

# Financial Section

## INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Infrastructure Limited

### Report on the Consolidated Ind AS financial Statements

We have audited the accompanying consolidated Ind AS financial statements of GMR Infrastructure Limited (hereinafter referred to as 'the Holding Company' or 'GIL'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including the statement of other comprehensive income), the consolidated Statement of Cash Flow, the consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

### Management's Responsibility for the Consolidated Ind AS financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated Ind AS financial position, consolidated Ind AS financial performance (including other comprehensive income), consolidated statement of cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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, issued by the Institute of Chartered Accountants of India, as 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 consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other separate financial information of the subsidiaries, associates and joint ventures, the consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, its consolidated loss including other comprehensive income and their consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matters

We draw attention to the following matters in the notes to the accompanying consolidated Ind AS financial statements for the year ended March 31, 2017:

1. Note 48(iii) which indicates that the entire matter relating to claims / counter claims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement, between GMR Power Corporation Limited ('GPCL') and Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO'), is sub-judice before the Hon'ble Supreme Court of India and has not attained finality. Pending the resolution of matter, no adjustments have been made in the accompanying consolidated Ind AS financial statements for the year ended March

31, 2017. Considering that substantial amount, though under protest, has been received, GPCL, based on an expert opinion, offered the aforesaid claims received upto March 31, 2014 as income in its income tax returns and has claimed the deduction under Section 80IA of the Income Tax Act, 1961.

2. Note 47 (i) regarding losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') since the commencement of its commercial operations and ongoing arbitration regarding compensation for losses arising as a result of diversion of partial traffic on parallel roads. Based on management's internal assessment and a legal opinion obtained by the management of GACEPL, the management is of the view that the carrying value of the net assets (after providing for losses till date) in GACEPL as at March 31, 2017 is appropriate.
3. Note 48(ii) regarding (i) reduction of operations and the losses, including cash losses incurred by GMR Energy Limited ('GEL') and GMR Vemagiri Power Generation Limited ('GVPGL'), a subsidiary of GEL and the consequent erosion of net worth of these entities resulting from the unavailability of adequate supply of natural gas and (ii) rescheduling of the commercial operation date and the repayment of certain project loans by GMR Rajahmundry Energy Limited ('GREL') and the consequent implementation of the Strategic Debt Restructuring Scheme to convert part of the debt outstanding into equity and to undertake flexible structuring of balance debt for improving viability and revival of the project pending linkage of natural gas supply. Continued uncertainty exists as to the availability of adequate supply of natural gas which is necessary to conduct operations at varying levels of capacity in the future and the appropriateness of the going concern assumption of these entities is dependent on the ability of the aforesaid entities to establish consistent profitable operations as well as raising adequate finance to meet short term and long term obligations. In the opinion of the management, the carrying value of the investments in the aforesaid entities as at March 31, 2017 is appropriate for the reasons explained in the said note.
4. Note 48(v) regarding the uncertainty as regards the further construction of the 300 MW hydro based power plant on Alaknanda River, Uttarakhand being developed by GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of GEL. The Hon'ble Supreme Court of India, while hearing a civil appeal in the matters of a hydro power company, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by any of the 24 projects until further orders. The management is confident of obtaining the requisite clearances and based on a business plan and valuation assessment is of the view that the carrying value of the investments in GBHPL as at March 31, 2017 is appropriate.
5. Note 48(iv) regarding uncertainties in tying up power and fuel supply agreements, achieving profitability in operations, achievement of final mega power status, fuel linkage tie ups, refinancing of existing

loans at lower rates of interest and other key assumptions made in the valuation assessment of the investments in GMR Chhattisgarh Energy Limited ('GCEL'). The carrying value of the investments in GCEL is critically dependent upon the achievement of the key assumptions as discussed in the aforesaid note. In the opinion of the management, no further provision for diminution in the value of investments is considered necessary in the accompanying consolidated Ind AS financial statements for the year ended March 31, 2017 for the reasons explained in the said note.

6. Note 46(iv) regarding the recovery / adjustment of costs incurred towards residential quarters for Central Industrial Security Force ('CISF') deployed at the Rajiv Gandhi International Airport, Hyderabad, operated by GMR Hyderabad International Airport Limited ('GHIAL'), a subsidiary of the Company and other costs which continue to be adjusted against PSF (SC) fund pending the final decision from the Hon'ble High Court at Hyderabad for the State of Telangana and State of Andhra Pradesh and consequential instructions from the Ministry of Civil Aviation.
7. Note 45(i) regarding recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GMR Warora Energy Limited ('GWEL'). Based on the order from the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated May 8, 2015, GWEL has raised invoices towards reimbursement of transmission charges from the initial date of scheduling the power which has been appealed by MSEDCL before the Hon'ble Supreme Court of India. Pursuant to the favourable Order from APTEL and legal opinion stating that GWEL has a good tenable case GWEL has accounted for the reimbursement of transmission charges of ₹ 222.76 crore till March 31, 2017.
8. Note 48(i) regarding the achievement of certain assumptions made by the management in the valuation assessment of its investments in entities which are engaged in the operation and development of coal mines. In the opinion of the management, no provision for diminution in the value of investments is considered necessary at this stage in the accompanying consolidated Ind AS financial statements for the year ended March 31, 2017 for the reasons explained in the said note.
9. Notes 46(xii) regarding the call option exercised by the Company to acquire Class A Compulsorily Convertible Preference Shares ("CCPS A"), issued by GMR Airports Limited ('GAL') to the Private Equity Investors ('the Investors'), subject to obtaining the requisite regulatory approvals. However, the Investors have initiated arbitration proceedings against GAL and the Company, seeking conversion of CCPS A. In view of ongoing arbitration and considering the uncertainty regarding the conversion / settlement of CCPS A, no adjustments have been made for the call option exercised by the Company to purchase CCPS A and that Class B Compulsorily Convertible Preference Shares ("CCPS B") issued to the Company continue to be carried at cost of ₹ Nil.

10. Note 47(ii) regarding losses being incurred by GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') since the commencement of its commercial operations. As detailed in the aforesaid note, the management believes that these losses are on account of certain events constituting a Change in Law as per the Concession Agreement with National Highways Authority of India ('NHAI') and accordingly, GHVEPL is entitled to a claim for losses and hence, has initiated arbitration to recover the losses. For the reasons explained in the aforementioned note the management believes that the carrying value of the net assets (after providing for losses till date) in GHVEPL as at March 31, 2017 is appropriate.

Our opinion is not qualified in respect of these aforesaid matters.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and on the other separate financial information of the subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
  - (a) We /the other auditors whose reports we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Statement of Cash Flow and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
  - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;
  - (e) The matters described in sub-paragraphs 2 to 10 in the Emphasis of Matters in our opinion, may have an adverse effect on the functioning of the Group and its associates and joint ventures;
  - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and

the reports of the other statutory auditors who are appointed as per Section 139 of the Act, of its subsidiaries, associates and joint ventures incorporated in India, none of the directors of the companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiaries, associates and joint ventures incorporated in India, refer to our separate report dated June 01, 2017 in "Annexure 1" to this report;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other separate financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other Matter' paragraph:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated Ind AS financial position of the Group, its associates and joint ventures - Refer note 9(a)(7), 9(b)(8), 42(c), 45(i), 45(iv), 45(v), 46(i), 46(ii), 46(iv), 46(v), 46(ix), 46(x), 46(xii), 47 (i), 47(ii), 48(iii), 48(iv), 48(v), 48(viii) and 49(ii) to the consolidated Ind AS financial statements;
  - ii. The Group, its associates and joint ventures does not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, joint ventures and associates incorporated in India.
  - iv. The Holding Company and its subsidiaries, associates and joint ventures incorporated in India, have provided requisite disclosures in Note 16 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes (SBNs) on November 8, 2016 and December 30, 2016 as well as dealings in SBNs during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on management representation and as reported by the other auditors who audited the financial statements / financial information of certain entities of the group and its associates and joint ventures , except for (a) the segregation between SBNs and other denominations in the books of the Holding Company and certain other entities and upon which we/

other auditors are unable to comment on in the absence of necessary details (b) non-permitted collections of ₹ 1.18 crore in certain entities, as reported by the other auditors who audited the financial statements / financial information of the Group, its associates and joint ventures, as more fully described in Note 16 to these consolidated Ind AS financial statements, we report that the amounts disclosed in the said note is in accordance with the books of account maintained by the the Group, its associates and joint ventures and as produced to us/ other auditors for verification.

**Other Matters**

1. The financial statements and other financial information of 2 subsidiaries, with total assets of ₹ 15,360.88 crore as at March 31, 2017, total revenue (including other income) of ₹ 7,139.28 crore and net cash inflow amounting to ₹ 417.01 crore for the year then ended (before adjustments on consolidation) have been audited by us jointly with other auditors.
2. We did not audit the financial statements and other financial information, in respect of 117 subsidiaries (including 2 subsidiaries consolidated for the year ended December 31, 2016, 19 subsidiaries consolidated for the period ended November 04, 2016, 1 subsidiary consolidated for the period ended May 12, 2016, 2 subsidiaries consolidated for the period ended September 30, 2016 and 1 subsidiary consolidated for the period ended February 28, 2017), whose Ind AS financial statements include total assets of ₹ 33,600.52 crore as at March 31, 2017 and total revenues (including other income) of ₹ 4,557.62 crore and net cash inflow of ₹ 24.81 crore for the year ended on that date (before adjustments on consolidation). These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 360.53 crore for the year ended March 31, 2017 in respect of 35 joint ventures and 2 associates (including 19 joint ventures consolidated for the year ended December 31, 2016, including 19 joint venture consolidated from November 04, 2016, 1 associate consolidated from May 12, 2016 and 1 associate

consolidated from February 28, 2017), whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of such other auditors.

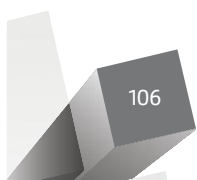
3. The accompanying consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 3.20 crore for the year ended March 31, 2017 in respect of 8 joint ventures and 3 associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

For S.R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

Place: New Delhi  
Date: June 01, 2017



**ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF GMR INFRASTRUCTURE LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated Ind AS financial statements of GMR Infrastructure Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of GMR Infrastructure Limited (hereinafter referred to as the 'Holding Company' or 'GIL'), its subsidiaries, joint ventures and associates, which are companies incorporated in India, as of that date (together referred to as the 'Covered entities' in this report).

