

AUDITORS' REPORT

TO THE MEMBERS OF GMR HYDERABAD AVIATION SEZ LIMITED

1. We have audited the attached Balance sheet of M/s. **GMR Hyderabad Aviation SEZ Limited** ('the Company') as at 31st March 2011, Profit and Loss Account and also the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 and based on such checks as we considered appropriate and according to the information and explanations given to us, we state our comments on the matters specified in paragraphs 4 and 5 of the said order in the Annexure enclosed.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have 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 appears from our examination of the books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956; and
- f. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011;
 - (ii) In the case of the Profit and Loss Account, of profit for the period ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the Cash Flow for the period ended on the date.

For **Brahmayya & Co.,**
Firm Reg No.:000515S
Chartered Accountants

Sd/-
G. Srinivas
Partner
Membership No.:086761

Place : Bangalore
Date : 21th May, 2011

Annexure to Auditors' Report

Referred to in paragraph 3 of our report of even date

- i) (a) The Company has maintained proper records showing full Particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have been physically verified by the management during the period as per programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the period, in our opinion, the Company has not disposed off any major part of fixed assets and there by does not affects the going concern status of the Company.
- ii) The activities of the Company did not involve purchase of inventory and sale of goods during the period covered under in our report and accordingly, clauses (ii)(a), ii(b) and iii(c) of paragraph 4 of the Order are not applicable to the Company for the period.
- iii) (a) The Company has neither granted nor taken any loans, secured or unsecured, to/from any company, firm or other parties listed in the Register maintained under section 301 of the Act. Accordingly, clauses (iii) (b), (iii) (c), (iii) (d), (iii) (e), (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable for the period.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of Services. The activities of the Company did not involve purchase of inventory and sale of goods during the period covered in our report. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.
- v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, there are no contracts or arrangements referred to in section 301 of the act during the period to be entered in the register required to be maintained under that section. Accordingly, clause (v) of paragraph 4 of the Order is not applicable to the Company for the period.
- vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public; as such the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, do not apply.

- vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii) The Central Government has not prescribed the maintenance of Cost Records under section 209 (1) d of the Companies Act, 1956 for the services rendered by the Company. Accordingly, clause (viii) of the paragraph 4 of the Order is not applicable.
- ix) (a) According to the information and explanations given to us and according to the records as produced and examined by us, In our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues to the extent applicable to it. There are no arrears of outstanding statutory dues as at 31st March, 2011 for a period of more than six months from the date they became payable.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

- (b) According to the records of the Company and information and explanations given to us, there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty/Cess which have not been deposited on account of dispute;
- x) As the Company is registered for a period less than five years, clause (x) of paragraph 4 of the Order is not applicable to the Company for the period.
- xi) Based on our audit procedures and According to the information and explanations given to us, we are of the opinion that Company has not defaulted in repayment of dues to the financial institutions/ banks. The Company has not issued any debentures.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause (xii) of paragraph 4 of the Order is not applicable for the period.
- xiii) In our opinion and according to the information and explanation given to us, the Company is not a Chit Fund / Nidhi / Mutual Benefit Fund / Society. Accordingly, clause (xiii) of paragraph 4 of the Order is not applicable.

- xiv) In our opinion and according to explanations given to us, the Company is not a dealer or a trader in Securities. Accordingly, clause (xiv) of paragraph 4 of the Order is not applicable.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, clause (xv) of paragraph 4 of the Order is not applicable for the period.
- xvi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xvii) Based on the information and explanations given to us and an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investment.
- xviii) The company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. According to the information and explanations given to us, the price at which shares have been issued is not prejudicial to the interest of the Company.
- xix) The Company has not issued debentures during the period and accordingly, clause (xix) of paragraph 4 of the Order is not applicable for the period.
- xx) The Company has not raised any money by public issues during the period and accordingly, clause (xx) of paragraph 4 of the Order is not applicable for the period.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of the fraud on or by the Company, noticed or reported during the period, nor have we been informed of such case by the management.

