



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR KANNUR DUTY FREE SERVICES LTD.
Report on the Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of **M/s. GMR Kannur Duty Free Services Limited** (the "**Company**"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Information other than the Financial Statements and Auditor's Report Thereon:

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

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

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

Management's Responsibility for the Ind AS Financial Statements:

5. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with 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 judgements 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 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.



6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations. As disclosed in note no. 13 to financial statements, the Company was incorporated as a special purpose vehicle for the purpose of undertaking duty free operations at M/s. Kannur International Airport, subsequently, post award of contract, due to technical issues, the Company couldn't undertake the operations and currently the Company is not engaged in any specific activities, hence the management is intended to proceed for striking off of the Companies name from Ministry of Corporate Affairs.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements:

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

Report on Other Legal and Regulatory Requirements:

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Annexure - B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extend applicable.



11. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31st March 2020 taken on record by the board of directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as directors in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financials controls with reference to financial statements.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations as on balance sheet date.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No:003109S

Hitesh Kumar P

Hitesh Kumar P

Partner

Membership No. 233734

UDIN: 20233734AAAADL1951

Place: Bengaluru

Date: June 25, 2020,



Annexure - A to the Independent Auditors Report: Auditor's Responsibility

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

- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

2. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be



- influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **K.S. Rao & Co.,**

Chartered Accountants

Firm Registration No:003109S

Hitesh Kumar P

Hitesh Kumar P

Partner

Membership No. 233734

UDIN: 20233734AAAADL1951

Place: Bengaluru

Date: June 25, 2020



Annexure - B to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2020 we report that:

- (i) As per the information and explanation provided to us, the Company does not have any fixed assets. Accordingly, clause (i) (a) to (i) (c) of paragraph 3 of the order is not applicable to the Company for the year.
- (ii) The activities of the Company did not involve purchase of inventory and sale of goods during the financial year and accordingly, clause (ii) of paragraph 3 of the Order is not applicable to the Company for the year.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, provisions of the clause 3(vi) of the Order are not applicable.
- (vii) According to the information and explanations given to us, there have been no statutory dues or dues which are outstanding for more than six months. Accordingly, clauses from (vii) (a) to (vii) (c) of paragraph 3 of the Order is not applicable to the Company for the year.
- (viii) According to the information and explanations given by the management, the Company has no outstanding loan to a financial institution, bank and government/debentures during the year. Accordingly, clause (viii) of Paragraph 3 of the order is not applicable.
- (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. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration to its manager during the year. Accordingly, para 3 (xi) of the Order is not applicable.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order, is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Bengaluru
Date: June 25, 2020

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm registration no: 003109S

Hitesh Kumar P

Hitesh Kumar P
Partner

Membership number: 233734
UDIN: 20233734AAAADL1951



Annexure - C to the Independent Auditors' Report**Report on the Internal 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 with reference to financial statements of **GMR Kannur Duty Free Services Limited** ("the Company") as at 31 March, 2020 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 with reference to financial statements 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 with reference to financial statements 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. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements.

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to financial statements.

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to financial statements



criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.S. Rao & Co.,

Chartered Accountants

ICAI Firm registration no: 003109S

Hitesh Kumar P

Hitesh Kumar P

Partner

Membership number: 233734

UDIN: 20233734AAAADL1951

Place: Bengaluru

Date: June 25, 2020



GMR Kannur Duty Free Services Limited
CIN: U74999KL2019PLC060429
Balance Sheet As At March 31, 2020
(All amounts in Rupees, except otherwise stated)

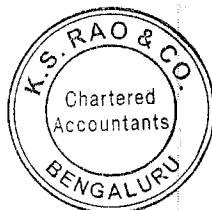
	Notes	As at March 31, 2020
ASSETS		
(1) Non-current assets		
Property, plant and equipment		-
Capital work in progress		-
Other Intangible assets		-
Intangible assets under development		-
Financial Assets:		
(i) Investments		-
(ii) Loans		-
(iii) Trade receivable		-
(iv) Others		-
Other non-current assets		-
Non Current tax assets (net)		-
(2) Current assets		
Inventories		-
Financial Assets		
(i) Investments		-
(ii) Trade Receivables		-
(iii) Cash and cash equivalents	4	-
(iv) Bank balance other than Cash and cash equivalents		-
(v) Loans		-
(v) Others	5	1,00,000
Other current assets		-
(3) Assets classified as held for sale		-
Total Assets		1,00,000
EQUITY AND LIABILITIES		
(1) Equity		
Equity Share capital	6	1,00,000
Other Equity	7	(3,05,516)
LIABILITIES		
(1) Non-current liabilities		
Financial Liabilities		
(i) Borrowings		-
(ii) Other financial liabilities		-
Other non-current liabilities		-
Deferred tax liabilities (net)		-
(2) Current liabilities		
Financial Liabilities		
(i) Borrowings		-
(i) Trade Payables		-
(ii) Other financial liabilities		-
Other current liabilities	8	3,05,516
Provisions		-
Total Equity and Liabilities		1,00,000