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Covered entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Covered entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 ('the Act').

**Auditor's 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 and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 Ind AS 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 Ind AS 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 Ind AS 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 Covered entities, which are companies incorporated in India, have, maintained 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, 2017, based on the internal control over financial reporting criteria established by the Covered entities considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these 82 subsidiaries, 2 associates and 23 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

For S. R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

Place: New Delhi  
Date: June 01, 2017

## Consolidated Balance sheet as at March 31, 2017

	Notes	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)	April 01, 2015 (₹ in crore)
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	10,139.61	27,055.48	18,190.98
Capital work in-progress	4	239.20	1,493.93	13,875.37
Investment property under construction	5	2,520.68	2,259.66	1,683.46
Goodwill on consolidation	6	747.42	1,178.19	935.76
Other intangible assets	7	2,670.95	4,020.07	4,123.03
Intangible assets under development	8	-	660.80	515.50
<b>Financial assets</b>				
Investment in Joint Ventures and Associates	9a, 9b	9,364.83	4,688.04	4,697.76
Other Investments	9c	83.46	75.31	66.09
Trade receivables	10	42.23	43.17	79.54
Loans	11	452.12	135.56	174.34
Other financial assets	12	1,818.93	2,666.92	3,358.77
Non-current tax assets (net)		305.63	309.17	264.75
Deferred tax assets (net)	37	271.56	232.29	186.53
Other non-current assets	13	303.25	1,353.28	1,658.91
		<b>28,959.87</b>	<b>46,171.87</b>	<b>49,810.79</b>
<b>Current assets</b>				
Inventories	14	129.16	224.37	124.34
<b>Financial assets</b>				
Investments	15	2,973.94	1,781.82	1,008.15
Loans	11	155.53	311.32	310.97
Trade receivables	10	1,736.74	1,530.60	1,364.07
Cash and cash equivalents	16	1,458.76	1,192.62	1,472.37
Bank balances other than cash and cash equivalents	16	312.32	1,351.64	2,177.04
Other financial assets	12	613.94	581.37	520.45
Other current assets	13	237.63	511.26	833.71
		<b>7,618.02</b>	<b>7,485.00</b>	<b>7,811.10</b>
Assets classified as held for disposal	36	851.09	5,519.77	1,232.69
		<b>8,469.11</b>	<b>13,004.77</b>	<b>9,043.79</b>
		<b>37,428.98</b>	<b>59,176.64</b>	<b>58,854.58</b>
<b>Total assets</b>				
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	17	603.59	603.59	436.13
Other equity	18	5,043.90	4,387.26	5,610.49
Equity attributable to equity holders of the parent		5,647.49	4,990.85	6,046.62
Non-controlling interests		1,713.55	1,259.48	1,486.25
<b>Total equity</b>		<b>7,361.04</b>	<b>6,250.33</b>	<b>7,532.87</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	19	18,959.72	32,653.94	35,363.22
Trade payables	20	-	19.41	12.75
Other financial liabilities	21	586.55	680.90	738.87
Provisions	22	246.34	184.99	90.60
Deferred tax liabilities (net)	37	413.81	33.81	5.95
Other non-current liabilities	23	2,084.41	2,230.87	2,172.33
		<b>22,290.83</b>	<b>35,803.92</b>	<b>38,383.72</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	24	723.82	1,584.58	2,786.06
Trade payables	20	1,443.76	1,274.29	1,441.27
Other current financial liabilities	21	3,484.48	7,168.67	6,283.33
Provisions	22	120.65	147.72	141.26
Other current liabilities	23	1,297.09	1,381.60	1,194.57
Liabilities for current tax (net)		98.70	42.97	25.28
		<b>7,168.50</b>	<b>11,599.83</b>	<b>11,871.77</b>
Liabilities directly associated with assets classified as held for disposal	36	608.61	5,522.56	1,066.22
		<b>7,777.11</b>	<b>17,122.39</b>	<b>12,937.99</b>
		<b>30,067.94</b>	<b>52,926.31</b>	<b>51,321.71</b>
		<b>37,428.98</b>	<b>59,176.64</b>	<b>58,854.58</b>
<b>Total liabilities</b>				
<b>Total equity and liabilities</b>				
Summary of significant accounting policies	2.3			

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W / E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

For and on behalf of the Board of Directors of  
GMR Infrastructure Limited

G M Rao  
Executive Chairman  
DIN: 00574243  
Madhva Bhimacharya Terdal  
Group CFO

Place: New Delhi  
Date: June 01, 2017

Grandhi Kiran Kumar  
Managing Director  
DIN: 00061669  
Adishavataram Cherukupalli  
Company Secretary

Place: New Delhi  
Date: June 01, 2017

## Consolidated statement of profit and loss for the year ended March 31, 2017

	Notes	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations:			
Sales / income from operations	25	9,523.90	7,963.92
Other operating income	26	244.73	297.04
Other income	27	465.44	416.54
<b>Total Income *</b>		<b>10,234.07</b>	<b>8,677.50</b>
*excluding total income of discontinued operations of ₹ 1,397.79 crore (March 31, 2016 : ₹ 2,556.44 crore) Refer note 36			
<b>Expenses</b>			
Revenue share paid / payable to concessionaire grantors		2,762.93	2,412.29
Cost of materials consumed	28	121.00	33.54
Purchase of traded goods	29	1,340.35	966.71
(Increase) / decrease in stock in trade	30	(6.86)	(2.59)
Sub-contracting expenses		285.74	230.23
Employee benefit expenses	31	544.89	506.44
Other expenses	32	1,500.61	1,356.65
Depreciation and amortisation expenses	33	1,059.92	1,196.66
Finance costs	34	2,128.52	2,196.49
<b>Total expenses *</b>		<b>9,737.10</b>	<b>8,896.42</b>
*excluding expense of discontinued operations of ₹ 3,265.11 crore (March 31, 2016 : ₹ 4,663.66 crore) Refer note 36			
<b>Profit / (loss) before share of profit / (loss) of associate and joint ventures, exceptional items and tax from continuing operations</b>		<b>496.97</b>	<b>(218.92)</b>
Share of (loss) / profit of associates and joint ventures (net)		(68.40)	16.17
<b>Profit / (loss) before exceptional items and tax from continuing operations</b>		<b>428.57</b>	<b>(202.75)</b>
<b>Exceptional Items*</b>			
Loss on impairment of assets in subsidiaries	47 (ii), 48 (vi)	(385.70)	(64.15)
*excluding exceptional items of discontinued operations of ₹ 2,508.09 crore gain (March 31, 2016 : ₹ 85.64 crore loss) Refer note 36			
<b>Profit / (loss) before tax from continuing operations</b>		<b>42.87</b>	<b>(266.90)</b>
<b>Tax expenses of continuing operations</b>			
Current tax	37	389.90	203.56
Adjustments of tax relating to earlier periods	37	(3.24)	(6.84)
Deferred tax			
a) MAT credit entitlement	37	(100.12)	(9.44)
b) Deferred tax expense / (credit)	37	450.49	(5.77)
<b>(Loss) / profit after tax from continuing operations</b>		<b>(694.16)</b>	<b>(448.41)</b>
<b>Discontinued operations</b>			
Profit / (loss) from discontinued operations before tax expenses	36	336.55	(2,293.95)
Tax expense of discontinued operations			
Current tax	37	1.11	4.04
Adjustments of tax relating to earlier periods	37	-	0.90
Deferred tax expense / (credit)	37	5.58	1.98
<b>Profit / (loss) after tax from discontinued operations</b>		<b>329.86</b>	<b>(2,300.87)</b>
<b>(Loss) / profit for the year (A)</b>		<b>(364.30)</b>	<b>(2,749.28)</b>

## Consolidated statement of profit and loss for the year ended March 31, 2017

	Notes	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)
<b>Other comprehensive income</b>			
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>			
Exchange differences on translation of foreign operations		27.54	33.43
Income tax effect		-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		<b>27.54</b>	<b>33.43</b>
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement (losses) / gains on post employment defined benefit plans		(5.29)	(0.72)
Income tax effect		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		<b>(5.29)</b>	<b>(0.72)</b>
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>22.25</b>	<b>32.71</b>
<b>(Loss) / profit for the year</b>		<b>(364.30)</b>	<b>(2,749.28)</b>
Attributable to			
a) Equity holders of the parent		<b>(574.59)</b>	<b>(2,712.50)</b>
b) Non controlling interests		<b>210.29</b>	<b>(36.78)</b>
<b>Other comprehensive income for the year</b>		<b>22.25</b>	<b>32.71</b>
Attributable to			
a) Equity holders of the parent		<b>22.25</b>	<b>32.71</b>
b) Non controlling interests		-	-
<b>Total comprehensive income for the year (A+B)</b>		<b>(342.05)</b>	<b>(2,716.57)</b>
Attributable to			
a) Equity holders of the parent		<b>(552.34)</b>	<b>(2,679.79)</b>
b) Non controlling interests		<b>210.29</b>	<b>(36.78)</b>
Earnings per equity share (₹) from continuing operations Basic and diluted, computed on the basis of profit from continuing operations attributable to equity holders of the parent (per equity share of Re.1 each)	35	(1.30)	(1.07)
Earnings per equity share (₹) from discontinued operations Basic and diluted, computed on the basis of profit from discontinued operations attributable to equity holders of the parent (per equity share of Re.1 each)	35	0.34	(3.74)
Earnings per equity share (₹) from continuing and discontinued operations Basic and diluted, computed on the basis of profit attributable to equity holders of the parent (per equity share of Re.1 each)	35	(0.96)	(4.81)
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W / E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

Place: New Delhi  
Date: June 01, 2017

For and on behalf of the Board of Directors of  
GMR Infrastructure Limited

G M Rao  
Executive Chairman  
DIN: 00574243  
Madhva Bhimacharya Terdal  
Group CFO

Place: New Delhi  
Date: June 01, 2017

Grandhi Kiran Kumar  
Managing Director  
DIN: 00061669  
Adishavaram Cherukupalli  
Company Secretary