For **Brahmayya & Co.,**
Firm Reg No.:000515S
Chartered Accountants

Sd/-
G. Srinivas
Partner
Membership No.:086761

Place : Bangalore
Date : 21st May, 2011

GMR HYDERABAD AVIATION SEZ LIMITED
Balance Sheet as at March 31, 2011

(Amount in Rupees)

	Schedule Ref.	As at	As at
		March 31, 2011	Dec 31, 2009
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Capital	1	19,000,000 ✓	500,000
b) Reserve and Surplus	2	6,256,260 ✓	-
2. Share application money, pending allotment		44,000,000 ✓	4,000,000
3. Deferred Tax Liability		1,506,722 ✓	-
4. Loan Funds			
Unsecured Loans	3	51,397,775 ✓	-
Total		122,160,757	4,500,000
II. APPLICATION OF FUNDS			
1. Fixed Assets	4		
a) Gross Block		51,397,775 ✓	-
b) Accumulated Depreciation		(1,287,150)	-
c) Net Block		50,110,625	-
d) Capital Work in progress including Capital advances		117,668,855	2,655,443
		167,779,480	2,655,443
2. Current Assets, Loans and Advances			
Loans and Advances	5	795,423	-
Debtors	6	45,056	-
Cash and Bank Balances	7	14,479,353 ✓	26,744
		15,319,832	26,744
Less: Current Liabilities and Provisions			
a) Current Liabilities	8	60,938,555 ✓	159,712
		60,938,555	159,712
Net Current Assets		(45,618,723)	(132,968)
3. Profit and Loss Account (Debit Balance)		-	1,977,525
Total		122,160,757	4,500,000
Significant Accounting Policies and Notes to Accounts	14		

The Schedules referred to above and the notes to accounts form an integral part of the Balance Sheet.

This is the Balance sheet referred to in our report of even date.

For Brahmaya & Co.,
Firm Registration No.: 000515S
Chartered Accountants

For and on behalf of the Board of Directors of
GMR HYDERABAD AVIATION SEZ LIMITED

Sd/-
G. Srinivas
Partner
Membership No. 086761
Place : Bangalore
Date : May 21, 2011

Sd/-
Vikram Jaisinghani
Director
Place : Hyderabad
Date : May 21, 2011

Sd/-
G. Radhakrishna Babu
Director
Place : Hyderabad
Date : May 21, 2011

GMR HYDERABAD AVIATION SEZ LIMITED
Profit and Loss account for the period ended March 31, 2011

(Amount in Rupees)

Particulars	Schedule Ref.	For the period ended	For the year ended
		March 31, 2011	Dec 31, 2009
I. Income			
Income from Operations	9	27,544,201	-
Other Income	10	338,599	-
Total Income		27,882,800	-
II. Expenditure			
Concession Fee		6,113,180	-
Administrative Expenses	11	8,298,620	1,862,038
Finance and other Charges	12	18,785	1,429
Depreciation	4	1,287,150	-
Total Expenses		15,717,735	1,863,467
Profit / (Loss) Before Tax and Prior Period Items		12,165,065	(1,863,467)
Prior Period Items	13	-	113,523
Profit / (Loss) Before Tax and after Prior Period Items		12,165,065	(1,976,990)
III. Provision for Tax			
Fringe Benefit Tax		-	535
Current Tax		2,424,558	-
Deferred Tax		1,506,722	-
Profit / (Loss) After Tax		8,233,785	(1,977,525)
Add: Balance in Profit and Loss Account brought forward from previous year		(1,977,525)	-
IV. Profit / (Loss) Carried forward to Balance Sheet		6,256,260	(1,977,525)
Earnings Per Share (Rs.) - Basic & Diluted			
Refer Note II (8) of Schedule 6		5.37	(35.91)
Significant Accounting Policies and Notes to Accounts	14		

The Schedules referred to above and the notes to accounts form an integral part of the profit and loss account.

This is the Profit and Loss Account referred to in our report of even date.