For K.S. Rao & Co.
Firm Registration Number: 003109S
Chartered Accountants

Hitesh Kumar P

per Hitesh Kumar P
Partner
Membership No : 233734

Place: Bengaluru
Date: June 25, 2020



For and on behalf of the board of directors of
GMR Kannur Duty Free Services Limited

Rajesh Kumar Arora
Director
DIN- 03174536

Shyam Sundar Gopalakrishnan
Director
DIN- 06955526

Place: New Delhi
Date: June 25, 2020

Place: New Delhi
Date: June 25, 2020



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Statement of profit and loss for the period 20th November, 2019 to 31st March, 2020
(All amounts in Rupees, except otherwise stated)

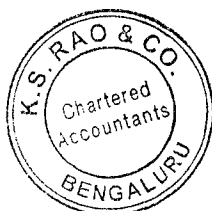
	Notes	For the period ended March 31, 2020
I REVENUE		
Revenue From Operations	9	-
Other Income		-
Total Revenue (I)		-
II EXPENSES		
Employee Benefits Expense		-
Finance Costs		-
Depreciation and amortization expense	10	3,05,516
Other Expenses		3,05,516
Total expenses (II)		(3,05,516)
III Loss before exceptional items and tax (I-II)		-
IV Exceptional Items		(3,05,516)
V Loss before tax (III-IV)		(3,05,516)
VI Tax expense:		
(1) Current Tax		-
MAT credit entitlement for earlier years written off		-
(2) Deferred Tax		(3,05,516)
VII Loss for the year (V-VI)		(3,05,516)
VIII Other Comprehensive Income		
Items that will not be reclassified to profit or loss		-
Re-measurement gains (losses) on defined benefit plans		-
Income tax effect		-
IX Total Comprehensive Loss for the period (VII + VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(3,05,516)
X Earnings per equity share:		
(1) Basic	11	(30.55)
(2) Diluted	11	(30.55)

For K.S. Rao & Co.
Firm Registration Number: 003109S
Chartered Accountants

Hitesh Kumar P

per Hitesh Kumar P
Partner
Membership No.: 233734

Place: Bengaluru
Date: June 25, 2020



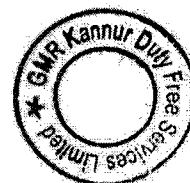
For and on behalf of the board of directors of
GMR Kannur Duty Free Services Limited

Rajesh Kumar Arora
Rajesh Kumar Arora
Director
DIN- 03174536

Place: New Delhi
Date: June 25, 2020

Shyam Sundar Gopalakrishnan
Shyam Sundar Gopalakrishnan
Director
DIN- 06955526

Place: New Delhi
Date: June 25, 2020



GMR Kannur Duty Free Services Limited
CIN: U74999KL2019PLC060429
Statement of Cash Flows for the period ended 31st March, 2020

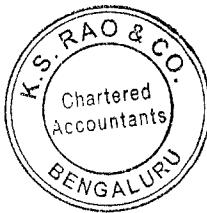
Particulars	For the year ended March 31, 2020
I. Cash flow from operating activities:	
A. Loss before tax (including OCI component)	(305,516)
B. Adjustment for non-cash transactions: Other expenses	305,516
Net cash flow from operating activities (I)	
II. Cash flows from investing activities	
Net cash flow from/ (used in) investing activities (II)	
III. Cash flows from financing activities	
Net cash flow (used in) financing activities (III)	
IV. Net (decrease) in cash and cash equivalents (I + II + III)	
Cash and cash equivalents at the beginning of the year	
V. Cash and cash equivalents at the end of the year	
VI. Components of cash and cash equivalents:	
a. Cash on hand	
b. Cheques, Drafts and Stamps on hand	
c. With banks:	
i. On Current Account	
ii. On Deposit Account having original maturity less than three months	
Total cash and cash equivalents (note 4)	

For K.S. Rao & Co
Firm Registration Number : 0031095
Chartered Accountants

Hitesh Kumar P

per Hitesh Kumar P
Partner
Membership No : 233734

Place: Bengaluru
Date: June 25, 2020



For and on behalf of the board of directors of
GMR Kannur Duty Free Services Limited