## Consolidated statement of changes in Equity for the year ended March 31, 2017

### Consolidated statement of changes in Equity for the year ended March 31, 2017

	Attributable to the equity holders										Non-controlling interest	Total equity					
	Equity share capital (refer note 17)	Equity component of preference shares (refer note 18)	Treasury shares (refer note 18)	Share application money pending allotment (refer note 18)	Money received against share warrants (refer note 18)	Securities premium (refer note 18)	Debiture redemption reserve (refer note 18)	Capital reserve on consolidation (refer note 18)	Capital reserve on acquisition (refer note 18)	Capital reserve on government grant (refer note 18)			Capital redemption reserve (refer note 18)	Capital reserve on forfeiture (refer note 18)	Foreign currency translation difference account (refer note 18)	Special Reserve of Reserve Bank of India (SRI) A/C (refer note 18)	Retained earnings (refer note 18)
<b>For the year ended March 31, 2017</b>																	
As at April 01, 2016	603.59	507.09	(101.54)	-	-	9,819.04	179.56	(71.23)	3.41	67.41	28.53	141.75	(0.88)	19.52	(6,238.83)	33.43	1,259.48
<b>Profit/(loss) for the year</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	(574.59)	210.29	-	(364.30)
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	(5.29)	27.54	-	22.25
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,818.71)	6,097	-	1,469.77
Amount transferred from the surplus balance in the consolidated statement of profit and loss	-	-	-	-	-	-	29.89	-	-	-	-	-	-	7.12	(37.01)	-	-
Amount transferred to the surplus in the consolidated statement of profit and loss	-	-	-	-	-	-	(28.13)	-	-	-	-	-	-	-	28.13	-	-
Exchange difference on foreign currency convertible bond (FCFB) recognised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FCMR amortisation during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for change in ownership interests/ capital contributions received	-	-	-	-	-	-	-	(90.84)	-	-	-	-	-	(0.76)	-	-	35.07
Preference share dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	-	(28.53)	-	-	-	-	-	243.78
Dividend distribution tax on preference share dividend declared by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.16)	-	-	(2.16)
<b>As at March 31, 2017</b>	<b>603.59</b>	<b>507.09</b>	<b>(101.54)</b>	<b>-</b>	<b>-</b>	<b>11,115.80</b>	<b>181.32</b>	<b>(162.07)</b>	<b>3.41</b>	<b>67.41</b>	<b>-</b>	<b>141.75</b>	<b>33.43</b>	<b>26.64</b>	<b>(6,830.31)</b>	<b>60.97</b>	<b>1,715.55</b>
<b>For the year ended March 31, 2016</b>																	
As at April 01, 2015	436.13	507.09	(101.54)	889.66	141.75	7,466.77	175.45	(71.23)	3.41	67.41	28.53	-	-	12.02	(3,508.83)	-	1,486.25
Profit/(loss) for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,712.50)	(36.78)	-	(2,749.28)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.72)	32.71	-	32.71
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,222.05)	33.43	-	1,449.47
Amount transferred from the surplus balance in the consolidated statement of profit and loss	-	-	-	-	-	-	38.49	-	-	-	-	-	-	7.50	(45.99)	-	-
Amount transferred to the surplus in the consolidated statement of profit and loss	-	-	-	-	-	-	(34.38)	-	-	-	-	-	-	-	34.38	-	-
Exchange difference on foreign currency convertible bond (FCFB) recognised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for change in ownership interests/ capital contributions received	-	-	-	-	-	-	-	-	-	-	-	-	(0.88)	-	-	-	(0.88)
Issue of shares on rights basis (refer note 17(g))	93.46	-	-	(889.66)	-	1,306.37	-	-	-	-	-	-	-	-	-	-	(189.99)
Securities premium towards conversion of CCPS into equity shares (refer note 17(c))	74.00	-	-	-	-	1,062.66	-	-	-	-	-	-	-	-	-	-	512.17
Utilization towards share issue expenses	-	-	-	-	-	(18.76)	-	-	-	-	-	-	-	-	-	-	1,136.66
Preference share dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.876)
Dividend distribution tax on preference share dividend declared by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.16)	-	-	(2.16)
Transfer to capital reserve on forfeiture of share warrants (refer note 18(e))	-	-	-	-	-	(41.75)	-	-	-	-	-	141.75	-	(3.01)	-	-	(3.01)
<b>As at March 31, 2016</b>	<b>603.59</b>	<b>507.09</b>	<b>(101.54)</b>	<b>-</b>	<b>-</b>	<b>9,819.04</b>	<b>179.56</b>	<b>(71.23)</b>	<b>3.41</b>	<b>67.41</b>	<b>28.53</b>	<b>141.75</b>	<b>(0.88)</b>	<b>19.52</b>	<b>(6,238.83)</b>	<b>33.43</b>	<b>1,259.48</b>

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W / E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

Place: New Delhi  
Date: June 01, 2017

For and on behalf of the Board of Directors of  
GMR Infrastructure Limited

G M Rao  
Executive Chairman  
DIN: 00574243  
Madhva Bhimacharya Terdal  
Group CFO  
Place: New Delhi  
Date: June 01, 2017

Grandhi Kiran Kumar  
Managing Director  
DIN: 00061669  
Adisheswaram Cherukupalli  
Company Secretary

## Consolidated Statement of cash flows for the year ended March 31, 2017

	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>		
Profit / (loss) before tax from continuing operations	42.87	(266.90)
Profit / (loss) before tax from discontinued operations	336.55	(2,293.95)
<b>Profit / (loss) before tax expenses</b>	<b>379.42</b>	<b>(2,560.85)</b>
<b>Adjustments to reconcile (loss) / profit before tax to net cash flows</b>		
Depreciation of property, plant and equipment	1,423.75	1,644.71
Amortisation of intangible assets	119.00	166.27
Depreciation of investment properties	0.70	9.43
Adjustments to the carrying amount of investments	33.57	0.49
Provisions no longer required, written back	(32.16)	(59.22)
Profit on sale / dilution of subsidiaries / joint ventures / associates	(2,347.05)	(2.31)
Income from claim receivable	(473.91)	-
Loss on account of settlement of claims	312.87	-
Loss on impairment of assets in subsidiaries	385.70	164.30
Fixed assets written off / loss on sale of fixed assets (net)	0.82	4.08
Provision for diminution in value of investments in associates / joint ventures	-	39.22
Provision / write off of doubtful advances and trade receivables	30.52	7.69
Net foreign exchange differences (unrealised)	48.08	(6.48)
Net gain on sale or fair valuation of investments	(154.91)	(153.33)
Gain on fair valuation of derivative instruments	(54.78)	-
Finance costs	3,953.83	4,135.92
Finance income	(488.10)	(531.84)
Share of (loss) / profit of associates and a joint ventures	372.62	84.92
<b>Operating profit before working capital changes</b>	<b>3,509.97</b>	<b>2,943.00</b>
<b>Movements in working capital :</b>		
Increase / (decrease) in trade payables and other liabilities	2,475.82	1,285.86
(Increase) / decrease in non-current/current financial and other assets	(1,109.47)	(410.12)
Increase / (decrease) in non-current/current financial and other liabilities/provisions	(60.49)	(101.88)
<b>Cash generated from operations</b>	<b>4,815.83</b>	<b>3,716.86</b>
Direct taxes paid	(250.38)	(219.01)
<b>Net cash flow from operating activities (A)</b>	<b>4,565.45</b>	<b>3,497.85</b>
<b>CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, intangible assets, investment properties and cost incurred towards such assets under construction / development	(619.94)	(2,436.81)
Proceeds from sale of property, plant and equipments and intangible assets	2.22	0.98
Proceeds from sale of stake in joint ventures / subsidiaries	-	17.38
Sale / (purchase) of investments (net)	(1,317.56)	(486.47)
Proceeds from realisation of claims on investment in GMIAL	1,630.91	-
Purchase consideration paid on acquisition / additional stake in subsidiary companies / joint ventures / associates	-	(732.43)
(Investments) / redemption of bank deposits (net) (having original maturity of more than three months)	1,563.15	1,455.76
Finance income received	533.90	513.99
<b>Net cash flow used in investing activities (B)</b>	<b>1,792.68</b>	<b>(1,667.60)</b>

## Consolidated Statement of cash flows for the year ended March 31, 2017 (Contd.)

	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)
<b>CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares (including securities premium and net of related securities issue expenses)	-	493.41
Proceeds from borrowings	4,865.18	7,061.27
Repayment of borrowings	(7,021.76)	(5,746.81)
Finance costs paid	(3,621.74)	(3,822.85)
Dividend paid (including dividend distribution taxes)	(0.56)	(3.01)
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(5,778.88)</b>	<b>(2,017.99)</b>
Net (decrease) / increase in cash and cash equivalents (A + B + C)	579.25	(187.74)
Cash and cash equivalents as at April 1,	1,192.62	1,508.07
Cash and cash equivalents on account of disposal of entities during the year	(304.68)	(0.08)
Effect of exchange differences on cash and cash equivalents held in foreign currency	(2.54)	7.42
<b>Cash and cash equivalents as at March 31,</b>	<b>1,464.65</b>	<b>1,327.67</b>

	March 31, 2017 (₹ in crore)	March 31, 2016 (₹ in crore)
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Balances with banks:		
- On current accounts	325.64	278.40
Deposits with original maturity of less than three months	1,120.29	894.94
Cheques / drafts on hand	9.62	15.78
Cash on hand / credit card collection	3.21	3.50
Cash at bank and short term deposits attributable to entities held for sale	5.89	135.05
<b>Total cash and cash equivalents</b>	<b>1,464.65</b>	<b>1,327.67</b>
Summary of significant accounting policies	2.3	

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W / E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

Place: New Delhi  
Date: June 01, 2017

For and on behalf of the Board of Directors of  
GMR Infrastructure Limited

G M Rao  
Executive Chairman  
DIN: 00574243

Madhva Bhimacharya Terdal  
Group CFO

Place: New Delhi  
Date: June 01, 2017

Grandhi Kiran Kumar  
Managing Director  
DIN: 00061669

Adisheshavaram Cherukupalli  
Company Secretary

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

### 1. CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') and its subsidiaries ('the Group'), associates and joint ventures (hereinafter collectively referred to as 'the Group') are mainly engaged in development, maintenance and operation of airports, generation of power, coal mining and exploration activities, development of highways, development, maintenance and operation of special economic zones, and construction business including Engineering, Procurement and Construction ('EPC') contracting activities.

