

Schedules forming part of Balance Sheet as at March 31, 2006

(Amount in Rupees)

Schedule 1	March 31, 2006	March 31, 2005
<b>CAPITAL</b>		
<b>Authorised</b>		
400,000,000 (2005 : 175,000,000) Equity shares of Rs.10/- each	4,000,000,000	1,750,000,000
Nil (2005: 3,000,000) Preference Shares of Rs.100/- each	–	300,000,000
	<b>4,000,000,000</b>	<b>2,050,000,000</b>
<b>Issued , Subscribed &amp; Paid up</b>		
264,436,814 (2005 - 158,662,091) Equity Shares of Rs.10 each fully paid up	2,644,368,140	1,586,620,910
(Out of the above, 264,435,651 (2005 : 158,661,391) Equity Shares fully paid up are held by the holding company, GMR Holdings Private Limited)		
(Out of the above, 105,774,723 (2005 : Nil) Equity Shares of Rs.10 each were allotted as fully paid up by way of bonus shares by capitalising free reserves of the company.)		
<b>Total</b>	<b>2,644,368,140</b>	<b>1,586,620,910</b>

(Amount in Rupees)

Schedule 2	March 31, 2006	March 31, 2005
<b>RESERVES AND SURPLUS</b>		
<b>Share Premium</b>		
At the commencement of the year	552,993,384	552,993,384
Less : Utilised for issue of bonus shares	552,993,384	–
(i)	–	<b>552,993,384</b>
<b>Debenture Redemption Reserve</b>		
At the commencement of the year	400,000,000	30,000,000
Add: Transfer from Profit and Loss Account	37,500,000	370,000,000
(ii)	<b>437,500,000</b>	<b>400,000,000</b>
<b>Capital Redemption Reserve</b>		
At the commencement of the year	185,000,000	–
Add: Transfer from Profit and Loss Account	–	185,000,000
Less : Utilised for issue of bonus shares	185,000,000	–
(iii)	–	<b>185,000,000</b>
<b>General Reserve</b>		
At the commencement of the year	–	–
Add: Transfer from Special Reserve	220,441,300	–
Less : Utilised for issue of bonus shares	220,441,300	–
(iv)	–	–
<b>Special Reserve (under Section 45 IC of the RBI Act, 1934)</b>		
At the commencement of the year	220,441,300	220,441,300
Less : Transfer to General Reserve	220,441,300	–
(v)	–	<b>220,441,300</b>
Balance in Profit and Loss Account	<b>602,903,573</b>	<b>384,261,309</b>
(vi)		
<b>Total (i) + (ii) + (iii) + (iv) + (v) + (vi)</b>	<b>1,040,403,573</b>	<b>1,742,695,993</b>



## Schedules forming part of Balance Sheet as at March 31, 2006

(Amount in Rupees)

Schedule 3	March 31, 2006	March 31, 2005
<b>SECURED LOANS</b>		
<b>Debentures</b>		
Secured Redeemable Non-Convertible Debentures of Rs.100 each (Out of the above, debentures amounting to Rs.16,250,000 bear interest at the rate of 10% per annum (14% upto March 31, 2004) and debentures amounting to Rs.30,000,000 bear interest at the rate of 10% per annum (14% upto December 31, 2004). These debentures are redeemable in 20 equal quarterly installments from October 1, 2002)	46,250,000	83,250,000
Secured Redeemable Non-Convertible Debentures of Rs.100 each (These debentures bear interest at the rate of 10% per annum and are redeemable in 4 equal annual installments from January 8, 2005)	60,000,000	90,000,000
Secured Redeemable Non Convertible Debentures of Rs.100 each (These debentures bear interest at the rate of 10% per annum and are redeemable in 4 equal annual installments from February 4, 2005)	32,500,000	48,750,000
[The above debentures are secured, on pari passu basis, by the first charge through hypothecation of all movable and immovable properties of the Company, both present and future, pledge of equity shares of the Company held by promoter shareholders and their associates		
Secured Redeemable Non Convertible Debentures of Rs.100,000 each (These debentures bear interest at the rate of 9% per annum (12% upto June 30, 2004). These debentures are redeemable in 10 equal semi annual installments from December 1, 2003)	300,000,000	420,000,000
(Secured, by the hypothecation of immovable property of the Company, pledge and by the exclusive first charge on dividends to be declared / received by the company on 48,000,000 (2005 : 69,209,325) equity shares in GMR Energy Limited)		
Secured Redeemable Non-Convertible Debentures of Rs.1,000,000 each (These debentures bear interest at the rate of 8.9% per annum (7.9% upto September 30, 2005)	1,100,000,000	1,250,000,000
Secured Redeemable Non-Convertible Debentures of Rs.1,000,000 each (These debentures bear interest at the rate of 8.71% per annum (7.9% upto September 30, 2005)	220,000,000	250,000,000
(The above debentures are secured by immovable property of the Company, pledge of 41,253,000 Shares of the Company held by the promoter shareholders and other third party securities. These debentures are redeemable in 10 annual instalments from September 30, 2005.		
<b>Others</b> (Secured by hypothecation of the vehicle)	109,836	329,508
<b>Total</b>	<b>1,758,859,836</b>	<b>2,142,329,508</b>