For **Brahmayya & Co.**,
Firm Registration No.: 000515S
Chartered Accountants

For and on behalf of the Board of Directors of
GMR HYDERABAD AVIATION SEZ LIMITED

Sd/-
G. Srinivas
Partner
Membership No. 086761
Place : Bangalore
Date : May 21, 2011

Sd/-
Vikram Jaisinghani
Director
Place : Hyderabad
Date : May 21, 2011

Sd/-
G. Radhakrishna Babu
Director
Place : Hyderabad
Date : May 21, 2011

GMR HYDERABAD AVIATION SEZ LIMITED
Schedules forming part of Balance Sheet as at March 31, 2011

(Amount in Rupees)

SCHEDULE - 1	As at March 31, 2011	As at Dec 31, 2009
Capital		
Authorised 25,000,000 (Previous year : 25,000,000) Equity Shares of Rs 10/- each	250,000,000	250,000,000
Issued, Subscribed and Paid-up 1,900,000 (Previous year : 50,000) Equity Shares of Rs 10/- each fully paid up	19,000,000	500,000
	19,000,000	500,000
(Above shares are held by Holding company-GMR Hyderabad International Airport Limited and its nominees)		

(Amount in Rupees)

SCHEDULE - 2	As at March 31, 2011	As at Dec 31, 2009
Reserve and Surplus		
Profit and Loss Account	6,256,260	-
	6,256,260	-

(Amount in Rupees)

SCHEDULE - 3	As at March 31, 2011	As at Dec 31, 2009
Unsecured Loans		
Unsecured Loan from Holding Company	51,397,775	-
	51,397,775	-

GMR HYDERABAD AVIATION SEZ LIMITED

Schedules forming part of Balance Sheet as at March 31, 2011

Schedule 4-Fixed Asset

Description	Gross Block			Depreciation			Net Block			
	As at Jan 1, 2010	Additions	Withdrawals	As at March 31, 2011	As at Jan 1, 2010	For the period	Withdrawals	As at March 31, 2011	As at March 31, 2011	As at Dec 31, 2009
Buildings	-	40,296,818		40,296,818	-	896,046		896,046	39,400,772	-
Electrical Installations	-	4,774,637		4,774,637	-	150,990		150,990	4,623,647	-
Plant & Machinery	-	5,726,406		5,726,406	-	181,088		181,088	5,545,318	-
Office Equipment	-	74,913		74,913	-	2,369		2,369	72,544	-
IT Systems	-	525,001		525,001	-	56,657		56,657	468,344	-
Total	-	51,397,775	-	51,397,775	-	1,287,150	-	1,287,150	50,110,625	-
Capital Work-in-Progress	2,655,443								117,668,855	2,655,443
December 31, 2009	-	-	-	-	-	-	-	-	-	-

Note :

- a) Capital Work in Progress includes Capital Advance of Rs. 12,985,204 (December 2009: Rs. Nil)
b) Refer Note II (6) of Schedule 14

GMR HYDERABAD AVIATION SEZ LIMITED
Schedules forming part of Balance Sheet as at March 31, 2011

(Amount in Rupees)

SCHEDULE - 5	As at March 31, 2011	As at Dec 31, 2009
Loans and Advances		
Loans and Advances Receivable in Cash or in Kind	436,251	-
Advance Tax (net of Provision for tax)	359,172	-
	795,423	-

(Amount in Rupees)

SCHEDULE - 6	As at March 31, 2011	As at Dec 31, 2009
Sundry Debtors		
Sundry Debtors	45,056	-
	45,056	-

(Amount in Rupees)

SCHEDULE - 7	As at March 31, 2011	As at Dec 31, 2009
Cash and Bank Balances		
Balances with Scheduled Bank		
- in Current Account	14,479,353	26,744
	14,479,353	26,744

(Amount in Rupees)

SCHEDULE - 8	As at March 31, 2011	As at Dec 31, 2009
Current Liabilities		
Sundry Creditors		
- Due to Micro, small and Medium Enterprises*	59,444,275	154,197
- Others	1,494,280	5,515
Other Liabilities		
	60,938,555	159,712
*Refer Note II (11) of Schedule 6		

GMR HYDERABAD AVIATION SEZ LIMITED

Schedules forming part of Profit and Loss account for the period ended March 31, 2011

(Amount in Rupees)

SCHEDULE - 9	For the period ended March 31, 2011	For the year ended Dec 31, 2009
Income from Operations		
Lease Rental	27,544,201	
	27,544,201	-

(Amount in Rupees)

SCHEDULE - 10	For the period ended March 31, 2011	For the year ended Dec 31, 2009
Other Income		
Other Income	338,599	-
	338,599	-

GMR HYDERABAD AVIATION SEZ LIMITED

Schedules forming part of Profit and Loss account for the period ended March 31, 2011

(Amount in Rupees)

