

INDEPENDENT AUDITOR'S REPORT

To

The GMR Business & Consultancy LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **GMR BUSINESS & CONSULTANCY LLP**, which comprises the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the Accounting Standards issue by ICAI and other statutory bodies. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issue by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the LLP preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to best of our information and according to the explanations given to us,

The financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the LLP as at March 31,2017;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash Flows for the year ended on that date.
- (d) The LLP has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the LLP. Refer 7.1 to the financial statements

Place : Hyderabad

Date : 01.07.2017

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



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



GMR Business & Consultancy LLP

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

Unit No.1B, First Floor, Riaz Garden, Old. No.12, New No. 29, Kodambakkam High Road, Chennai - 600034

Balance Sheet as at March 31, 2017

(Amount in Rs)

Particulars	Note No.	March 31, 2017		March 31, 2016	
I. CAPITAL AND LIABILITIES					
(1) Capital Fund	2	10,954,089,915		11,942,000,010	
(a) Partner's Capital	3	(162,928,649)		(25,191,862)	
(b) Reserves and Surplus			10,791,161,266		11,916,808,148
(2) Non - current Liabilities	4	1,122,880,000	1,122,880,000		
(a) Long term borrowings					
(3) Current Liabilities	5	1,535,418		238,653,547	
(a) Short term borrowings	6	286,049,381		45,887,393	
(b) Other current liabilities			287,584,799		284,540,940
TOTAL			12,201,626,065		12,201,349,088
II. ASSETS					
(1) Non - current assets	7	12,201,068,708	12,201,068,708	12,201,068,708	12,201,068,708
(a) Non - current investments					
(2) Current Assets	8	482,842		205,865	
(a) Cash and cash equivalents	9	74,515		74,515	
(c) Other current assets			557,357		280,380
TOTAL			12,201,626,065		12,201,349,088
Summary of significant accounting policies	1				

The accompanying notes are an integral part of Financial Statements

As Per Our Report of even date attached
For S.Venkatadri & Co
Chartered Accountants
Firm Registration No : 004614S



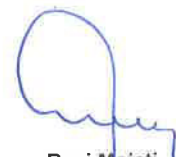
K.Srinivasa Rao
Partner
M.No. 201470



For and on behalf of GMR Business & Consultancy LLP



Govindarajulu T
Nominee of GMR Enterprises Pvt Ltd
DIN : 02734169



Ravi Majeti
Nominee of Ideospace Solution Pvt. Ltd
DIN : 07106220

Place : New Delhi
Date : June 01, 2017



GMR Business & Consultancy LLP

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Unit No.1B, First Floor, Riaz Garden, Old. No.12, New No. 29, Kodambakkam High Road, Chennai - 600034

Profit and loss statement for the the year ended March 31, 2017

(Amount in Rs)

Particulars	Note No.	March 31, 2017		March 31, 2016	
I Revenue from Operations			-		-
Other Income			-		-
Total revenue			-		-
II Expenses					
Other expenses	10		304,006		649,341
Finance costs	11		137,432,781		45,973,672
Total Expenses			137,736,787		46,623,013
III Profit before tax (I-II)			(137,736,787)		(46,623,013)
IV Tax expense:					
(1) Current tax			-		-
(2) Earlier tax			-		-
V Profit/(Loss) for the period (III-IV)			(137,736,787)		(46,623,013)
Summay of significant accounting policies	1				

The accompanying notes are an integral part of Financial Statements

As per our report of even date attached

For S.Venkatadri & Co

Chartered Accountants

Firm Registration No : 0046145



K. Srinivasa Rao

Partner

M.No. 201470



For and on behalf of GMR Business & Consultancy LLP



Govinarajulu T

Nominee of GMR Enterprises Pvt. Ltd

DIN: 02734169



Ravi Majeti

Nominee of Ideospace Solutions Pvt. Ltd

DIN: 07106220

Place : New Delhi

Date : June 01, 2017



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Unit No.1B, First Floor; Riaz Garden, Old. No.12, New No. 29, Kodambakkam High Road, Chennai - 600034

