



MANDEEP KAPUR & ASSOCIATES
3C, WORLD TRADE TOWER,
NEW BARAKHAMBA LANE, NEW DELHI-110001
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of

GMR LEAGUE GAMES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of ***GMR LEAGUE GAMES PRIVATE LIMITED ("the Company")*** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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 March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are not applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 15 to the financial statements

For and on behalf of
MandeepKapur & Associates
Chartered Accountants
Firm's Reg. No. : 0006583N


MandeepKapur
Proprietor
M. No. : 085043

Place: New Delhi
Date:



"Annexure A" to the Independent Auditor's Report of even date on the Standalone Financial Statements of GMR LEAGUE GAMES PRIVATE LIMITED

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 over financial reporting of **GMR LEAGUE GAMES PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For and on behalf of

MandeepKapur & Associates

Chartered Accountants

Firm's Reg. No.: 006583N


MandeepKapur

Proprietor

M. No.: 085043



Place: New Delhi

Date:

GMR LEAGUE GAMES PRIVATE LIMITED
Registered office: 25/1, Skip House, Museum Road, Bangalore- 560025
CIN: U92412KA2008PTC051177

Balance Sheet as at March 31, 2017

PARTICULARS	Note	As at Mar 31, 2017		As at Mar 31, 2016	
		Rupee		Rupee	
Equity & Liabilities					
Shareholders' Funds					
Share Capital	2	100,000		100,000	
Reserve & Surplus	3	<u>(17,910,740)</u>	<u>(17,810,740)</u>	<u>(16,095,049)</u>	<u>(15,995,049)</u>
Current Liabilities					
Trade Payable	4	559,590		1,179,963	
Unsecured Loan	5	19,041,507		22,285,336	
Other Current Liabilities	6	<u>171,278</u>	<u>19,772,375</u>	<u>71,052</u>	<u>23,536,351</u>
			<u><u>1,961,635</u></u>		<u><u>7,541,302</u></u>
APPLICATION OF FUNDS					
Current Assets					
Cash and Cash Equivalents	7	435,220		2,130,642	
Income accrued but not billed	8	-		3,500,000	
Short Term Loans and Advances	9	<u>1,526,415</u>	<u>1,961,635</u>	<u>1,910,660</u>	<u>7,541,302</u>
			<u><u>1,961,635</u></u>		<u><u>7,541,302</u></u>
Significant Accounting Policies & Notes to Accounts	1				

Notes from 1 to 18 forms part of financial statements

In terms of our report attached

For Mandeep Kapur & Associates
Chartered Accountants
Firm's Reg. No. : 0006583N


Mandeep Kapur
Proprietor
M. No. : 085043



For and on behalf of the Board of Directors of
GMR League Games Private Ltd


I.V. Srinivasa Rao
Director
DIN:01541362


Chakka Srinivasa Rao
Director
DIN:03497034

Place : New Delhi
Date: 6th September 2017


GMR LEAGUE GAMES PRIVATE LIMITED
Registered office: 25/1, Skip House, Museum Road, Bangalore- 560025
CIN: U92412KA2008PTC051177
Statement of Profit and Loss for the year ended March 31, 2017

PARTICULARS	Note	As at Mar 31, 2017 Rupee	As at Mar 31, 2016 Rupee
INCOME			
Income From Operations	10	-	7,000,000
Other Income		2,600	-
		<u>2,600</u>	<u>7,000,000</u>
EXPENDITURE			
Operating Expenses	11	-	20,394,681
Finance Charges	12	1,712,785	650,373
Other Expenses	13	105,506	1,454,244
		<u>1,818,291</u>	<u>22,499,298</u>
Profit / (Loss) before tax		(1,815,691)	(15,499,298)
Earning per Share (Rs.)- Basic		-182	-1550

Notes from 1 to 18 forms part of financial statements

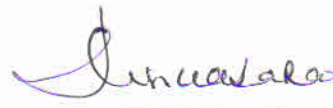
In terms of our report attached

For Mandeep Kapur & Associates
Chartered Accountants
Firm's Reg. No. : 0006583N


Mandeep Kapur
Proprietor
M. No. : 085043



For and on behalf of the Board of Directors of
GMR League Games Private Ltd


I.V. Srinivasa Rao
Director
DIN:01541362


Chakka Srinivasa Rao
Director
DIN:03497034

Place : New Delhi
Date: 6th September 2017

GMR LEAGUE GAMES PRIVATE LIMITED
Registered office: 25/1, Skip House, Museum Road, Bangalore- 560025
CIN: U92412KA2008PTC051177