Rajesh Kumar Arora
Director
DIN- 03174536

Place: New Delhi
Date: June 25, 2020

Shyam Sundar Gopalakrishnan
Director
DIN- 06955526

Place: New Delhi
Date: June 25, 2020



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Statement of Change in Equity for the year ended March 31, 2020

(All amounts in Rupees, except otherwise stated)

	Equity share capital	Other Equity			Total Equity
		Reserves and Surplus		Total	
		Retained Earnings	Other Reserve		
Balance as at April 1, 2019	-	-	-	-	-
Share capital issued during the year	100,000	-	-	-	100,000
Profit for the year	-	(305,516)	-	(305,516)	(305,516)
Other comprehensive income	-	-	-	-	-
Balance as at March 31, 2020	100,000	(305,516)	-	(305,516)	(205,516)

For K.S. Rao & Co

Firm Registration Number: 0031095

Chartered Accountants

Hitesh Kumar P

per Hitesh Kumar P

Partner

Membership No: 233734

Place: Bengaluru

Date: June 25, 2020

For and on behalf of the board of directors of

GMR Kannur Duty Free Services Limited

Rajesh Kumar Arora

Rajesh Kumar Arora

Director

DIN- 03174536

Place: New Delhi

Date: June 25, 2020

Shyam Sundar Gopalakrishnan

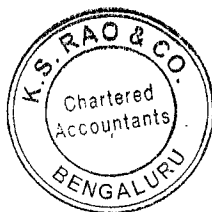
Shyam Sundar Gopalakrishnan

Director

DIN- 06955526

Place: New Delhi

Date: June 25, 2020



1. Corporate and General information:

GMR Kannur Duty Free Services Limited is a company incorporated on 20th November, 2019 under the Companies Act, 2013 and is a public limited company. The Company is primarily incorporated for the purpose of undertaking the business of operating Duty free shops at the airports and/or any other place, managing and developing the duty free outlets and carrying on the business as supplier to various duty free retailers in India and abroad. GMR Airports Limited ('GAL'), a subsidiary of GMR Infrastructure Limited ('GIL') holds majority shareholding in the Company.

2. Basis of preparation:

Ind AS Compliance Statement:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements are presented in Indian Rupees (INR).

The financial statements have been prepared on a historical cost basis.

3. Summary of significant accounting policies:

(a) Current vs. Non Current Classifications

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

Expected to be realised or intended to be sold or consumed in normal operating cycle

Held primarily for the purpose of trading

Expected to be realised within twelve months after the reporting period; or

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:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

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.

(b) Deferred tax policy

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(c) Earning per share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

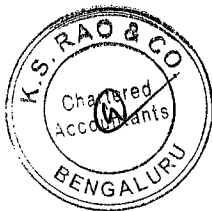


GMR Kannur Duty Free Services Limited**CIN: U74999KL2019PLC060429****Notes to the financial statements for the year ended March 31, 2020****(All amounts in Rupees, except otherwise stated)****4. Cash and Cash Equivalent**

Particulars	As at March 31, 2020
Cash and cash equivalents	
-Cash on hand	-
-Cheques / drafts on hand	-
-Deposits with original maturity of less than three months	-
-Balances with Banks	
-In current accounts#	-
Total	-

5. Other Financial Assets

Particulars	As at March 31, 2020
Margin money deposits	-
Interest accrued on fixed deposits and others	-
Other receivables from related parties	100,000
Total	100,000



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Notes to the financial statements for the year ended March 31, 2020

(All amounts in Rupees, except otherwise stated)

6. Share Capital

Particulars	As at March 31, 2020
Authorised:	
10,00,000 equity shares of Rs. 10 each	10,000,000
	10,000,000
Issued and subscribed:	
10,000 equity shares of Rs. 10 each	100,000
Total	100,000

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year

Equity Shares	As at March 31, 2020	
	Number	Amounts in INR
At the beginning of the year	-	-
Issued during the year	10,000	100,000
Outstanding at the end of the year	10,000	100,000

b. Terms/Rights Attached to equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	As at March 31, 2020	
	No. of Shares held	Amounts in INR
GMR Airports Limited 10,000 equity shares of Rs. 10 each*	10,000	100,000

d. Details of Shareholders holding more than 5% of equity shares in the Company

Name of Shareholder	As at March 31, 2020	
	No. of Shares held	% Holding in Class
Equity shares of Rs. 10 each:		
GMR Airports Limited*	10,000	100.00%
	10,000	100.00%

*99.94% shares are held by GMR Airports Limited and balance are held by the Company only through nominees.