SCHEDULE - 11	For the period ended March 31, 2011	For the year ended Dec 31, 2009
Administrative Expenses		
Rent	271,171	-
Rates and taxes	110,228	17 16 600
Consultancy Expenses	90,849	4 500
Travel Expenses	1,633,650	85 770
Communication Exp	258,069	-
Electricity Charges	126,071	-
Water Charges	455	-
Remuneration to Auditors		
- Audit Fees	137,875	55 150
Printing & Stationery	172,074	-
Repairs and Maintenance	433,287	-
Business Promotion	5,040,562	-
Miscellaneous Expenses	24,329	18
	8,298,620	1,862,038

(Amount in Rupees)

SCHEDULE - 12	For the period ended March 31, 2011	For the year ended Dec 31, 2009
Finance and other Charges		
Finance Charges	17,576	-
Bank Charges	1,209	1,429
	18,785	1,429

(Amount in Rupees)

SCHEDULE - 13	For the period ended March 31, 2011	For the year ended Dec 31, 2009
Prior Period Expenses		
Rates and taxes	-	1,893
Consultancy Expenses	-	18,250
Remuneration to Auditors	-	66,386
Printing & Stationery	-	3,244
Miscellaneous Expenses	-	1,000
Preliminary Expenses	-	22,750
	-	113,523

GMR HYDERABAD AVIATION SEZ LIMITED

SCHEDULE -14

Significant Accounting Policies and Notes to the Accounts

Description of Business

The Company was incorporated on 4th December, 2007 as a wholly owned subsidiary of GMR Hyderabad International Airport Limited. The main objective of the company is to carry on the business of Development of Infrastructure for Special Economic Zone including planning, designing, operating and marketing Aviation Sector related Special Economic Zone.

1. Significant Accounting Policies

1. The financial statements are prepared in accordance with the historical cost convention and to comply in all material aspects with the applicable accounting principles in India, the accounting standards notified under sub-section (3C) of Section 211 of the Companies Act, 1956 of India (the 'Act') and the other relevant provisions of the Act.

2. Revenue Recognition

The company recognises revenue on accrual basis as per the terms of the agreement and on the basis of services rendered.

3. Earnings per Share

The earnings considered in ascertaining the Company's Earnings per Share(EPS) comprised the net profit/(loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued to the conversion of all dilutive potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.

4. Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised on timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are computed on the timing differences applying the enacted 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 evidence that sufficient future tax income will be available against which such deferred tax assets can be realised.

GMR HYDERABAD AVIATION SEZ LIMITED

SCHEDULE -14

Significant Accounting Policies and Notes to the Accounts

II. Notes to Accounts

1. (a) Contingent Liabilities : Rs.Nil

(b) Capital commitments :

Estimated value of contracts remaining to be executed on capital account, not provided for (Net of Advances) Rs.315,485,673 (2009 - Rs.NIL)

2. The financial statements for the period ended March 31, 2011 is for fifteen months period from January 1, 2010 to March 31, 2011 and previous financial statements of the company was for the twelve months period ended December 31, 2009. The figures disclosed in the profit and loss account for the current period ending March 31, 2011 are not comparable with previous year as current period figures are for fifteen months as against the twelve months figures for the year ending December 31, 2009.

3. The company has got an area of 100 hectares notified as Aviation SEZ by the Central Government of India through Notification no. 2637 dated 20th Oct 2009 and approval letter no. F -1/12 /2007-SEZ dated 3rd March 2010. The company has also entered into a Land Lease agreement with GMR Hyderabad International Airport Ltd. for Land on which SEZ is being set up by the Company.

4. The Company does not have any employees in its payroll. Accordingly, the Company does not have any obligation towards any Defined Benefit Plan or any Defined Contribution Plan as per Accounting Standard (AS) 15 (revised 2005) - Employee Benefits.

5. The Company is in the business of Development of Infrastructure for Special Economic Zones, which in the context of Accounting Standard 17 "Segment Reporting", notified under section 211 (3C) of the Companies Act, 1956 is considered as the only segment. Hence, reporting under the requirements of the said standard does not arise.

