553)	(33,787,799)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expenses		
Interest income	(37,642)	(9,381)
Operating profit before working capital changes	(30,304,195)	(33,797,179)
Movements in working capital :		
Increase/ (Decrease) in trade payables, other liabilities and provisions	(434,698)	-
Decrease / (increase) in other current assets	23,375,855	-
Increase / (Dercrease) in debtors	-	(19,677,166)
Increase/ (Decrease) in other Financials Liabilities	3,922,437	-
Cash generated from /(used in) operations	(3,440,601)	(53,474,346)
Tax paid		
Effect of exchange differences	-	-
Net cash flow from/ (used in) operating activities (A)	(3,440,601)	(53,474,346)
Cash flows from investing activities		
Purchase of current investments	148	-
Interest received	37,642	10,150
Effect of exchange differences	-	-
Net cash flow from/ (used in) investing activities (B)	37,790	10,150
Cash flows from financing activities		
Effect of exchange difference	36,939,890	-
Share application money pending allotment	(33,041,837)	29,528,086
Net cash flow from/ (used in) in financing activities (C)	3,898,053	29,528,087
Net increase/(decrease) in cash and cash equivalents (A + B + C)	495,242	(23,936,109)
Effect of exchange differences	-	9,229,177
Cash and cash equivalents at the beginning of the year	2,811,645	17,518,577
Cash and cash equivalents at the end of the year	3,306,887	2,811,645
Components of cash and cash equivalents		
Cash on hand	-	2,349
With banks	3,306,887	2,809,296
Total cash and cash equivalents	3,306,887	2,811,645

For Chatterjee & Chatterjee
Chartered Accountants
Firm Registration no : 001109C

Gaurav Agrawal
Partner
Membership No: 403788
Place :
Date:

CHATTERJEE & CHATTERJEE CHARTERED ACCOUNTANTS NEW DELHI

For and on behalf of Board of Directors
GMR Infrastructure (UK) Limited

Director

Director

1. Corporate Information

GMR Infrastructure (UK) Limited ("the Company") was incorporated in England, under the England Companies Act, 1985 to 1989. It is fully owned subsidiary of GMR Infrastructure (Overseas) Limited which in turn is a wholly owned subsidiary of GMR Infrastructure Limited, India. The company actively seeks and evaluates opportunities in the infrastructure space in the form of Greenfield/brown field acquisitions.

2. Significant Accounting Policies

2.1 Basis of Preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 1, 2016. The standalone financial statements of the Company, have been prepared and presented in accordance with Ind AS. (Accounting policy march 18)

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

(a) Functional and Presentation Currency

The company's functional currency is Pond (GBP). All financial information presented in GBP has been rounded to the nearest Pond. For presentation purposes, the financials are being converted to Indian Rupees (INR) using average exchange rate for Profit & Loss account and closing exchange rate for Balance sheet items.

(b) Foreign Currency Transactions

The decision has been taken by management of the Company to maintain the reporting currency as GBP in the financial statements since most of the business transactions are dealt in GBP.

Transactions in currencies other than GBP are translated to GBP at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in currencies other than GBP are translated to GBP at the exchange rate ruling at the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement.

Non-monetary assets and liabilities, which are measured at historical cost, denominated in currencies other than GBP, are translated to GBP at the exchange rates ruling at the dates of transactions. Non-monetary assets and liabilities, which are stated at fair value, denominated in currencies other than GBP, are translated to GBP at the exchange rates ruling at the dates the values were determined.

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2.2 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with IND AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i) *Expected to be realised or intended to be sold or consumed in normal operating cycle*
ii) *Held primarily for the purpose of trading*
iii) *Expected to be realised within twelve months after the reporting period, or*
iv) *Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period .*

All other assets are classified as non-current.

A liability is current when:

i) *It is expected to be settled in normal operating cycle*
ii) *It is held primarily for the purpose of trading*
iii) *It is due to be settled within twelve months after the reporting period, or*
iv) *There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period*

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets or inventory for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 1, 2015.

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment

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losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

f. Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present locations and condition.

g. Impairment of non-financial assets

As at the end of each accounting year, the company reviews the carrying amounts of its PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(a) In the case of an individual asset, at the higher of the net selling price and the value in use; and

(b) In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment

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loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss

h. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

i. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

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Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

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For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a

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payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

b. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j. Revenue recognition Under Ind AS 115 for companies where there is no contract with customer

The Company applied Ind AS 115 for the first time from April 1, 2018. Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

In current financial year, Company does not have any revenue arising from contract with customers and thus there is no impact on the financial statements of the company on account this new revenue recognition standard.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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k. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

l. Foreign currencies

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

m. Fair value measurement of financial instruments

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

n. Current and deferred tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial at the financial position date in the country where the Company operates taxable income. Management periodically evaluates positions taken the tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised in full, using the liabilities method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

o. Investments in subsidiary

A subsidiary is an entity that is controlled by another entity. Control is determined when the entity is exposed, or has the rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investees.

Investments in subsidiary undertaking are initially shown at cost. Where an indication of impairment exits, the recoverable amount of the investment is assessed. Where the recoverable amount of the investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the statement of profit or loss and other comprehensive income.

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On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit and loss.

p. Consolidated financial statements

The financial statements contain information about GMR Infrastructure (Overseas) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption provided by the Companies Act 2001 allowing a wholly owned or virtually wholly owned parent company holding a Category 1 Global Business Licence not to present consolidated financial statements. The ultimate parent, GMR Infrastructure Limited, a company incorporated in India, prepares consolidated financial statements in accordance with Indian Generally Accepted Accounting Principles and not IFRS.

q. Non-current assets held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

r. Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

s. Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

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t. Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rentals received under the sub-lease are offset against rentals payable in the profit and loss account.