(Amount in Rupees)

Schedule 4	March 31, 2006	March 31, 2005
<b>UNSECURED LOANS</b>		
From Banks - Short Term	549,491,266	537,241,270
Interest Accrued and due	74,000	-
From Other Bodies Corporate	518,000,000	-
Interest Accrued and due	66,043	-
<b>Total</b>	<b>1,067,631,309</b>	<b>537,241,270</b>



Schedules forming part of Balance Sheet as at March 31, 2006

Schedule 5

FIXED ASSETS

(Amount in Rupees)

Description	Gross Block			Depreciation			Net Block	
	As At March 31, 2005	Additions	Deletions	As At March 31, 2005	For the year	On Deletions	As At March 31, 2006	As At March 31, 2005
Freehold Land	835,700	-	-	-	-	-	835,700	835,700
Office Equipment	14,787,965	321,460	1,104,438	6,216,913	1,772,411	558,711	6,574,374	8,571,052
Furniture and Fixtures	6,738,408	-	341,318	3,057,560	315,388	150,321	3,174,463	3,680,848
Vehicles	932,075	-	-	339,777	88,398	-	503,900	592,298
<b>Total</b>	<b>23,294,148</b>	<b>321,460</b>	<b>1,445,756</b>	<b>9,614,250</b>	<b>2,176,197</b>	<b>709,032</b>	<b>11,081,415</b>	<b>13,679,898</b>
Previous Year	24,054,286	21,632	781,770	7,588,934	2,545,998	520,682	9,614,250	-



## Schedules forming part of Balance Sheet as at March 31, 2006

(Amount in Rupees)