Cash Flow Statement for the year ended as on March 31, 2017

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	(137,736,787)	(46,623,013)
Adjustments :	-	-
Interest Income	(137,736,787)	(46,623,013)
Operating Flow Before Working Capital Changes		
Adjustments :	-	8,895,676,050
(Increase)/Decrease in Trade and other Receivables	240,161,988	28,128,375
Increase /(Decrease)in Trade and other payables	-	40,189,389
Income Taxes refund/(paid) during the year		
Net Cash Flow from/(used in) Operating Activities	102,425,201	8,917,370,801
B.Cash Flow from/(used in) Investing Activities		
Investment Capital	(987,910,095)	2,237,239,192
Net Cash Flow from/(used in) Investing Activities	(987,910,095)	2,237,239,192
C.Cash Flow from/(used in) Financing Activities		
Investments	-	(11,290,848,664)
Increase in loans	885,761,871	(113,746,453)
Net Cash from/(used in) Financing Activities	885,761,871	(11,404,595,117)
Net Increase/(decrease) in Cash and Cash Equivalents	276,977	(249,985,124)
Cash and Cash Equivalents at the beginning of the year	205,865	250,190,989
Cash and Cash Equivalents at the end of the year	482,842	205,865

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

For and on behalf of GMR Business & Consultancy LLP


K.Srinivasa Rao
Partner
M.No. 201470




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Nominee of GMR Enterprises Pvt. Ltd
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GMR Business & Consultancy LLP

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Skip House , 25/1 , Museum Road , Bengaluru - 560 025

Note 1: Statement on Significant Accounting Policies and Notes to Accounts

I. Significant Accounting Policies

Accounting Assumptions

These accounts have been prepared under the historical cost convention on the basis of a going concern, with revenues recognized and expenses accounted on their accrual and amounts determined as payable or receivable during the year, except those with significant uncertainties and in accordance with the applicable Accounting Standards.

Revenue Recognition

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

Investments

Long term investments are valued at cost. However, provision for dimension in value is made to recognize a decline other than temporary in nature in the value of the Investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited of profit and loss. Income from investments is recognized in the year in which it is accrued and stated as gross.

Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been computed on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other Accounting policies would be formulated in due course as and when required.



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Unit No.1B, First Floor, Riaz Garden, Old. No.12, New No. 29, Kodambakkam High Road,
Chennai - 600034**Notes to the financial statements for the year ended March 31, 2017****2 Partner's Capital**

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
	Amount	Amount
Capital		
At the beginning of the reporting period	11,942,000,010	9,704,760,818
Issued during the reporting period	-	2,237,239,192
Bought back during the reporting period	987,910,095	-
At the close of the reporting period	10,954,089,915	11,942,000,010
Other Information:	Amount	Amount
Capital		
GMR Enterprises Pvt Ltd	10,954,089,905	11,942,000,010
Ideaspace Solutions Pvt Ltd	10	-
	10,954,089,915	11,942,000,010

3 Reserves and Surplus:

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
At the beginning of the reporting period	(25,191,862)	21,431,151
Transferred from/to Profit & Loss Account	(137,736,787)	(46,623,013)
At the close of the reporting period	(162,928,649)	(25,191,862)

4 Long term Borrowings

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
Secured Loans		
Loan from Financial Institutions	1,122,880,000	-
	1,122,880,000	-

The LLP has accepted a secured loan from a Financial Institution which is repayable in 4 quarterly installments starting from Jan'2019

5 Short term Borrowings

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
Unsecured Loans		
Loan from related parties	1,535,418	238,653,547
	1,535,418	238,653,547

The LLP has accepted an unsecured loan from GMR Enterprises Pvt. Ltd which is repayable in Jan'2018

6 Other current liabilities

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
TDS payable	12,556,787	3,500
Audit fees payable	36,750	36,575
Sundry Creditors	7,087	-
Interest Payable	273,448,757	45,847,318
	286,049,381	45,887,393



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Notes to the financial statements for the year ended March 31, 2017

(Amount in Rs)

7 Non Current Investments:

Name of the Company	March 31, 2017			March 31, 2016		
	No of Shares	Face Value	Amount	No of Shares	Face Value	Amount
Equity Shares Fully Paidup-Quoted						
GMR Infrastructure Ltd	805,635,166	1	12,201,068,708	805,635,166	1	12,201,068,708
Total			12,201,068,708			12,201,068,708

Additional Information:	March 31, 2017	March 31, 2016
Aggregate value of quoted investments:		
Cost	12,201,068,708	12,201,068,708
Market Value	12,890,162,656	9,345,367,926