#### Airport sector

Certain entities of the Group are engaged in development, maintenance and operation of airport infrastructure such as greenfield international airports at Hyderabad and Goa and modernisation, maintenance and operation of international airports at Delhi, Goa and Cebu on build, own, operate and transfer basis.

#### Power sector

Certain entities of the Group are involved in the generation of power. These are separate Special Purpose Vehicles ('SPV') which have entered into Power Purchase Agreements ('PPA') with the electricity distribution companies of the respective state governments / other government authorities (either on the basis of Memorandum of Understanding or through a bid process) or short term power supply agreements to generate and sell power directly to consumers as a merchant plant. Certain entities of the Group are involved in the coal mining and exploration activities and the Group is also involved in energy trading activities through one of its subsidiaries.

#### Development of Highways

Certain entities of the Group are engaged in development of highways on build, operate and transfer model on annuity or toll basis. These are SPVs which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or the respective state governments for carrying out these projects.

#### Construction business

Certain entities of the Group are in the business of construction including as an EPC contractor. These entities are engaged in handling of EPC solution in the infrastructure sector.

#### Others

Entities of the Group which cover all residual activities of the Group that include special economic zones, operations of hotels, investment activities and management / technical consultancy.

### 2. Significant accounting policies

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements and in preparing the opening consolidated Ind AS Balance Sheet as at April 01, 2015 for the purpose of transition to Ind AS, unless otherwise indicated.

#### 2.1 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 01, 2016. The consolidated financial statements of the Group, have been prepared and presented in accordance with Ind AS. Comparative numbers in the consolidated financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time adoption of Indian Accounting Standards, the Group has presented a reconciliation from the presentation of consolidated financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 01, 2015 and of the total comprehensive income for the year ended March 31, 2016 (refer note 56 for reconciliations and effect of transitions).

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Group is Indian Rupee (₹) which is the currency of the primary economic environment in which the Group operates.

#### 2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those

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

returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

### Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
- (d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received

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

- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3 Summary of significant accounting policies:

#### a. Business combination and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015. As such, previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward. The same first time adoption exemption is also used for associates and joint ventures.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

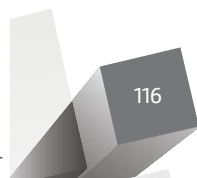
#### b. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets and liabilities of joint venture and associates are incorporated in the consolidated financial statements using equity



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

method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with joint ventures are eliminated by reducing the carrying amount of investment.

The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is objective evidence of impairment.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### **c. Interest in joint operations**

In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Parent Company and its subsidiaries are combined for consolidation. Interests in joint operations are included in the segments to which they relate.

### **d. Current versus non-current classification**

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

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

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

Operating cycle for the business activities of the Group extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective line of business.

### e. Fair value measurement of financial instruments

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### f. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Energy sector

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers. Revenue / charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognized/ charged at rates notified by CERC from time to time, as revenue from sale of energy and adjusted with revenue from sale of energy. Further, revenue is recognized / adjusted towards truing up in terms of the applicable CERC regulations.

Revenue from electrical energy transmission charges is recognized on an accrual basis in accordance with the provisions of the transmission service agreements.



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

Revenue from sale of coal is recognised when the risks and rewards of ownership passes to the purchaser in accordance with the terms of sale, including delivery of the product, the selling price is fixed or determinable, and collectability is reasonably assured. Revenue earned in the pre-production stage and related operating costs have been recorded against the carrying value of mining and exploration and development properties.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

### Highways Sector

In case of entities involved in construction and maintenance of Roads, revenue are recognised in line with the Appendix A to Ind AS 11 - Service Concession Arrangements. Toll revenue is recognised on an accrual basis which coincides with the collection of toll from the users of highways.

#### Revenue share paid / payable to concessionaire grantors:

Revenue share paid / payable to concessionaires / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective highways has been disclosed as revenue share paid / payable to concessionaire grantors in the consolidated statement of profit and loss.

### Airport Sector

In case of airport infrastructure companies, aeronautical and non-aeronautical revenue is recognised on an accrual basis and is net of service tax, applicable discounts and collection charges, when services are rendered and it is possible that an economic benefit will be received which can be quantified reliably. Revenue from aeronautical operations include user development fees, fuel farm, passenger service charges, landing and parking charges of aircraft, operation and maintenance of passenger boarding and other allied services. Revenue from non-aeronautical operations include granting rights to use land and space primarily for catering to the needs of passengers, air traffic services, air transport services and Maintenance, Repair and Overhaul facility (MRO) of aircrafts and allied services.

In case of cargo handling revenue, revenue from outbound cargo is recognised at the time of acceptance of cargo with respect to non-airline customers and at the time of departure of aircraft with respect to airline customers and revenue from inbound cargo is recognised at the time of arrival of aircraft in case of airline customers and at the point of delivery of cargo in case of non-airline customers. Interest on delayed receipts from customers is recognised on acceptance.

Revenue from commercial property development rights granted to concessionaires is recognised on accrual basis, as per the terms of the agreement entered into with the customers.

Revenue from sale of goods at the duty free outlets operated by the Group is recognised at the time of delivery of goods to customers which coincides with transfer of risks and rewards to its customers. Sales are stated net of returns and discounts.

Revenue from hotel operations comprises of income by way of hotel room rent, sale of food, beverages and allied services relating to the hotel and is recognised net of taxes and discounts as and when the services are provided and products are sold.

Revenue from MRO contracts is recognised as and when services are rendered.

In case of companies covered under service concession agreements, revenue are recognised in line with the Appendix A to Ind AS 11 - Service Concession Arrangements.

#### Revenue share paid / payable to concessionaire grantors:

Revenue share paid / payable to concessionaire / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective airports has been disclosed as revenue share paid/ payable to concessionaire grantors' in the statement of profit and loss.

### For Construction business entities

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

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

- i. The amount of revenue can be measured reliably,
- ii. It is probable that the economic benefits associated with the contract will flow to the Group,
- iii. The stage of completion of the contract at the end of the reporting period can be measured reliably,
- iv. The costs incurred or to be incurred in respect of the contract can be measured reliably.

Provision is made for all losses incurred to the balance sheet date. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers.

### Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Others

- i. Income from management / technical services is recognised as per the terms of the agreement on the basis of services rendered.
- ii. Insurance claim is recognised on acceptance of the claims by the insurance company.
- iii. Revenue from charter services is recognised based on services provided as per the terms of the contracts with the customers.

Revenue earned in excess of billings has been included under 'other financial assets' as unbilled revenue and billings in excess of revenue has been disclosed under 'other liabilities' as unearned revenue.

### g. Service Concession Arrangements

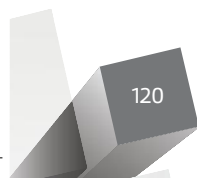
The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix A to Ind AS 11 - Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the construction service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are separately identifiable.

The intangible asset is amortised over the shorter of the estimated period of future economic benefits which the intangible assets are expected to generate or the concession period, from the date they are available for use.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

The Group recognises a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor. In case of annuity based carriageways, the Group recognises financial asset.



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

### **h. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### **i. Taxes on income**

#### **Current Income Tax**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred Income Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

### **j. Non-current assets held for sale**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

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

- a) The appropriate level of management is committed to a plan to sell the asset,
- b) An active programme to locate a buyer and complete the plan has been initiated,
- c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- i) Represents a separate major line of business or geographical area of operations,
- ii) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Or

- iii) Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss.

### k. Property, plant and equipment

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2015.

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The Group identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as and when incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

On Transition to Ind AS, the Group has availed the optional exemption on 'Long term Foreign currency Monetary items' and has accordingly continued with the policy to adjust the exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset recognised in the financial statements for the year ended March 31, 2016 ( as per previous GAAP) to the cost of the tangible asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs ('MCA') circular dated August 09, 2012, exchange differences adjusted to the cost of tangible fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they

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

are regarded as an adjustment to the interest cost and other exchange differences.

### **I. Depreciation on Property, plant and equipment**

#### **Energy sector**

In case of domestic entities, the depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except on case of plant and machinery in case of gas based power plants where the useful life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act.

#### **Airport sector**

On June 12, 2014, the Airport Economic Regulatory Authority ('the AERA') has issued a consultation paper whereby it proposes to lay down, to the extent required, the depreciation rates for certain airport assets. Pending issuance of final notification by the AERA on the useful lives of airport specific assets, the Group has continued to depreciate these assets over their estimated useful lives as determined by the management of the Group based on technical evaluation.

#### **Other entities**

For domestic entities other than aforesaid entities, the depreciation on the Property plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

The management has estimated the useful life of assets individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the Group shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Group for similar assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### **m. Investment property**

The Group has elected to continue with the carrying value for all of its investment property as recognised in its previous GAAP consolidated financial statements as deemed cost at the transition date, viz., April 01, 2015.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

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

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

**n. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

**o. Amortisation of intangible assets**

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortization of mining properties is based on using unit-of-production method from the date of commencement of commercial production of the respective area of interest over the lesser of the life of the mine or the terms of the coal contracts of work or mining business license.

Technical know-how is amortised over five years from the date of issuance of certificate from a competent authority.

Intangible assets representing upfront fees and other payments made to concessionaires of the respective airports, pursuant to the terms and conditions of concession agreements are amortized on a straight line method over the initial and extended periods of concession agreements, as applicable.

Carriageways related to toll based road projects are amortized based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of MCA notification dated April 17, 2012 and in terms of the amendments to the Schedule II of the Act vide MCA notification dated March 31, 2014 pursuant to the exemption provided as per D22 (i) of Ind AS 101.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing carriageways and airport concessionaire rights are amortized over the concession period, ranging from 17.5 to 25 years and 25 to 30 years respectively, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

Software is amortised based on the useful life of six years on a straight line basis as estimated by the management.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

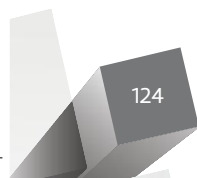
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

**p. Exploration and evaluation expenditure / mining properties under construction and production**

**Exploration and evaluation expenditure:**

Exploration and evaluation expenditure incurred for potential mineral reserves and related to the project are recognised and classified as part of 'intangible assets under development' when one of the below conditions are met:

- i. Such costs are expected to be either recouped in full through successful exploration and development of the area of interest or alternatively by its sale, or
- ii. When exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically available reserves and active and significant operations in relation to the area are continuing or are planned for future.