Schedule 6	March 31, 2006	March 31, 2005
<b>INVESTMENTS - LONG TERM</b>		
<b>Other than Trade - Quoted</b>		
Mega Corporation Limited [Nil (2005 : 2,088,500) Equity Shares of Re. 1 each fully paid up]	–	9,189,400
N E Electronics Limited [Nil (2005 : 780,000) Equity Shares of Rs. 10 each fully paid up]	–	33,150,000
Sangam India Limited [Nil (2005 : 1,500) Equity Shares of Rs. 10 each fully paid up]	–	45,075
(i)	–	<b>42,384,475</b>
<b>Other than Trade - Unquoted</b>		
<b>A. In Equity Shares of Subsidiary Companies</b>		
GMR Energy Limited (276,826,898 Equity Shares of Rs.10 each fully paid up)	2,962,707,179	2,962,707,179
GMR Hyderabad International Airport Limited (36,995 Equity Shares of Rs.10 each fully paid up)	369,950	369,950
GMR Pochanpalli Expressways Private Limited (5,100 (2005 : Nil) Equity Shares of Rs.10 each fully paid up)	51,000	–
GMR Jadcherla Expressways Private Limited (5,100 (2005 : Nil) Equity Shares of Rs.10 each fully paid up)	51,000	–
GMR Tuni-Anakapalli Expressways Private Limited (100,000 Equity Shares of Rs.10 each fully paid up)	1,000,000	1,000,000
GMR Tambaram-Tindivanam Expressways Private Limited (1,00,000 Equity Shares of Rs.10 each fully paid up)	1,000,000	1,000,000
GMR Ambala Chandigarh Expressways Private Limited (4,800 (2005 : Nil) Equity Shares of Rs.10 each fully paid up)	48,000	–
<b>B. In Preference Shares of Subsidiary Companies</b>		
GMR Tuni-Anakapalli Expressways Private Limited 1,100,000 9% Preference Shares of Rs 100 each fully paid up	128,073,282	–
4,655,720 (2005 : 4,155,720) 9.5% Preference Shares of Rs.100 each fully paid up	472,492,806	415,572,000
GMR Tambaram-Tindivanam Expressways Private Limited 1,100,000 9% Preference Shares of Rs 100 each fully paid up	128,071,161	–
6,746,960 (2005 : 57,46,960) 9.5% Preference Shares of Rs 100 each fully paid up	688,537,611	574,696,000
<b>C. In Other Companies</b>		
Gateways for India Airports Private Limited (3,784 Equity Shares of Rs.10 each fully paid up)	37,840	37,840
Sri Varalakshmi Jute Twine Mills Private Limited (Nil (2005 : 4,000,000) Equity Shares of Rs.10 each fully paid up)	–	30,000,000
GMR Operations Private Limited (Nil (2005 : 2,450) Equity Shares of Rs100/-each fully paid up)	–	294,000
GVL Investments Private Limited (Nil (2005 : 5,127,500) Preference Shares of Rs.10 each fully paid up)	–	205,100,000
GMR Industries Limited (Nil (2005 : 20,695,580) Preference Shares of Rs.11 each)	–	190,399,336
(ii)	4,382,439,829	4,381,176,305
Total (i) + (ii)	4,382,439,829	4,423,560,780

\* Market Value of Quoted Investments - Nil (2005 - Rs. 91,994,000)



Schedules forming part of Balance Sheet as at March 31, 2006

(Amount in Rupees)

Schedule 7	March 31, 2006	March 31, 2005
<b>SUNDRY DEBTORS</b>		
(Unsecured, Considered good)		
a) Over six months old	-	-
b) Other Debts	287,894	10,408,948
<b>Total</b>	<b>287,894</b>	<b>10,408,948</b>

(Amount in Rupees)

Schedule 8	March 31, 2006	March 31, 2005
<b>CASH AND BANK BALANCES</b>		
Balances with Scheduled Banks		
- On Current accounts	18,802,361	432,730,219
- On Deposit accounts	-	674,586,944
- On Margin Money accounts	4,049,264	27,460,000
<b>Total</b>	<b>22,851,625</b>	<b>1,134,777,163</b>

(Amount in Rupees)

Schedule 9	March 31, 2006	March 31, 2005
<b>OTHER CURRENT ASSETS</b>		
(Unsecured, Considered good)		
Interest accrued but not due	52,346	1,091,409
Dividend receivable from subsidiary company	521,701,963	-
<b>Total</b>	<b>521,754,309</b>	<b>1,091,409</b>



## Schedules forming part of Balance Sheet as at March 31, 2006

(Amount in Rupees)

Schedule 10	March 31, 2006	March 31, 2005
<b>LOANS &amp; ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received:		
Considered good	60,257,019	31,600,460
Considered doubtful	28,676,000	–
Advance towards investments in subsidiary companies and other bodies corporate	1,530,042,000	753,167,000
Advance Income tax (net of provisions)	8,375,356	67,905,397
Advance Fringe Benefit Tax (net of provisions)	32,695	–
	<b>1,627,383,070</b>	<b>852,672,857</b>
Less: Provision for doubtful advance	28,676,000	–
<b>Total</b>	<b>1,598,707,070</b>	<b>852,672,857</b>

(Amount in Rupees)