For Chatterjee & Chatterjee
Chartered Accountants
Firm Registration no : 001109C

CHATTERJEE & CHATTERJEE CHARTERED ACCOUNTANTS NEW DELHI

Gaurav Agrawal
Partner
Membership No:

For and behalf of Board of Directors
GMR Infrastructure (UK) Limited

Director

Director

GMR Infrastructure (UK) Limited
Statement of changes in equity as at Dec 31, 2018 - Ind AS

(Rs.)

		Attributable to the equity holders of the parent				
	Issued capital	Retained earnings	Foreign Currency Translation	Share Application Money received	Total	Total equity
As at 1 April 2018	462,310,275	(1,378,507,417)	(119,306,668)	1,075,347,535	39,843,725	39,843,725
Profit / Addition (Disposal) for the period	-	(30,266,553)	-		(30,266,553)	(30,266,553)
Due to Exchange Flucation	(16,119,675)		53,059,565	(33,041,840)	3,898,050	3,898,050
At 31 Dec 2018	446,190,600	(1,408,773,970)	(66,247,103)	1,042,305,695	13,475,221	13,475,221
As at 1 April 2017	405,321,525	(1,344,719,618)	63,593,893	904,765,747	28,961,546	28,961,546
Profit / Addition (Disposal) for the period	-	(33,787,799)	-	170,581,788	136,793,989	136,793,989
Due to Exchange Flucation	56,988,750	0	(182,900,561)		(125,911,811)	(125,911,811)
At 31 Dec 2017	462,310,275	(1,378,507,417)	(119,306,668)	1,075,347,535	39,843,725	39,843,725

For Chatterjee & Chatterjee
Chartered Accountants
~~Firm~~ Registration no : 001109C

CHATTERJEE & CHATTERJEE CHARTERED ACCOUNTANTS NEW DELHI

Gaurav A

Gaurav Agarwal
Partner
Membership No: 403788
Place :
Date:

For and on behalf of Board of Directors
GMR Infrastructure (UK) Limited

Director

Director

3 Non current investments

	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
Unquoted equity instruments		
Investment in associates (valued at cost)		
Equity Shares in GMR Infrastructure (Singapore) Pte Limited [SGS 100]	4,099	4,248
	4,099	4,248

5 Cash and short-term deposits

Cash and cash equivalents		
Balances with banks:		
- On current accounts	-	2,809,296
- Cash on Hand	-	2,349
- Deposit account	3,306,887	
	3,306,887	2,811,645

6 Other current assets

Other Receivables	-	
Prepaid expenses	36,625,836	57,203,560
Balances with statutory / government authorities		2,798,131
	36,625,836	60,001,691

Chatterjee & Chatterjee
Chartered Accountants
New Delhi

Notes to financial statements as at December 31, 2018
GMR Infrastructure (UK) Limited
Notes to financial statements as at December 31, 2018

7 Share capital

At Sep 30, 2018

	Dec 31, 2018	
Issued equity capital	Amount in Rs	Amount
5,010,000 equity shares (March 31, 2017 5,010,000) of 1 GBP each	446,190,600	462,310,275
At Sep 30, 2018	**446,190,600**	**462,310,275**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Dec 31, 2018		March 31, 2018
	Amount	Amount	Amount
Equity Shares Fully paid up		-	
Outstanding at the end of the period	446,190,600	**462,310,275**	**462,310,275**

(b) Terms/ rights attached to equity shares

The Company has only class equity shares having a par value of GBP 1 per share.
Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividend in GBP. 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 prefrential amounts. The

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates
Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiarie

	Dec 31, 2018
	No of Shares
GMR Infrastructure (Overseas) Limited, the immediate holding company 5,010,000 (Sep 30, 2018: 5,010,000) equity shares of GBP 1 each Fully paid up	5,010,000

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NEW DELHI

8 Other equity

	Ind AS Dec 31, 2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
Foreign Currency Translation Gain/(Loss)		
Exchange fluctuation reserve	(119,306,488)	63,593,893
During the year	53,059,565	(182,900,381)
	(66,246,923)	(119,306,488)
Share application money pending allotment [GIML & GIOL]	1,042,305,695	1,075,347,535
Surplus in the statement of profit and loss		
At 1 April 2018	(1,378,507,417)	(1,344,719,618)
(Loss)/Profit for the year	(30,266,553)	(33,787,799)
Net deficit in the statement of profit and loss as at 30 th Sep,2018	(1,408,773,970)	(1,378,507,417)
	(432,715,199)	(422,466,370)

9 Trade payables

Sundry Creditors	451,624	886,321
Provision for Outstanding Expenses		
	451,624	886,321

10 Other financial liabilities

Current

Other payables	-	22,087,358
Accrued Income	26,009,795	
Total current other financial liabilities	26,009,795	22,087,358

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Notes to financial statements as at December 31, 2018

GMR Infrastructure (UK) Limited

Notes to financial statements as at December 31, 2018

11 Other income	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
Interest income on		
Bank deposits	37,642	9,381
Forex Gain	48,998	-
Provisions no longer required written back	864,201	-
	950,841	9,381

12 Finance costs

	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
Bank charges	68,781	56,505
	68,781	56,505

13 Other expenses

	Ind AS Dec 31,2018 Amount in Rs	Ind AS March 31, 2018 Amount in Rs
Rent	27,417,418	31,642,282
Communication costs	116,130	141,605
Audit fees	-	-
Consultancy and professional fees	3,271,619	1,877,269
Sundry expenses	343,446	
Exchange Loss	-	59,308
Miscellaneous expenses	-	20,211
	31,148,614	33,740,675

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