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

These expenditure include materials and fuel used, surveying costs, drilling, general investigation, administration and license, geology and geophysics expenditure, stripping costs and payments made to contractors before the commencement of production stage.

Ultimate recoupment of the exploration expenditure carried forward is dependent upon a successful development and commercial exploitation, or alternatively, sale of the respective area. Deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

Exploration and evaluation assets are transferred to 'Mines under construction' in the 'Mines properties' account after the mines are determined to be economically viable to be developed.

### **Expenditure on mines under construction:**

Expenditure for mines under construction and costs incurred in developing an area of interest subsequent to the transfer from exploration and evaluation assets but prior to the commencement of production stage in the respective area, are capitalised to 'Mines under construction' as long as they meet the capitalization criteria.

### **Producing mines:**

The Group assesses the stage of each mine under construction to determine when a mine reaches the production phase. This occurs when the mine is substantially complete and ready for its intended use. Upon completion of mine construction and commencement of production stage, the 'Mines under construction' are transferred to 'Mining properties', which are stated at cost, less accumulated amortization and accumulated impairment losses.

Intangible assets under development include expenditure incurred on exploration and evaluation of assets, expenditure incurred on mines under construction.

### **q. Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

### **r. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

For arrangements entered into prior to April 01, 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### **Group as a lessee**

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, at the present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the consolidated statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

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

- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

### s. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Contract work in progress: contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value.

Cost of inventories is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred that relate to future activities on the contract are recognised as 'Contract work in progress'.

Contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to that extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

### t. Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, investment properties, intangible assets and investments in associates and joint ventures determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been



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

determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

### u. Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

#### Decommissioning liability:

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

### v. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

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

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b. Net interest expense or income.

### w. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss. In case of interest free or concession loans / debentures / preference shares given to associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by associates and joint ventures are measured at cost less impairment. Further, as regards investments in associates and joint ventures existing as at April 01, 2015, the Group has measured such investments as at April 01, 2015 as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated, including any goodwill arising from acquisition.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (a) Financial assets

##### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

##### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through profit or loss.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

##### De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers

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

the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in consolidated statement of profit or loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **(b) Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **a. Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

#### **b. De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

#### **Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **x. Derivative financial instruments**

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

### y. Convertible preference shares / debentures

Convertible preference shares / debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares / debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares / debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

### z. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### aa. Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### bb. Foreign currencies

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

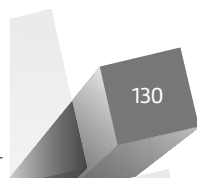
Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

#### Group companies:

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated statement of profit and loss.

Any goodwill arising in the acquisition / business combination of a foreign operation on or after April 01, 2015 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.



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

Any goodwill or fair value adjustments arising in business combinations / acquisitions, which occurred before the date of transition to Ind AS (April 01, 2015), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., April 01, 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

**cc. Exceptional items**

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the consolidated financial statements.

**dd. Treasury shares**

The Company has created a Staff welfare Trust ('SWT') for providing staff welfare to its employees. The Company treats SWT as its extension and shares held by SWT are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve.

**ee. Corporate social responsibility ('CSR') expenditure**

The Group charges its CSR expenditure during the year to the consolidated statement of profit and loss.

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

2.4. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at				Percentage of voting rights held as at			Net Assets, i.e. total assets minus total liabilities*				Share in total comprehensive income*		
				March 31, 2016	April 01, 2015	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2017	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	
Parent																	
1	GMR Infrastructure Limited (GIL)	India	Holding Company														
<b>Subsidiaries</b>																	
<b>Indian</b>																	
2	GMR Energy Trading Ltd (GETL)	India	Subsidiary <sup>1</sup>	90.83%	98.59%	100.00%	100.00%	100.00%	100.00%	0.17%	63.03	0.15%	58.62	-0.05%	4.41	-0.39%	1781
3	GMR Power Corporation Limited (GPCL)	India	Subsidiary <sup>2</sup>	51.00%	47.23%	51.00%	51.00%	51.00%	51.00%	0.71%	269.13	1.67%	635.33	4.19%	(366.92)	-0.44%	20.10
4	GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary <sup>2</sup>	100.00%	92.60%	100.00%	100.00%	100.00%	100.00%	0.00%	(0.12)	0.00%	0.18	0.00%	(0.15)	0.01%	(0.25)
5	GMR Londa Hydropower Private Limited (GLHPPL)	India	Subsidiary <sup>2</sup>	100.00%	92.60%	100.00%	100.00%	100.00%	100.00%	-0.01%	(5.00)	0.00%	(0.45)	0.05%	(4.55)	0.06%	(2.77)
6	GMR Kakinada Energy Private Limited (GKEPL)	India	Subsidiary <sup>2</sup>	100.00%	92.60%	100.00%	100.00%	100.00%	100.00%	0.00%	(0.07)	0.00%	(0.05)	0.00%	(0.02)	0.00%	(0.06)
7	SIK Powergen Limited (SIK)	India	Subsidiary <sup>2</sup>	70.00%	64.82%	70.00%	70.00%	70.00%	70.00%	-0.67%	(25.4.43)	-0.06%	(23.91)	0.23%	(20.52)	0.25%	(11.40)
8	GMR Genco Assets Limited (formerly known as GMR Hosur Energy Limited) (GGEAL)	India	Subsidiary <sup>3</sup>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-0.01%	(4.68)	0.00%	1.12	0.07%	(5.80)	0.04%	(1.78)
9	GMR Generation Assets Limited (formerly known as GMR Renewable Energy Limited) (GGAL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	16.49%	6,244.06	2.82%	1,073.77	6.34%	(555.52)	1.95%	(89.70)
10	Aravali Transmission Service Company Limited (ATSC)	India	Subsidiary <sup>4</sup>	-	92.60%	92.60%	100.00%	100.00%	100.00%	0.00%	-	0.05%	20.03	0.00%	(0.30)	0.13%	(5.90)
11	Maru Transmission Service Company Limited (MTSCL)	India	Subsidiary <sup>4</sup>	-	92.60%	92.60%	100.00%	100.00%	100.00%	0.00%	-	0.08%	32.03	0.06%	(4.84)	-0.09%	4.34
12	GMR Power Infra Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-0.01%	(2.23)	0.00%	(0.46)	0.02%	(1.77)	0.05%	(2.26)
13	GMR Highways Limited (GMRHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	2.91%	1,101.42	0.46%	171.14	5.54%	(485.30)	4.17%	(91.96)
14	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	India	Subsidiary <sup>5</sup>	86.77%	85.75%	100.00%	100.00%	100.00%	100.00%	0.55%	208.53	0.49%	186.27	-0.25%	21.94	-0.73%	33.72
15	GMR Tuni Anakapalle Expressways Limited (GTAEPPL)	India	Subsidiary <sup>5</sup>	86.77%	85.75%	100.00%	100.00%	100.00%	100.00%	0.28%	106.60	0.23%	86.20	-0.23%	20.11	-0.38%	17.34
16	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-0.10%	(36.51)	0.02%	6.26	0.49%	(42.77)	0.97%	(44.57)
17	GMR Pochampalli Expressways Limited (GPEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.55%	207.18	0.50%	189.66	-0.20%	17.52	-0.53%	24.20
18	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	-0.39%	(146.18)	0.00%	(1.53)	1.99%	(174.52)	3.64%	(167.42)
19	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	0.28%	106.15	0.31%	117.12	0.13%	(10.97)	-0.14%	6.46
20	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAE)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.35%	131.25	1.57%	598.72	5.34%	(468.02)	0.28%	(12.90)
21	GMR Highways Projects Private Limited (GHPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
22	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary	63.00%	63.00%	63.00%	63.00%	63.00%	63.00%	1.81%	685.99	0.66%	251.65	-4.96%	434.34	-0.13%	6.16
23	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%	86.49%	86.49%	0.01%	2.34	0.01%	2.21	0.00%	0.13	0.00%	0.10
24	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	India	Subsidiary	32.13%	32.13%	51.00%	51.00%	51.00%	51.00%	0.23%	87.92	0.18%	70.31	-0.24%	20.95	-0.53%	24.30
25	Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary	63.00%	63.00%	100.00%	100.00%	100.00%	100.00%	0.03%	13.21	0.03%	13.19	0.00%	0.02	0.00%	0.17
26	GMR Aerospace Services Limited (GASL) [Formerly known as GMR Hyderabad Airport Resource Management Limited (GHARML)]	India	Subsidiary <sup>6</sup>	100.00%	63.00%	100.00%	100.00%	100.00%	100.00%	0.00%	(0.02)	0.00%	(0.01)	0.00%	(0.01)	0.00%	0.00
27	GMR Hyderabad Aeropolis Limited (HAPL)	India	Subsidiary	63.00%	63.00%	100.00%	100.00%	100.00%	100.00%	0.14%	53.87	0.08%	30.40	0.00%	(0.40)	0.05%	(2.25)
28	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary	63.00%	63.00%	100.00%	100.00%	100.00%	100.00%	0.16%	59.52	0.17%	64.71	0.06%	(5.19)	-0.05%	2.41