Schedule 11	March 31, 2006	March 31, 2005
<b>CURRENT LIABILITIES</b>		
A) Liabilities		
Sundry Creditors		
Dues to small scale industrial undertakings	–	–
Dues to other than small scale industrial undertakings	11,851,988	2,897,466
Interest accrued but not due	10,446,722	14,904,023
Other Liabilities	1,132,654	6,887,567
	<b>23,431,364</b>	<b>24,689,056</b>
B) Provisions		
Provision for employee benefits	636,000	–
	<b>636,000</b>	<b>–</b>
<b>Total</b>	<b>24,067,364</b>	<b>24,689,056</b>



Schedules forming part of Profit and Loss Account for the year ended March 31, 2006

(Amount in Rupees)

Schedule 12	March 31, 2006	March 31, 2005
<b>OPERATING INCOME</b>		
Dividend Income	521,741,420	443,549,096
Profit/(Loss) on sale of investments (net)	52,645,090	2,428,873
<b>Total</b>	<b>574,386,510</b>	<b>445,977,969</b>

(Amount in Rupees)

Schedule 13	March 31, 2006	March 31, 2005
<b>OTHER INCOME</b>		
Interest received - Gross	9,130,735	18,077,105
[Tax Deducted at Source Rs.504,751 (2005 : Rs 2,763,000)]		
Gain on foreign exchange transactions	4,601,063	17,775,969
Service Income	12,500,000	22,958,802
Provisions/Liabilities no longer required, written back	12,384	36,673,585
Miscellaneous Income	12,240,455	21,721,264
<b>Total</b>	<b>38,484,637</b>	<b>117,206,725</b>

(Amount in Rupees)

Schedule 14	March 31, 2006	March 31, 2005
<b>ADMINISTRATION AND OTHER EXPENSES</b>		
Salaries, Allowances and Benefits to Employees	11,733,748	3,475,537
Contribution to Provident and other funds	551,591	262,327
Staff welfare expenses	4,400	5,013
Rent	986,377	975,775
Rates and Taxes	14,522,953	28,216,362
Repairs and Maintenance	50,015	448,197
Insurance	66,751	55,871
Directors' sitting fees	240,000	-
Consultancy and Professional Charges	10,746,513	17,368,763
Provision for Doubtful Advance	28,676,000	-
Remuneration to Auditors		
- Audit Fees	561,200	55,100
- Other Certifications	70,000	32,250
- Out of Pocket Expenses	83,499	36,663
Traveling and Conveyance	3,442,636	1,546,975
Fixed Assets Written off	736,724	219,622
Miscellaneous Expenses	1,139,462	1,564,654
<b>Total</b>	<b>73,611,869</b>	<b>54,263,109</b>

(Amount in Rupees)

Schedule 15	March 31, 2006	March 31, 2005
<b>FINANCE CHARGES</b>		
Interest on debentures	169,218,105	123,552,062
Interest on other fixed loans	24,524	108,145,005
Interest - Others	10,810,739	3,847,597
Bank/Other Finance Charges/Prepayment Premium	1,958,966	18,848,922
<b>Total</b>	<b>182,012,334</b>	<b>254,393,586</b>



## Schedule 16

### I. SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Accounting Assumptions

These accounts have been prepared under the historical cost convention on the basis of a going concern, with revenues recognised 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 issued by the Institute of Chartered Accountants of India.

#### 2. Revenue Recognition

The Company recognizes significant items of income and expenditure on accrual basis except in case of those with significant uncertainties. Dividends declared by subsidiary companies after the Balance Sheet date, are recognised as income in the year to which they relate if they are declared before the approval of the financial statements by the Board of Directors.

Income from management/technical services is recognised as per the terms of the agreement and on the basis of services rendered.

#### 3. Investments

Long term investments are valued at cost unless there is a permanent diminution in their value. Current investments are valued at cost or market value whichever is lower. Cost of acquisition is inclusive of expenditure incidental to acquisition. Income from investments is recognised in the year in which it is accrued and stated at gross.

#### 4. Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its working condition.

All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment (being the excess of carrying value over the recoverable value of the asset) is charged to the profit and loss account in the respective financial year. The impairment loss recognised in the prior years is reversed where the recoverable value exceeds the carrying value of the asset upon re-assessment in the subsequent years.