6. Capital work in progress consists of following:

Particulars	Up to and as at March 31, 2011	Up to and as at Dec 31, 2009
Capital Work In Progress		
Consultancy Expenses	45,119,642	2,355,443
Rates and Taxes	14,874,419	300,000
Leasehold Improvement works	44,689,590	-
Capital Advances	12,985,204	-
	117,668,855	2,655,443

7. Details of transactions with Related Parties

A) Enterprises where control exists

(i) Holding Company	GMR Hyderabad International Airport Limited (GHIAL)
(ii) Holding company's Holding Company	GMR Infrastructure Limited (GIL)
(iii) Ultimate Holding Company	GMR Holdings Private Limited (GHPL)
(iv) Fellow Subsidiaries	Hyderabad Menzies Air Cargo Private Limited GMR Hyderabad Airport Resource Management Limited GMR Hyderabad Aerotropolis Limited Hyderabad Airport Security Services Limited GMR Hyderabad Multiproduct SEZ Limited GMR Airport Handling Services Company Limited Hyderabad Duty Free Retail Limited GMR Hotels & Resorts Limited
(v) Fellow Subsidiary of Holding Company	GMR Krishnagiri SEZ Ltd.

GMR HYDERABAD AVIATION SEZ LIMITED

SCHEDULE -14

Significant Accounting Policies and Notes to the Accounts

B) Disclosure of transactions between the company and related parties and outstanding balances as at the period end:

(Amount in Rupees)

Related Party Transactions	Period ended	Year ended
	March 31, 2011	Dec 31, 2009
Holding Company - GMR Hyderabad International Airport Limited		
Share Capital allotted	18,500,000	-
Share Application Money Received	44,000,000	4,000,000
Unsecured Loan Repaid	-	5,000
Services Received	6,773,519	-
Purchase of Assets	<u>51,397,775</u>	-
Reimbursement of Expenses incurred on behalf of the company	<u>41,817,438</u>	-
Fellow Subsidiary - GMR Hotels and Resorts Limited		
Services Received	82,146	-
Fellow Subsidiary of Holding Company- GMR Krishnagiri SEZ Limited		
Reimbursement of Expenses incurred on behalf of the company	-	54,310
Balance payable /(recoverable)		
Holding Company -		
Share Application Money	44,000,000	4,000,000
Lease Rental and others	44,875,448	-
Unsecured Loan	51,397,775	-

8. Earnings Per Share (EPS)

(Amount in Rupees)

Particulars	Period ended	Year ended
	March 31, 2011	Dec 31, 2009
a. Profit/(loss) after tax	8,233,785	(1,977,525)
b. Weighted average number of Equity Shares of Rs. 10 each	1,534,066	55,068
c. Earnings per share- Basic *	5.37	(35.91)

* EPS for the period ended 31st March, 2011 is for 15 months as against 12 months for the year ended 31st Dec, 2009.

9. Auditors Remuneration:

(Amount in Rupees)

	Period ended	Year ended
	March 31, 2011	Dec 31, 2009
Audit Fee	110,300	55,150
Other Services	27,575	11,236
	137,875	66,386

GMR-HYDERABAD AVIATION SEZ LIMITED

SCHEDULE -14

Significant Accounting Policies and Notes to the Accounts

10. The Company has recognised the deferred tax liability on timing differences arising on account of depreciation as at March 31, 2011, as per the requirements of Accounting Standard (AS) 22 Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India.

Major components of Deferred Tax Asset / Liability:

Particulars	As at March 31, 2011	As at Dec 31, 2009
Deferred Tax Liability:		
Written down value of Fixed Assets as per Companies Act	50,110,625	-
Less : Written down value of Fixed Assets as per Income Tax Act	45,466,700	-
Total	4,643,925	-
Deffered Tax Liability	1,506,722	-
Deferred Tax Asset:		
a. Brought forward unabsorbed Depreciation Loss	-	-
b. Brought forward unabsorbed Business Loss	-	-
Total	-	-
Deffered Tax Asset	-	-
Net Deferred Tax Liability	1,506,722	-

11. Based on the information available with the company, there are no micro, small and medium enterprises to whom the company has paid interest or any interest payable on outstandings (under the provisions of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006) during the period ending March 31, 2011.
12. Additional Information pursuant to paragraphs 3, 4, 4-C and 4-D of part - II of Schedule VI to the Companies Act, 1956 to the extent either "Nil" or "Not Applicable" has not been furnished.
13. Previous year figures have been regrouped and reclassified, wherever necessary, to confirm to those of the current period.