Details of nominees:	No. of Shares held	Amount in INR
Radhakrishna Babu Gadi	1	10
Madhukar Dodrajka	1	10
Anand Kumar Polamada	1	10
Atul Kumar	1	10
Manish Nariseti	1	10
Rajesh Kumar Arora	1	10

e. The shares are not yet allotted due to non receipt of money but disclosed, as Capital are of subscribers to the Memorandum.



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Notes to the financial statements for the year ended March 31, 2020

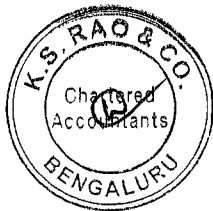
(All amounts in Rupees, except otherwise stated)

7. Other Equity

Particulars	As at March 31, 2020
Surplus in the statement of profit and loss	
Balance as per last financial statements	-
Add: Net profit for the year	(3,05,516)
Net surplus in the statement of profit and loss	(3,05,516)
Other items of Comprehensive Income	
Re-measurement gains on defined benefit plans	-
	-
Total	(3,05,516)

8. Other Liabilities

Particulars	Current
	As at March 31, 2020
Others	
Non trade payables	
Payable to related party	2,61,856
Expenses payable	31,860
Audit Fee payable	11,800
Total	3,05,516



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Notes to the financial statements for the year ended March 31, 2020

(All amounts in Rupees, except otherwise stated)

9 Other income

Particulars	For the period ended March 31, 2020
Other non-operating income	-
Total	-

10 Other expenses

Particulars	For the period ended March 31, 2020
Payment to auditors*	11,800
Preliminary expenses	293,716
Miscellaneous expenses	-
Total	305,516

Particulars	For the period ended March 31, 2020
*Payment to Auditors (Included in other expenses above)	
As Auditor	
Audit fee	11,800
Out of pocket expenses	-
Total	11,800



GMR Kannur Duty Free Services Limited

CIN: U74999KL2019PLC060429

Notes to the financial statements for the year ended March 31, 2020

(All amounts in Rupees, except otherwise stated)

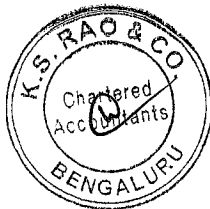
11. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2020
Profit attributable to equity holders of the parent	(305,516.00)
Profit attributable to equity holders of the parent for basic earnings	(305,516.00)
Interest on convertible preference shares	-
Profit attributable to equity holders of the parent adjusted for the effect of dilution	(305,516.00)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	10,000.00
Effect of dilution:	=
Convertible preference shares	-
Weighted average number of Equity shares adjusted for the effect of dilution *	10,000.00
Earning Per Share (Basic) (Rs)	(30.55)
Earning Per Share (Diluted) (Rs)	(30.55)
Face value per share (Rs)	10



GMR Kannur Duty Free Services Limited
CIN: U74909KL2019PLC000429

Notes forming part of Financial Statements for the year ended March 31, 2020

12. Related party transactions:

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

(A) Names of the Related parties and description of relationship:

1. Directors and other key management personnel:

Sl. No.	Name	Designation
(i)	Mr. Rajesh Kumar Arora	Director
(ii)	Mr. Hari Gangadhar Panicker	Director
(iii)	Mr. Shyam Sundar Gopalakrishnan	Director

2. Enterprises having significant influence over the Company:

S.No.	Name of the enterprise
1.	GMR Airports Limited

(B) Disclosure of transactions between the company and related parties and outstanding:

Related parties	For the year ended March 31, 2020
Transactions during the year:	

Related parties	For the year ended March 31, 2020
Balance as at the end of the year:	
Balance payable at the end of the period:	
Preliminary expenses GMR Airports Limited	2,51,856
Balance receivable as at the end of the period:	
Share capital subscribed GMR Airports Limited	1,00,000

13. As explained by the Management of the Company, the Company was incorporated for the purpose of undertaking new business namely, duty free operations at Kannur International Airport. However, as we understand, after the award of the Contract, due to technical issues, the Company couldn't commence the business. Accordingly, The management is contemplating to strike off the Company's name.

For K.S. Rao & Co
Firm Registration Number: 0031095
Chartered Accountants

per Hitesh Kumar P
Partner
Membership No : 239734

Place: Bengaluru
Date: June 25, 2020

For and on behalf of the board of directors of
GMR Kannur Duty Free Services Limited:

Mr. Rajesh Kumar Arora
Director
DIN: 03174536

Place: New Delhi
Date: June 25, 2020

Shyam Sundar Gopalakrishnan
Director
DIN: 06055526

Place: New Delhi
Date: June 25, 2020