8 Cash and cash equivalents:

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
Balances with banks	482,842	205,865
Cash in Hand	-	-
	482,842	205,865

8.1 Cash Balance as on 30.12.2016

Particular	SBN's	Others
Closing cash in hand as on 08.11.2016		
(+) Permitted Receipts	-	-
(-) Permitted Payments	-	-
(+) Amount deposited in banks	-	-
Closing cash in hand as on 30.12.2016	-	-

9 Other Current Assets

(Amount in Rs)

Particulars	March 31, 2017	March 31, 2016
Advance payment of Income Tax (Net of Provision)	74,515	74,515
	74,515	74,515



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Unit No.1B, First Floor, Riaz Garden, Old. No.12, New No. 29, Kodambakkam High Road, Chennai - 600034**Notes to the financial statements for the year ended March 31, 2017****10 Other expenses:****(Amount in Rs)**

Particulars	March 31, 2017	March 31, 2016
Payment to Auditors (Refer note no.17)	40,250	51,885
Advertisement Expenses	16,058	-
Conveyance Charges	17,072	-
Professional Charges	121,901	899
Demat Charges	8,519	95,549
Other expenses	2,606	-
Rates & Taxes - Others	8,480	24,387
Rates & Taxes - E TDS uploading Fees	303	284
Interest of Delay of TDS	88,817	20,644
Security Transaction Tax	-	455,693
	304,006	649,341

11 Finance Costs:**(Amount in Rs)**

Particulars	March 31, 2017	March 31, 2016
Interest expenses	137,431,994	45,973,499
Bank Charges	787	173
	137,432,781	45,973,672



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Notes to Accounts

12. Contingent Liabilities: Nil (2016:Nil)

13. The LLP operates in a single segment hence there are no reportable segments as per the requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

14. In accordance with the Accounting Standards No 22 issued by the Institute of Chartered Accountants of India and followed by the LLP, deferred tax assets are not recognized since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available which such deferred tax assets can be realized.

15. Related Party Transactions:

a) Name of Related Parties and description of relationship:

SI.No	Description of Relationship	Name of the Related Party
(i)	Company that control the LLP	GMR Enterprises Pvt Ltd
(ii)	Group Companies (Where transactions have taken place)	Grandhi Enterprises Pvt Ltd

b) Transactions with related Parties:

(Amount in Rs)

Particulars	Group Companies	Key Management Personal and their Relatives
Interest Expenses		
GMR Enterprises Private Limited	11,899,212/- (4,58,47,318/-)	
Grandhi Enterprises Private Limited	Nil (1,26,181/-)	
Loan Taken from		
GMR Enterprises Pvt Ltd	15,35,418/- (12,97,48,609/-)	
Loan Return Back to		
GMR Enterprises Pvt Ltd	23,86,53,547/- (24,10,95,062/-)	
Period end balance as on 31.03.2017		
GMR Enterprises Pvt Ltd (including interest payable)	16,12,444/- (28,45,00,865/-)	

Previous figures are mentioned in brackets



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Chennai - 600034

Notes to Accounts

16. The following long term investments included in Note No 6 have been pledged by the LLP towards borrowings of the LLP/Group Companies.

S.No	Name of the Scrip	2016-17		2015-16	
		No. of Shares	Face Value (Rs.)	No. of Shares	Face Value (Rs.)
1	GMR Infrastructure Ltd	40,93,10,000	Rs. 1/- per share	48,93,10,000	Rs. 1/- per share

17. Remuneration to Auditors:

(Amount in Rs)

Particulars	2016-17	2015-16
Audit fees (including Service Tax)	40,250	40,075
Certification fees	-	11,810
Total	40,250	51,885

18. There are no dues to creditors under Micro Small Medium Enterprises Development (MSMED) Act 2006

19. The previous year's figures have been regrouped wherever considered necessary.

For S.Venkatadri & Co
Chartered Accountants
Firm Regn. No. 004614S

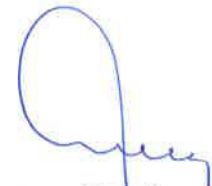


K.Srinivasa Rao
Partner
M.No.201470

For and on behalf of the GMR Business & Consultancy LLP



Nominee of
GMR Enterprises Pvt Ltd
DIN : 02734169



Nominee of
Ideaspace Solutions Pvt Ltd
DIN : 07106220



Place: New Delhi
Date: June 01, 2017