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

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting rights held as at			Net Assets, i.e. total assets minus total liabilities*			Share in total comprehensive income*		
				March 31, 2017	April 01, 2015	March 31, 2017	March 31, 2017	April 01, 2015	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
				As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	As % of total consolidated net assets	
29	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	India	Subsidiary <sup>5</sup>	63.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	GMR Aerospace Engineering Limited (GAEL)	India	Subsidiary	63.00%	100.00%	100.00%	100.00%	100.00%	0.79%	297.42	239.36	(2.94)	(2.94)	(2.94)	9.12
31	GMR Aero Technic Limited (GATL)	India	Subsidiary	63.00%	100.00%	100.00%	100.00%	100.00%	-0.46%	(173.46)	(172.48)	(39.11)	(39.11)	(39.11)	(73.33)
32	Hyderabad Duty Free Retail Limited (HDFRL)	India	Subsidiary <sup>1,9</sup>	63.00%	100.00%	100.00%	100.00%	100.00%	0.00%	-	27.54	-	-	-	7.25
33	GMR Airport Developers Limited (GADL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.13%	48.61	45.31	-0.04%	-0.04%	-0.04%	10.99
34	GMR Airport Handling Services Company Limited (GAHSEL)	India	Subsidiary <sup>8</sup>	63.00%	100.00%	100.00%	100.00%	100.00%	0.00%	-	0.00	0.00%	0.00%	0.00%	0.00
35	GMR Hospitality and Retail Limited (GHRL) (Formerly known as GMR Hotels and Resorts Limited)	India	Subsidiary	63.00%	100.00%	100.00%	100.00%	100.00%	-0.04%	(16.88)	(33.15)	0.03%	0.03%	(2.98)	(19.35)
36	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	India	Subsidiary	63.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.03	0.03	0.00%	0.00%	-	0.00
37	Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited (DIAPL))	India	Subsidiary	64.00%	54.00%	64.00%	64.00%	54.00%	7.95%	3,008.65	2,440.26	-6.45%	-6.45%	568.39	504.35
38	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary	64.00%	54.00%	100.00%	100.00%	100.00%	0.00%	(0.06)	(0.05)	0.00%	0.00%	-	0.00
39	Delhi Airport Parking Services Private Limited (DAPSL)	India	Subsidiary <sup>7</sup>	72.04%	67.05%	90.00%	90.00%	90.00%	0.24%	92.44	87.25	-0.12%	-0.12%	10.09	5.48
40	GMR Airports Limited (GAL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	5.32%	2,089.85	2,055.99	-0.39%	-0.39%	33.86	31.08
41	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.38%	144.09	(10.51)	0.03%	0.03%	(3.05)	(22.82)
42	GMR Krishnagiri SEZ Limited (GKSEZ)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.32%	120.88	123.25	0.03%	0.03%	(2.37)	(0.41)
43	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.93	0.95	0.00%	0.00%	(0.02)	0.00
44	Aklina Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.92	0.94	0.00%	0.00%	(0.02)	0.00
45	Amritya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.09	1.11	0.00%	0.00%	(0.02)	(0.03)
46	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.75	1.76	0.00%	0.00%	(0.01)	0.00
47	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.75	1.76	0.00%	0.00%	(0.01)	0.00
48	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.46	0.48	0.00%	0.00%	(0.01)	0.00
49	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.01%	2.74	2.78	0.00%	0.00%	(0.04)	0.00
50	Ella Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.93	0.94	0.00%	0.00%	(0.01)	0.00
51	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.63	0.65	0.00%	0.00%	(0.02)	0.01
52	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.93	0.94	0.00%	0.00%	(0.01)	(0.01)
53	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.25	1.27	0.00%	0.00%	(0.02)	0.00
54	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.93	0.95	0.00%	0.00%	(0.02)	0.00
55	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.87	0.90	0.00%	0.00%	(0.04)	0.00
56	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.53	1.50	0.00%	0.00%	0.03	(0.02)
57	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.15	0.89	0.00%	0.00%	0.26	(0.02)
58	Padmapriya Properties Private Limited (PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.48	0.40	0.01%	0.01%	(0.91)	(0.78)
59	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.81	0.77	0.00%	0.00%	0.04	0.00
60	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.82	0.85	0.00%	0.00%	(0.03)	0.00
61	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.89	0.92	0.00%	0.00%	(0.03)	0.01
62	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.90	0.92	0.00%	0.00%	(0.02)	(0.01)

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Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at				Percentage of voting rights held as at			Net Assets, i.e. total assets minus total liabilities*				Share in total comprehensive income*			
				March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	As % of consolidated net assets	March 31, 2016	As % of total comprehensive income	March 31, 2017	As % of total comprehensive income	March 31, 2016	As % of total comprehensive income			
				100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	1.03	0.00%	0.00%	0.00%	0.00%	0.00%			
63	Streepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.99	0.00%	1.03	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
64	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.91	0.00%	0.95	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
65	Astoria Real Estates Private Limited (AREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.04	0.00%	0.02	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
66	Lantana Properties Private Limited (Formerly GMR Hosur Industrial City Private Limited) (GHCL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.46	0.00%	0.03	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
67	Namitha Real Estates Private Limited (NREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	1.24	0.00%	1.12	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
68	Honey Flower Estates Private Limited (HFEP)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	34.28	0.09%	32.06	0.08%	0.00%	-0.03%	2.22	0.00%	0.00%		
69	GMR Hosur EMC Private Limited (GHEMCPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.57	0.00%	0.58	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
70	GMR SEZ and Port Holdings Limited (formerly known as GMR SEZ and Port Holdings Private Limited) (GSPHPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	359.60	0.95%	256.76	0.67%	0.00%	0.04%	3.66	0.10%	0.00%		
71	East Godavari Power Distribution Company Private Limited (EGPDCL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00	0.00%	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
72	Suzone Properties Private Limited (SUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.53	0.00%	0.03	0.00%	0.01%	0.00%	0.50	0.00%	0.00%		
73	GMR Utilities Private Limited (GUP)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00	0.00%	0.01	0.00%	0.00%	0.00%	0.00	0.00%	0.00%		
74	Lulliam Properties Private Limited (LPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.46	0.00%	0.03	0.00%	0.00%	0.00%	0.43	0.00%	0.00%		
75	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.64	0.00%	0.47	0.02%	0.00%	0.00%	10.11	0.02%	0.77		
76	Dhruvi Securities Private Limited (DSP)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	342.03	0.90%	334.02	0.88%	0.00%	-0.09%	8.01	-0.18%	8.36		
77	Kakinada SEZ Limited (formerly known as Kakinada SEZ Private Limited) (KSPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%	84.20	0.22%	89.91	0.24%	0.00%	0.07%	5.72	0.03%	1.41		
78	GMR Business Process and Services Private Limited (GBSP)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.94	-0.02%	0.56	0.00%	0.07%	0.00%	6.39	-0.01%	0.26		
79	Raxa Security Service Limited (RSS)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	49.94	0.13%	23.38	0.06%	0.00%	-0.03%	2.56	0.23%	10.58		
80	GMR SEZ Infra Services Limited (GSIS)	India	Subsidiary <sup>10</sup>	100.00%	100.00%	100.00%	100.00%	0.04	0.00%	0.00	0.00%	0.00%	0.00%	0.00	0.00%	0.00		
81	Kakinada Gateway Port Limited (KGPL)	India	Subsidiary <sup>10</sup>	99.00%	99.00%	99.00%	99.00%	0.01	0.00%	0.00	0.00%	0.00%	0.00%	0.00	0.00%	0.00		
82	GMR Goa International Airport Limited (GIAL)	India	Subsidiary <sup>10</sup>	99.99%	99.99%	99.99%	99.99%	8.23	0.02%	0.00	0.00%	0.01%	0.00%	1.27	0.00%	0.00		
83	GMR Infra Developers Limited (GIDL)	India	Subsidiary <sup>10</sup>	100.00%	100.00%	100.00%	100.00%	0.00	0.00%	0.00	0.00%	0.00%	0.00%	0.00	0.00%	0.00		
84	GMR Energy Limited (GEL)	India	Joint Venture <sup>12</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	715.27	1.88%	3.57%	0.00%	313.29	40.55%	1,865.64		
85	GMR Vemagiri Power Generation Limited (GVPL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	274.75	0.72%	0.67%	0.00%	58.93	1.42%	65.24		
86	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	106.19	-0.28%	0.17%	0.00%	15.15	0.98%	45.15		
87	GMR Consulting Services Limited (GCSPL)	India	Joint Venture <sup>13</sup>	51.21%	91.67%	51.21%	91.67%	0.00	0.00%	2.19	0.01%	0.02%	0.00%	1.84	0.01%	0.63		
88	GMR Bajaj Holi Hydropower Private Limited (GBHPL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	345.52	0.91%	0.00%	0.00%	0.00	0.05%	2.18		
89	GMR Warora Energy Limited (GWEL) (formerly known as EMCO Energy Limited)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	36.41	-0.10%	-1.45%	0.00%	126.85	5.77%	265.27		
90	GMR Bunkelhand Energy Private Limited (GBEPL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	1.99	-0.01%	0.01%	0.00%	1.00	0.03%	1.38		
91	GMR Rajam Solar Power Private Limited (GRSPL) (formerly known as GMR Uttar Pradesh Energy Private Limited)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	0.17	0.00%	0.01%	0.00%	0.50	0.00%	0.03		
92	GMR Maharashtra Energy Limited (GMAEL)	India	Joint Venture <sup>13</sup>	51.63%	92.60%	51.63%	92.60%	0.00	0.00%	0.59	0.00%	0.00%	0.00%	0.37	0.01%	0.55		
93	GMR Gujarat Solar Power Limited (GGSPL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	92.60%	0.00	0.00%	28.36	0.07%	0.14%	0.00%	12.13	0.33%	15.10		