Cash Flow statement for the year ended March 31, 2017

Particulars	Year ending March 31, 2017 Rupees	Year ending March 31, 2016 Rupees
(A) Cash Flows from Operating Activities		
Profit/(Loss) Accounts	(1,815,691)	(15,499,298)
Adjustment for :		
- Interest on Loans	1,712,785	650,373
Operating Profit before working capital changes	(102,906)	(14,848,925)
Adjustments for Change in		
Decrease/(Increase) in Current assets and Loan & Advances	3,884,245	(5,410,660)
Increase/(Decrease) in current liabilities	(520,147)	740,397
Cash Flow from Operating Activities	3,261,192	(19,519,188)
Refund/(Payment) of Taxes		
Net Cash Generated / (Used) in Operating Activities	3,261,192	(19,519,188)
(B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Net Cash (Used in) / Generated from Investing Activities	-	-
(C) Cash Flow from Financing Activities		
Secured Loans taken /(repaid)	(3,243,829)	22,285,336
Interest on Loan	(1,712,785)	(650,373)
Net Cash Generated from Financing Activities	(4,956,614)	21,634,963
(D) Net Increase/ (Decrease) in Cash & Cash Equivalents	(1,695,422)	2,115,775
Cash & Cash equivalent at the beginning of the year	2,130,642	14,867
Cash & Cash equivalent at end of the year	435,220	2,130,642
	(1,695,422)	2,115,775

For Mandeep Kapur & Associates


Chartered Accountants


Firm's Reg. No. : 0006583N


Mandeep Kapur
Proprietor
M. No. : 085043



For and on behalf of the Board of Directors
of GMR League Games Private Ltd


I.V. Srinivasa Rao
Director
DIN:01541362


Chakka Srinivasa Rao
Director
DIN:03497034

Place: New Delhi

Date: 6th September 2017

Significant Accounting Policies and Notes to the Accounts:

1 **Accounting Policies**

Basis of Accounting:

- a) The financial statements have been prepared on accrual basis of accounting and comply with the Accounting Standards as per section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014.

These financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis. The presentation and grouping of individual items in the balance sheet, the statement of Profit & Loss and the cash flow statement are based on the principle of materiality.

b) **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates and any revision is recognized in the current and future periods.

c) **Revenue Recognition**

Revenue from service/sponsorship contract has been recognized as per the terms of agreement over the period of league season.

d) **Classification of Current/Non-current Assets and Liabilities :**

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

- a) It is expected to be realized in or is intended for sale or consumption in, the company's operating cycle;
b) It is expected to be realised within 12 months after the reporting date;
c) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as Non-current.

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

- a) It is expected to be settled in the company's normal operating cycle;
b) It is due to be settled within 12 months after the reporting date;
c) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as Non-current.

e) **Expenditure**

Expenditures have been accounted for on the accrual basis and provisions have been made for all known losses and liabilities.

Player cost is expensed off over the period of league season based on the player's availability.



2 SHARE CAPITAL

	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
AUTHORISED		
10,000 (PY 10,000) Equity Shares of Rs. 10 each	100,000	100,000
	100,000	100,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL		
Equity Share of Rs. 10/- each		
At the beginning of the period	100,000	100,000
At the end of reporting period	100,000	100,000

(i) Number of shares held by each shareholder holding more than 5% shares

	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2016
	No. of Shares	Percentage	No. of Shares	Percentage
GMR Enterprises Private Limited	5,100	51.00%	5,100	51.00%
Mr. Srinivas Bommidala (1 share is held as Nominee to GMR Enterprises Private Limited)	1,201	12.00%	1,201	12.00%
Mr. G M. Rao	1,300	13.00%	1,300	13.00%
Mr. G B S Raju	1,200	12.00%	1,200	12.00%
Mr. G Kiran Kumar	1,200	12.00%	1,200	12.00%

(ii) The company has only one class of ordinary equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

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

3 RESERVES AND SURPLUS

	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
Profit and Loss Account		
Opening Balance	(16,095,049)	(595,751)
Add: Loss for the period	(1,815,691)	(15,499,298)
	(17,910,740)	(16,095,049)