#### 5. Depreciation

Depreciation is provided on straight line method at the rates specified under Schedule XIV to the Companies Act, 1956 except for assets of less than Rs. 5,000, which are fully depreciated in the year of acquisition.

Leasehold improvements are amortised over the period of the lease or estimated useful life whichever is shorter.

#### 6. Retirement Benefits

Retirement benefits are accounted for on accrual basis with contributions to recognised funds such as Provident Fund charged against revenue each year. Liability for gratuity is funded through a scheme administered by an insurer. Provision for leave encashment is made based on accrual basis.

#### 7. Foreign Currency Transactions

All foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions. Current assets and current liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant gain / loss is recognised in the financial statements.

#### 8. 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 recognised on timing differences, being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are computed on the timing differences applying the enacted tax rate. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised 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 realised.

#### 9. Earnings Per Share

The earnings considered in ascertaining the Company's Earning Per Share (EPS) comprise of the net profit after tax less dividend (including dividend distribution tax) on preference shares. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year.





## Schedule 16 Contd.

### II. NOTES TO ACCOUNTS:

#### 1. Contingent Liabilities:

- a) Bank Guarantees outstanding in respect of upcoming projects Rs.5,615,600,000 (2005 : Rs. 95,000,000).
- b) Corporate Guarantees outstanding in respect of cost over-run for upcoming projects Rs.1,578,200,000 (2005: Rs.1,229,100,000).

#### 2. Capital Commitments

Investment in equity shares of subsidiary company Rs.1,023,357,000 (2005: Rs. Nil)

3. During the year, the Company has issued 105,774,723 bonus shares to the shareholders in the ratio of two shares for every three shares held by them. Accordingly, the Company has utilised the balances lying in Share Premium, Capital Redemption Reserve, General Reserve and the Profit and Loss Account (to the extent required) for the purpose of the bonus issue.
4. Consequent to the exemption obtained from compliance with regulations applicable to Non Banking Financial Companies, the company has transferred the balance in Special Reserve created under section 45IC of the Reserve Bank of India Act, 1934 amounting to Rs.220,441,300 to General Reserve.
5. The following long term unquoted investments included in Schedule 6 have been pledged/subjected to negative lien by the Company towards borrowings of the Company or the investee companies:
  - a) 4,005,000 Preference Shares of Rs 100/- each and 100,000 Equity Shares of Rs 10/- each of GMR Tambaram Tindivanam Expressways Private Limited having a carrying value of Rs.408,716,389 and Rs. 1,000,000 respectively;
  - b) 2,930,000 Preference Shares of Rs 100/- each and 100,000 Equity Shares of Rs 10/- each of GMR Tuni Anakapalli Expressways Private Limited having a carrying value of Rs.297,355,494 and Rs. 1,000,000 respectively;
  - c) 233,862,254 Equity Shares of Rs 10/- each of GMR Energy Limited having a carrying value of Rs.2,572,484,794.
  - d) 25,501 Equity Shares of Rs.10/- each of GMR Hyderabad International Airport Limited having a carrying value of Rs.255,010.



## Schedule 16 Contd.

### 6. Related Party Transactions:

a) Name of Related Parties and description of relationship:

Holding Company	GMR Holdings Pvt. Ltd. (GHPL)
Subsidiary Companies	GMR Energy Ltd. (GEL) GMR Power Corporation Pvt. Ltd. (GPCPL) GMR Hyderabad International Airport Ltd. (GHIAL) Vemagiri Power Generation Ltd. (VPGL) GMR Tuni Anakapalli Expressways Pvt. Ltd. (GTAEPL) GMR Tambaram Tindivanam Expressways Pvt. Ltd. (GTTEPL) GMR Jadcherla Expressways Pvt. Ltd. (GJEPL) GMR Pochanpalli Expressways Pvt. Ltd. (GPEPL) GMR Ambala Chandigarh Expressways Pvt. Ltd. (GACEPL) GMR Mining & Energy Private Limited (GMEPL)
Enterprises where significant influence exists/ Fellow Subsidiaries	GVL Investments Pvt. Ltd. (GVPL) GMR Varalakshmi Foundation (GVF) GMR Industries Ltd. (GIDL) Ideaspace Solutions Ltd. (ISL) GMR Estates & Properties Pvt. Ltd. (GEPPL) Gateways for India Airports Pvt. Ltd. (GFIAPL) SACI Sports Pvt. Ltd. (SPL) GMR Highways Pvt. Ltd. (GHWPL) GMR Operations Private Limited (GOPL) Raxa Security Services Private Limited (RSSPL) Bharat Sugar Mills Limited (BSL)
Key Management Personnel and their Relatives	Mr. G.M.Rao Mr. G.B.S.Raju Mr. G. Kiran Kumar Mr. B. V. Nageswara Rao Mr. Srinivas Bommidala Mrs. G. Varalakshmi Mrs. B. Ramadevi



**Schedule 16 Contd.**

b) Summary of transactions with the above related parties is as follows:

(Amount in Rupees)

Nature of Transaction	Holding Company	Subsidiary Companies	Enterprises where significant influence exists	Key Management Personnel and their relatives
Interest received (GEL)	-	-	-	-
	(-)	(3,336,000)	(-)	(-)
Dividend received (GEL)	-	521,701,963	-	-
	(-)	(442,923,000)	(-)	(-)
Rent received (net of expense) - GEL	-	71,800	-	-
	(-)	(990,000)	(-)	(-)
Services rendered - RSSPL	-	-	719,332	-
	(-)	(-)	(-)	(-)
Manpower deputation	-	-	-	-
	(360,000)	(13,000,000)	(960,000)	(-)
Refund of loan - GEL	-	-	-	-
	(-)	(61,900,000)	(-)	(-)
Purchase of equity Shares	-	-	-	102,000
	(-)	(-)	(-)	(-)
Sale of equity shares	-	1,600	200	2,600
	(-)	(-)	(-)	(-)
Share application money received	2,912,550,000	-	-	-
	(400,000,000)	(-)	(-)	(-)
Share application money refunded	3,312,550,000	-	-	-
	(-)	(-)	(-)	(-)
Loans received and repaid	1,205,500,000	-	-	-
	(-)	(-)	(-)	(-)
Issue of Bonus Shares	1,057,742,600	-	-	3,970
	(-)	(-)	(-)	(-)
Share application money invested - (GHIAL)	-	604,236,000	-	-
	(-)	(752,037,000)	(-)	(-)
Share application money invested - (GVPL)	-	-	2,524,913,000	-
	(-)	(-)	(-)	(-)
Share application money invested - (Others)	-	76,521,000	173,089,000	-
	(-)	(-)	(1,130,000)	(-)
Refund of share application money invested	-	-	2,525,363,000	-
	(-)	(-)	(-)	(-)
Redemption of preference shares	-	-	205,100,000	-
	(-)	(-)	(-)	(-)
Balance Payable / Recoverable	-	1,432,794,000	97,967,332	-
	(-)	(752,037,000)	(1,130,000)	(-)



## Schedule 16 Contd.

### Note:

- The Company has provided securities by way of pledge of investments for loans taken by certain companies.
- Certain Key Management Personnel have extended personnel guarantees as security towards borrowings of the Company. Similarly the holding company has pledged certain shares held in the Company as security towards the borrowings of the Company.
- Transactions and outstanding balances in the nature of reimbursement of expenses incurred by one company on behalf of the other have not been considered above.
- Previous year figures are mentioned in brackets.