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				March 31, 2017		April 01, 2015		March 31, 2017		April 01, 2015		March 31, 2017		April 01, 2015		March 31, 2017		April 01, 2015	
				March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015	March 31, 2017	April 01, 2015
94	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	100.00%	51.73%	100.00%	0.00%	0.00%	0.07	0.00%	0.00%	0.00%	(0.01)	0.00%	(0.01)	
95	GMR Indo-Nepal Power Corridors Limited (GNPCL)	India	Joint Venture <sup>13</sup>	51.73%	92.60%	51.73%	100.00%	51.73%	100.00%	0.00%	0.00%	0.10	0.00%	0.00%	0.00%	(0.01)	0.00%	(0.02)	
96	GMR Chhattisgarh Energy Limited (GCEL)	India	Associate <sup>16</sup>	47.62%	92.60%	47.62%	100.00%	47.62%	100.00%	0.00%	0.00%	2,709.24	21.29%	1,865.73	0.44%	(20.21)	0.44%	(20.21)	
97	GMR Rajahmundry Energy Limited (GREL)	India	Associate <sup>16</sup>	45.00%	92.60%	45.00%	100.00%	45.00%	100.00%	0.00%	0.00%	2,336.68	0.84%	73.52	5.21%	(239.78)	5.21%	(239.78)	
<b>Foreign</b>																			
98	Homeland Energy Group Limited (HEGL)	Canada	Subsidiary <sup>11</sup>	-	51.60%	-	55.72%	-	55.72%	0.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-	
99	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.01%	2.66	2.92	0.00%	0.00%	(0.22)	0.01%	(0.26)		
100	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.71%	267.88	276.02	0.04%	0.04%	(3.89)	0.16%	(7.17)		
101	PT Dwikarya Sejati Utama (PTDSU)	Indonesia	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.03%	12.69	13.33	0.01%	0.01%	(0.55)	-0.02%	0.70		
102	PT Duta Sarana Internusa (PTDSI)	Indonesia	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.00%	-	-	0.00%	0.00%	-	0.00%	-		
103	PT Barasentosa Lestari (PTBSL)	Indonesia	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.00%	-	-	0.00%	0.00%	-	0.00%	-		
104	PT Unsooc (PT)	Indonesia	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	0.00%	0.60	0.61	0.00%	0.00%	-	0.00%	0.03		
105	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-2.45%	(926.67)	(19.70)	10.71%	10.71%	(938.71)	0.40%	(18.58)		
106	GMR Infrastructure (Singapore) Pre Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	6.87%	2,602.69	2,757.74	0.05%	0.05%	(4.27)	-0.01%	0.68		
107	GMR Coal Resources Pre Limited (GCRPL)	Singapore	Subsidiary <sup>2</sup>	100.00%	92.97%	100.00%	100.00%	100.00%	100.00%	-0.29%	(110.18)	157.89	1.81%	1.81%	(158.82)	3.41%	(156.97)		
108	GADL International Limited (GADIL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-0.66%	(22.12)	(25.48)	-0.03%	-0.03%	2.97	0.00%	0.07		
109	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.26	0.43	0.00%	0.00%	(0.17)	0.00%	(0.22)		
110	GMR Male International Airport Private Limited (GIMAL)	Maldives	Subsidiary	77.00%	77.00%	77.00%	77.00%	77.00%	77.00%	1.84%	696.52	152.31	0.40%	0.40%	532.84	0.87%	(40.16)		
111	GMR Male Retail Private Limited (GMRPL)	Maldives	Subsidiary <sup>8</sup>	-	99.50%	-	99.50%	-	99.50%	0.00%	-	-	0.00%	0.00%	-	0.00%	-		
112	GMR Airports (Malta) Limited (GMRAML)	Malta	Subsidiary <sup>8</sup>	-	100.00%	-	100.00%	-	100.00%	0.00%	-	-	0.00%	0.00%	-	0.00%	-		
113	GMR Airport (Global) Limited (GAAGL)	Isle of Man	Subsidiary <sup>4</sup>	-	100.00%	-	100.00%	-	100.00%	0.00%	-	17.58	0.00%	-	0.31%	(14.46)			
114	GMR Airports (Mauritius) Limited (GAML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.01%	3.63	(4.92)	-0.10%	-0.10%	8.76	-0.99%	45.54		
115	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	5.01%	1,896.45	1,917.69	5.03%	5.03%	12.32	1.02%	(46.92)		
116	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	-0.07%	(25.47)	806.62	9.66%	9.66%	(846.26)	1.57%	(72.17)		
117	GMR Infrastructure Overseas Limited (formerly known as GMR Infrastructure Overseas (Malta) Limited) (GIOSL)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	1.77%	668.68	684.59	1.80%	1.80%	(1.53)	0.02%	(1.09)		
118	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.01%	2.90	8.38	0.02%	0.02%	(8.05)	0.50%	(22.90)		
119	GMR Infrastructure (Global) Limited (GGGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	2.54%	960.05	977.24	2.56%	2.56%	(0.07)	0.00%	(0.21)		
120	GMR Energy (Global) Limited (GDEL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.05	0.18	0.00%	0.00%	(0.13)	0.00%	(0.18)		
121	Indo Tausch Trading DMCC (Indo Tausch)	United Arab Emirates	Subsidiary <sup>9</sup>	100.00%	100.00%	-	100.00%	-	100.00%	0.00%	1.62	-	0.00%	0.00%	(0.26)	0.00%	-		
122	GMR Infrastructure (Overseas) Limited (GIOL)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	1.48%	558.91	(2.78)	0.06%	0.06%	(5.06)	0.06%	(2.65)		
123	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Joint Venture <sup>13</sup>	54.14%	92.97%	54.14%	100.00%	54.14%	100.00%	0.00%	-	(16.68)	-0.04%	-0.04%	-	0.00%	0.13		
124	GMR Lion Energy Limited (GLEL)	Mauritius	Joint Venture <sup>13</sup>	54.14%	92.97%	54.14%	100.00%	54.14%	100.00%	0.00%	-	60.32	0.16%	0.16%	-	0.02%	(0.90)		
125	Himal Hydro Power Company Private Limited (HHPPL)	Nepal	Joint Venture <sup>13</sup>	42.42%	75.93%	42.42%	82.00%	42.42%	82.00%	0.00%	-	28.55	0.07%	0.07%	(0.01)	0.00%	(0.04)		
126	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Joint Venture <sup>13</sup>	39.52%	67.87%	39.52%	73.00%	39.52%	73.00%	0.00%	-	41.26	0.11%	0.11%	(0.05)	0.04%	(2.02)		

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

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting rights held as at			Net Assets, i.e. total assets minus total liabilities*			Share in total comprehensive income*			
				March 31, 2017	April 01, 2015	March 31, 2016	March 31, 2017	April 01, 2015	March 31, 2016	March 31, 2017	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	March 31, 2017	As % of total comprehensive income	March 31, 2016
127	Karnali Transmission Company Private Limited (KTCP)	Nepal	Joint Venture <sup>13</sup>	54.14%	92.97%	54.14%	100.00%	100.00%	0.00%	-	0.01%	2.73	0.00%	(0.01)	0.00%	(0.01)
128	Marsyangdi Transmission Company Private Limited (MTCP)	Nepal	Joint Venture <sup>13</sup>	54.14%	92.97%	54.14%	100.00%	100.00%	0.00%	-	0.01%	2.75	0.00%	(0.01)	0.00%	(0.01)
	<b>Joint ventures (investment as per equity method)</b>															
129	GMR Kamalanga Energy Limited (GKEL)	India	Joint Venture <sup>14</sup>	45.22%	79.63%	45.22%	85.99%	85.99%	0.00%	-	2.07%	790.90	1.74%	(152.89)	4.19%	(192.82)
130	GMR Energy Limited	India	Joint Venture <sup>12</sup>	51.73%	92.60%	51.73%	92.60%	92.60%	8.75%	3,314.20	0.00%	-	1.62%	(141.97)	0.00%	-
131	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture <sup>14</sup>	9.00%	16.10%	9.00%	17.39%	17.39%	0.00%	-	0.01%	2.54	0.00%	-	0.00%	0.02
132	Delhi Duty Free Services Private Limited (DDFS)	India	Joint Venture <sup>7</sup>	48.97%	43.98%	66.93%	66.93%	66.93%	0.61%	232.47	0.55%	209.45	-0.69%	60.34	-1.21%	55.53
133	Asia Pacific Flight Training Academy Limited (APFT)	India	Joint Venture	25.23%	25.23%	40.04%	40.04%	40.04%	0.00%	-	0.00%	-	0.01%	(0.92)	0.01%	(0.55)
134	Laxshya Hyderabad Airport Media Private Limited (Laishya)	India	Joint Venture	30.87%	30.87%	49.00%	49.00%	49.00%	0.03%	10.45	0.02%	6.39	-0.05%	4.07	-0.05%	2.16
135	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture	32.00%	27.00%	50.00%	50.00%	50.00%	0.05%	19.65	0.05%	19.93	-0.03%	2.73	-0.06%	2.75
136	Travel Food Services (Delhi Terminal 3) Private Limited (TFSS)	India	Joint Venture <sup>7</sup>	25.60%	21.60%	40.00%	40.00%	40.00%	0.01%	3.70	0.00%	1.46	0.00%	0.17	-0.02%	1.13
137	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Joint Venture <sup>7</sup>	16.64%	14.04%	26.00%	26.00%	26.00%	0.13%	50.84	0.15%	57.81	-0.10%	8.40	-0.02%	1.03
138	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTMI)	India	Joint Venture <sup>7</sup>	16.64%	14.04%	26.00%	26.00%	26.00%	0.13%	48.77	0.12%	46.26	-0.03%	2.48	-0.07%	3.10
139	Wipro Airport IT Services Limited (WMSL)	India	Joint Venture <sup>7</sup>	16.64%	14.04%	26.00%	26.00%	26.00%	0.01%	3.46	0.01%	2.46	-0.01%	1.00	0.00%	0.12
140	TIM Delhi Airport Advertising Private Limited (TIM)	India	Joint Venture <sup>7</sup>	31.94%	26.95%	49.90%	49.90%	49.90%	0.09%	33.10	0.08%	30.11	-0.14%	12.21	-0.12%	5.49
141	GMR Mining & Energy Private Limited (GMEL)	India	Joint Venture <sup>17</sup>	68.57%	87.41%	100.00%	100.00%	100.00%	0.00%	(0.72)	0.00%	(0.92)	0.00%	-	0.01%	(0.24)
	<b>Foreign</b>															
142	GMR Megawide Cebu Airport Corporation (GMCAC)	Philippines	Joint Venture	40.00%	40.00%	40.00%	40.00%	40.00%	0.94%	355.73	0.83%	316.17	-0.58%	51.16	-0.62%	28.31
143	Limak GMR Construction JV (CV)	Turkey	Joint Venture	50.00%	50.00%	50.00%	50.00%	50.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
144	Megawide GISPL Construction Joint Venture (MGCV)	Philippines	Joint Venture <sup>9</sup>	50.00%	50.00%	50.00%	50.00%	50.00%	0.04%	14.60	0.09%	33.06	-0.18%	16.08	-0.09%	4.14
145	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	8.58%	3,249.19	8.32%	3,172.42	-0.78%	68.74	-0.11%	4.91
146	PT Roundhill Capital Indonesia (RCI)	Indonesia	Joint Venture <sup>15</sup>	29.70%	27.62%	29.70%	29.70%	29.70%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
147	PT Borneo Indobara (BIB)	Indonesia	Joint Venture <sup>15</sup>	29.43%	27.36%	29.43%	29.43%	29.43%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
148	PT Kuansing Inti Makmur (KIM)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
149	PT Karya Cemerlang Persada (KCP)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
150	PT Bungo Bara Utama (BBU)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
151	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
152	PT Berkat Nusantara Permai (BNP)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
153	PT Tanjung Belt Bara Utama (TBBU)	Indonesia	Joint Venture <sup>15</sup>	21.00%	19.52%	21.00%	21.00%	21.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
154	PT Trisula Kencana Sakti (TKS)	Indonesia	Joint Venture <sup>15</sup>	30.00%	0.00%	30.00%	0.00%	0.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
155	PT Era Mitra Solaras (EMS)	Indonesia	Joint Venture <sup>15</sup>	30.00%	0.00%	30.00%	0.00%	0.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
156	PT Wahana Rimbas (WRL)	Indonesia	Joint Venture <sup>15</sup>	30.00%	0.00%	30.00%	0.00%	0.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
157	PT Berkat Satria Abadi (BSA)	Indonesia	Joint Venture <sup>15</sup>	30.00%	0.00%	30.00%	0.00%	0.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-