For **Brahmayya & Co.,**
Firm Registration No.: 000515S
Chartered Accountants

Sd/-
G. Srinivas
Partner
Membership No. 086761
Place : Bangalore
Date : May 21, 2011

For and on behalf of the Board of Directors of
GMR HYDERABAD AVIATION SEZ LIMITED

Sd/-
Vikram Jaisinghani
Director

Place : Hyderabad
Date : May 21, 2011

Sd/-
G. Radhakrishna Babu
Director

Place : Hyderabad
Date : May 21, 2011

GMR HYDERABAD AVIATION SEZ LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2011

(Amount in Rupees)

	For the period ended March 31, 2011	For the year ended Dec 31, 2009
A. CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES		
Net Profit Before Tax and Extra Ordinary Items	12,165,065	(1,976,990)
Add: Prior period expenses	-	113,523
Add: Depreciation	1,287,150	-
Operating Profit / (loss) before working capital changes	13,452,215	(1,863,467)
Adjustment for :		
(Increase) / Decrease in Sundry Debtors	(45,056)	-
(Increase) / Decrease in Loans and Advances	(436,250)	-
Increase / (Decrease) in Current Liabilities and Provisions	7,765,775	46,189
Cash generated from Operations	20,736,684	(1,817,278)
Taxes Paid	(2,783,730)	(535)
Net Cash generated / (used) in Operating Activities	17,952,954	(1,817,813)
B. CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES		
Capital Work In Progress	(62,000,344)	(2,655,443)
Purchase of Fixed Assets	(51,397,775)	-
Net Cash used in Investing Activities	(113,398,120)	(2,655,443)
C. CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	18,500,000	-
Repayment of Unsecured Loan	-	(5,000)
Proceeds from Share Application Money	40,000,000	4,000,000
Proceeds from Unsecured Loan	51,397,775	-
Net Cash generated / (used) in Financing Activities	109,897,775	3,995,000
Net increase in Cash and Cash Equivalents	14,452,609	(478,256)
Cash and Cash Equivalents at the Beginning of the Period	26,744	505,000
Cash and Cash Equivalents at the End of the Period	14,479,353	26,744
Notes:		
1. The above cash flow statement has been prepared under the ' Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.		

For Brahmaya & Co.,
Firm Registration No.: 000515S
Chartered Accountants

For and on behalf of the Board of Directors of
GMR HYDERABAD AVIATION SEZ LIMITED

Sd/-
G. Srinivas
Partner
Membership No. 086761
Place : Bangalore
Date : May 21, 2011

Sd/-
Vikram Jaisinghani
Director

Sd/-
G. Radhakrishna Babu
Director

Place : Hyderabad
Date : May 21, 2011

Place : Hyderabad
Date : May 21, 2011

GMR HYDERABAD AVIATION SEZ LIMITED

Balance Sheet Abstract And Company's General Business Profile

1 Registration Details			
Registration No.	U45209AP2007PLC056527	State Code	01
Balance Sheet Date	March 31, 2011		
2 Capital Raised during the year (Amount in Rs. Thousands)			
Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
3 Position of Mobilisation and Development of Funds (Amount in Rs. Thousands)			
Total Liabilities	1,22,161	Total assets	1,22,161
Sources of Funds			
Paid - Up Capital	19,000	Share Application Money	44,000
Reserves & Surplus	6,256	Unsecured Loans	51,398
Secured Loans	Nil	Deferred Tax Liability	1,507
Application of Funds			
Net Fixed Assets	1,67,780	Investments	Nil
Net Current Assets	-45,619	Misc. Expenditure	Nil
Accumulated Losses	0		
4 Performance of company (Amount in Rs. Thousands)			
Total Income	27,883	Total Expenditure	18,142
5 Generic Names of Three Principal Products / Services of Company (as per monetary terms)			
Item Code No.	N.A		
Product Description	N.A		

For and on behalf of the Board of Directors of
GMR HYDERABAD AVIATION SEZ LIMITED

Sd/-
Vikram Jaisinghani
Director

Sd/-
G. Radha Arisana Babu
Director

Place : Hyderabad
Date : May 21, 2011

Place : Hyderabad
Date : May 21, 2011