### 7. Earnings Per Share

#### Calculation of EPS - (Basic & Diluted)

Particulars	Year Ended March 31	
	2006	2005
Nominal Value of Equity Shares (Rs. per Share)	10	10
Total number of Equity Shares outstanding at the beginning of the year	158,662,091	158,662,091
Add: Bonus Shares issued out of Free Reserves on September 30, 2005 (refer note below)	105,774,723	105,774,723
Total number of Equity Shares outstanding at the end of the year for the purpose of EPS	264,436,814	264,436,814
<b>Weighted average number of Equity Shares outstanding during the year</b>	<b>264,436,814</b>	<b>264,436,814</b>
Profit after Taxes (Amount in Rupees)	355,454,810	243,807,927
Less : Preference Dividend (including tax thereon)	-	17,507,340
<b>Net Profit after tax for the purpose of EPS</b>	<b>355,454,810</b>	<b>226,300,587</b>
EPS - Basic & Diluted (Rs.)	1.34	0.86

**Note:** During the year ended March 31, 2006, the Company has issued 105,774,723 bonus shares to the shareholders in the ratio of two shares for every three shares held by them. Since the bonus issue is an issue without consideration, the issue has been treated as if it had occurred prior to the beginning of the year 2005, the earliest period reported.

- The Company is engaged in business of holding/dealing in equity shares, which in the context of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, is considered as the only segment. Hence, reporting under the requirements of the said standard does not arise.

- Deferred tax liability (net) as at March 31, 2006 comprises of:

(Amount in Rupees)

SL No	Particulars	2006		2005	
		Deferred tax Asset	Deferred tax liability	Deferred tax Asset	Deferred tax liability
1	Depreciation		2,223,500		2,892,813
2	Preliminary Expenses	210,480		278,495	
3	Leave Encashment	214,078		-	
	<b>Total</b>	<b>424,558</b>	<b>2,223,500</b>	<b>278,495</b>	<b>2,892,813</b>
	<b>Deferred tax liability (net)</b>		<b>1,798,942</b>		<b>2,614,318</b>

**Note:** In view of the management's assessment that the future income in the form of dividends is tax free, deferred tax asset on carry/brought forward losses have not been recognised by the Company, on the grounds of prudence.



Schedule 16 Contd.

10. Information on Joint Ventures as per Accounting Standard 27

(Amount in Rupees)

Name of the Joint Venture	2005-06	2004-05
	GMR Hyderabad International Airport Ltd.	GMR Hyderabad International Airport Ltd.
Country of Incorporation	India	India
Share in Ownership and voting power	63%	63%
<b>Proportionate share of the company in the Assets, Liabilities, Incomes and expenses of the Joint Venture:</b>		
Capital Commitments	5,448,860,985	378,935,113
Current Assets	735,824,659	189,837,835
Fixed Assets (including Capital work in progress and Pre-operative expenditure, pending allocation)	3,586,145,366	439,437,830
Current Liabilities	281,961,012	9,730,006

**Note:** Disclosure of Financial Data as per Accounting Standard - 27 'Financial Reporting of Interest in the joint venture has been done based on the audited financial statements of the entity as on March 31, 2006.

11. Investments purchased and sold during the year

Particulars	Purchased		Sold	
	Units	Amount in Rupees	Units	Amount in Rupees
ING Vysya Institutional Growth Fund	1,273,946	13,300,000	1,273,946	13,300,000
Chola Liquid Dividend Reinvestment Plan Fund	1,198,143	12,000,000	1,198,143	12,000,000
Standard Chartered Grindlays Cash fund	2,750,000	27,500,000	2,750,000	27,500,000
<b>Total</b>		<b>52,800,000</b>		<b>52,800,000</b>

12. Additional information pursuant to paragraph 3, 4, 4A, 4B, 4C and 4D of part II of Schedule VI of the Companies Act, 1956:

a) Expenditure in Foreign Currency (on payment basis)

(Amount in Rupees)

Particulars	2006	2005
Traveling expenses	2,188,043	323,000
Professional and Consultancy charges	7,288,419	6,470,000
Others	2,912,955	–

13. Information pursuant to paragraphs 3, 4, 4A, 4B, 4C and 4D to the extent either Nil or Not Applicable has not been furnished.

14. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

For and on behalf of the Board of Directors

Sd/-  
**G.M.Rao**  
Chairman &  
Managing Director

Sd/-  
**G B S Raju**  
Group Director &  
Group CFO

Sd/-  
**A.S.Chelukupalli**  
Company Secretary

Place : Bangalore  
Date : May 13, 2006