4	TRADE PAYABLE	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	GMR Enterprises Pvt. Ltd	500,000	500,000
	Mandeep Kapur & Associates	-	35,618
	Mansihar Sales Corpn	90	90
	MGS Advisors Private Limited	34,500	15,675
	Expenses Payable	25,000	628,580
		<u>559,590</u>	<u>1,179,963</u>
5	UNSECURED LOAN	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	Grandhi Enterprises Private Limited	19,041,507	22,285,336
		<u>19,041,507</u>	<u>22,285,336</u>
6	OTHER CURRENT LIABILITIES	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	TDS- Interest	171,278	65,037
	TDS- Contractor	-	5,700
	TDS- Professional	-	315
		<u>171,278</u>	<u>71,052</u>
7	CASH AND CASH EQUIVALENTS	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	Balance with Bank		
	- in Cash	11,374	56,462
	- in current accounts	423,846	2,074,180
		<u>435,220</u>	<u>2,130,642</u>
8	INCOME ACCRUED BUT NOT BILLED	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	Income accrued but not billed	-	3,500,000
		<u>-</u>	<u>3,500,000</u>
9	SHORT TERM LOAN AND ADVANCES	As at 31.03.2017 Rupees	As at 31.03.2016 Rupees
	TDS Receivable -FY 2015-16	80,150	74,350
	Krishi Kalyan Cess	3,418	-
	CENVAT BALANCE	1,442,847	1,836,310
		<u>1,526,415</u>	<u>1,910,660</u>



10	INCOME		
	Sponsorship Receipts	-	7,000,000
		<u>-</u>	<u>7,000,000</u>
	EXPENSES		
		As at 31.03.2017	As at 31.03.2016
		Rupees	Rupees
11	Operating Expenses		
	Franchisee Fee's	-	5,000,000
	Event expenses	-	279,014
	Player's Fees - Foreign	-	7,460,000
	Player's Fees - Indian	-	7,536,667
	Insurance	-	119,000
		<u>-</u>	<u>20,394,681</u>
12	Other Expenses		
	Advertisement	-	135,000
	Audit Fees	25,000	25,000
	Bank Charges	402	28,738
	Business Promotion	688	6,729
	Interest on TDS	2,927	-
	Medical Expenses	-	10,233
	Travelling Expenses	-	362,018
	Photography Charges	-	42,000
	Printing & Stationery	-	3,107
	Rates & Taxes	2,582	198,096
	Filing Fees	-	1,374
	Professional Charges	72,550	590,949
	Website Maintenance	1,357	51,000
		<u>105,506</u>	<u>1,454,244</u>
13	Finance Chargs		
		As at 31.03.2017	As at 31.03.2016
		Rupees	Rupees
	Grandhi Enterprises Pvt Limited	1,712,785	650,373
		<u>1,712,785</u>	<u>650,373</u>
14	Contingent Liabilities		
	There is no Contingent Liability as on March 31, 2017		



15 Earning per share:

Particulars	Year ended	Year ended
	31-Mar-17	31-Mar-16
	Rs.	Rs.
Profit for the Period (Rs.) (A)	(1,815,691)	(15,499,298)
Number of Equity shares of Rs. 10 each fully paid up at the beginning of the period	10,000	10,000
Number of Equity shares of Rs. 10 each fully paid up at the end of the period	10,000	10,000
Weighted average number of equity shares for the period (B)	10,000	10,000
Basic/Diluted Earning per share (Rs.) (A/B)	(181.57)	(1,549.93)
Face value per share (Rs.)	Rs. 10/-	Rs. 10/-

16 Specified Bank Notes Disclosure (SBN's)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	Amount in INR		
	SBNs	ODNs	Total
Closing cash on hand as on 08 Nov 2016	55,000	1,374	56,374
(+) Non Permitted receipts -	-	-	-
(+) Permitted receipts -	-	10,000	10,000
(-) Permitted payments -	-	-	-
(-) Amounts Deposited in Banks	55,000	-	55,000
Closing cash on hand as on 30 Dec 2016	-	11,374	11,374

17 Related Party Transactions:

a) Name of Related Parties and description of relationship:

Enterprises that control the Company /Holding Company

Subsidiary Companies

Fellow Subsidiary Companies / Subsidiaries of

Holding Company/Associate Companies

(Where transaction taken place)

Enterprises where significant influence exists

Key Management Personnel and their Relatives

GMR Enterprises
Private Limited

GMR Enterprises
Private Limited

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

b) Name of Related Parties and description of relationship:

Natures of the Transactions/Name of the Company

Loans received / GMR Enterprises Private Limited

Holding Company

Holding Company

Nil (500000)

Nil (500000)

Previous year figures are mentioned in brackets

18 Previous period's figures have been regrouped/ rearranged wherever necessary in order to make it comparable with the current period figures

Place New Delhi
Date: 6th September 2017



For and on behalf of the Board of Directors
of GMR League Games Private Ltd

I.V. Srinivasa Rao *Chakka Srinivasa Rao*
I.V. Srinivasa Rao Chakka Srinivasa Rao
Director Director
DIN:01541362 DIN:03497034