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

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at				Percentage of voting rights held as at			Net Assets, i.e. total assets minus total liabilities*				Share in total comprehensive income*	
				March 31, 2017	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016		
				As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net assets	As % of total comprehensive income	As % of total comprehensive income				
158	GEMS Trading Resources Pre Limited (GEMSCP) (Formerly known as GEMS Coal Resources Pre Limited)	Singapore	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	30.00%	30.00%	0.00%	-	-	0.00%	-		
159	PT Karaya Mining Solution (KMS) (formerly known as PT Bumi Anugerah Semesta) (BAS)	Indonesia	Joint Venture <sup>15</sup>	30.00%	27.89%	30.00%	30.00%	24.00%	30.00%	0.00%	-	-	0.00%	-		
160	PT GEMS Energy Indonesia (PTGEEI)	Indonesia	Joint Venture <sup>9</sup>	30.00%	27.89%	30.00%	30.00%	-	30.00%	0.00%	-	-	0.00%	-		
161	Shanghai Jingguang Energy Co Ltd (S.JECL)	China	Joint Venture <sup>9</sup>	30.00%	27.89%	30.00%	30.00%	-	30.00%	0.00%	-	-	0.00%	-		
<b>Associates</b>																
162	GMR Chhattisgarh Energy Limited (GCEL)	India	Associate <sup>16</sup>	47.62%	92.60%	100.00%	100.00%	100.00%	100.00%	5.36%	2,029.39	-	1.38%	(120.83)	-	
163	GMR Rajahmundry Energy Limited (GREL)	India	Associate <sup>16</sup>	45.00%	92.60%	100.00%	100.00%	100.00%	100.00%	0.00%	-	-	2.09%	(183.39)	-	
164	Jadcherla Expressways Private Limited (JEPL)	India	Associate <sup>4</sup>	-	25.98%	26.00%	26.00%	26.00%	26.00%	0.00%	-	-	0.00%	-	-	
165	Ulundurpet Expressways Private Limited (UEPL)	India	Associate <sup>4</sup>	-	25.97%	26.00%	26.00%	26.00%	26.00%	0.00%	-	-	0.00%	-	-	
166	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	India	Associate <sup>18</sup>	36.00%	51.00%	36.00%	36.00%	51.00%	36.00%	0.00%	-	-	0.00%	-	-	
167	East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Investment <sup>20</sup>	31.35%	26.45%	48.99%	48.99%	48.99%	48.99%	0.00%	-	-	0.00%	-	-	
<b>Sub Total</b>										<b>100.00%</b>	<b>37,867.96</b>	<b>38,124.17</b>	<b>100.00%</b>	<b>(8,764.46)</b>	<b>(4,600.49)</b>	
<b>Add/Less: Non controlling interests in all subsidiaries</b>											(1,713.55)	(1,259.48)		36.78		
<b>Consolidation adjustments/eliminations**</b>											(287,993.37)	(30,614.36)		1,883.92		
<b>Total</b>											<b>7,361.04</b>	<b>6,250.33</b>		<b>(552.34)</b>	<b>(2,679.79)</b>	

\* The figures have been considered from the respective standalone financial statements and the consolidated net asset figure has been arrived at after consolidation adjustments/eliminations.

\*\* Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

The reporting dates of the subsidiaries, joint ventures and associates coincide with that of the parent Company except in case of GADJUL (refer Sl. No.108), GUMAL (refer Sl. No.121), PTGEMS and its subsidiaries and joint ventures (refer Sl. No.145 to 161 above), MGAC (refer Sl. No.142 above) and MGCV (refer Sl. No.144), whose financial statements for the year ended on and as at December 31, 2016 were considered for the purpose of consolidated financial statements of the Group. The amounts for net assets / (liabilities) and net profit / (loss) of PTDSU and its subsidiaries (refer Sl. No.101 to 103 above) and PTGEMS and its subsidiaries and joint ventures have been presented on a consolidated basis. Further GEL and its subsidiaries / joint ventures post it ceased to be a subsidiaries / joint ventures / associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2017.

- Notes:**
- Partially held by GEL. Decrease due to dilution in GEL during the current year.
  - Ceased to be a subsidiary / joint venture of GEL during the current year.
  - Ceased to be a subsidiary of GEL during the year ended March 31, 2016.
  - Disposed by the Group during the year ended March 31, 2017.
  - Partially held by GPC. Refer 2 above.
  - Transferred from GHAL during the current year.
  - On account of increase in stake in DIAL during the year ended March 31, 2016.
  - Wound up during the year ended March 31, 2017.
  - Incorporated during the year ended March 31, 2016.
  - Incorporated during the year ended March 31, 2017.
  - Disposed by the Group during the year ended March 31, 2016.
  - Dilution in GEL during the year ended March 31, 2017. GEL was a subsidiary as at March 31, 2016 and April 1, 2015 (refer note 36 (f)).
  - Subsidiary of GEL. Dilution due to 12 above; was a subsidiary as at March 31, 2016 and April 1, 2015.
  - Jointly controlled entity of GEL; dilution on account of 12 above.
  - Transferred from GEL during the current year.
  - Dilution during the year ended March 31, 2017 on account of Strategic Debt Restructuring, was a subsidiary as at March 31, 2016. (Refer note 36 (d) and 36 (e)).
  - Partially held by GCEL. refer 16 above.
  - Partial disposal during the year ended March 31, 2016, was a joint venture as at April 1, 2015.
  - Merged with GRL during the year ended March 31, 2017.
  - Ceases to be an associate during the year ended March 31, 2017.

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

₹ in crore)

Particulars	Freehold land	Leasehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, Culverts, Bunders etc.	Plant and machinery	Leasehold improvements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Leased assets - Furniture and fixtures (including electrical equipments)	Leased assets - plant and machinery	Leased assets - office equipments (including computers)	Leased assets - vehicles	Total
Gross block															
Cost or Valuation															
<b>Deemed Cost as at April 01, 2015</b>	<b>166.80</b>	<b>96.79</b>	<b>2,046.13</b>	<b>5,756.45</b>	<b>322.51</b>	<b>8,198.21</b>	<b>137.12</b>	<b>39.68</b>	<b>981.06</b>	<b>210.45</b>	<b>159.00</b>	<b>18.25</b>	<b>58.48</b>	<b>0.05</b>	<b>18,190.98</b>
Additions	26.52	-	13.92	1,077.53	-	10,018.95	0.24	2795	41.96	14.77	-	-	-	-	11,221.84
Disposals	-	-	-	(1.30)	-	(1.91)	-	(0.34)	(1.13)	(1.58)	-	-	-	-	(6.26)
Adjustments against development fund (DF)	-	-	0.57	2.57	0.11	1.29	-	-	0.47	-	-	-	-	-	5.01
Exchange differences	-	-	35.52	80.57	-	344.67	0.56	2.35	14.69	-	-	-	-	-	478.36
Borrowing costs	-	-	-	111.38	-	2,556.17	-	-	-	-	-	-	-	-	2,667.55
Transferred to assets held for sale	(1.25)	(8.12)	-	(597.60)	-	(3,321.41)	-	(0.21)	(0.13)	(0.16)	-	-	-	-	(3,928.88)
Other adjustments	-	-	-	(0.93)	-	(0.09)	-	-	-	2.81	-	-	-	-	1.79
<b>As at March 31, 2016</b>	<b>192.07</b>	<b>88.67</b>	<b>2,096.14</b>	<b>6,428.67</b>	<b>322.62</b>	<b>17,795.88</b>	<b>137.92</b>	<b>69.43</b>	<b>1,036.92</b>	<b>226.29</b>	<b>159.00</b>	<b>18.25</b>	<b>58.48</b>	<b>0.05</b>	<b>28,630.39</b>
Additions	0.18	-	12.21	50.22	-	253.64	14.91	26.87	75.72	7.64	-	-	-	-	441.39
Disposals	-	-	-	(4.88)	-	(29.13)	-	(7.89)	(3.88)	(1.12)	-	-	-	-	(46.90)
Deconsolidation of entities (refer note 3(G))	(154.19)	(88.55)	-	(885.53)	-	(15,522.00)	-	(10.56)	(6.06)	(1.72)	-	-	-	-	(16,668.61)
Adjustments against DF	-	-	0.15	0.67	0.03	0.33	-	-	0.12	-	-	-	-	-	1.30
Exchange differences	-	-	(8.22)	(18.93)	-	(8.72)	-	(0.56)	(3.53)	-	-	-	-	-	(39.96)
Borrowing costs	-	-	-	-	-	69.78	-	-	-	-	-	-	-	-	69.78
Transferred to assets held for sale	-	-	-	(4.56)	-	(0.55)	-	(0.38)	(0.32)	-	-	-	-	-	(5.81)
Other adjustments (refer note 3(F))	-	-	-	(2.49)	-	(0.60)	-	-	-	-	(159.00)	(18.25)	(58.48)	(0.05)	(238.87)
<b>As at March 31, 2017</b>	<b>38.06</b>	<b>0.12</b>	<b>2,100.28</b>	<b>5,563.17</b>	<b>322.65</b>	<b>2,558.63</b>	<b>152.83</b>	<b>76.91</b>	<b>1,098.97</b>	<b>231.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,142.71</b>
Accumulated Depreciation															
<b>As at April 01, 2015</b>															
Charge for the year	-	1.11	109.56	353.03	13.28	852.76	17.61	23.36	204.54	21.64	27.79	1.54	35.10	0.02	1,661.34
Disposals	-	-	-	-	-	(0.33)	-	(0.28)	(0.94)	(1.39)	-	-	-	-	(2.94)
Exchange differences	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	0.03
Transferred to assets held for sale	-	(0.08)	-	(17.18)	-	(66.04)	-	(0.16)	(0.02)	(0.04)	-	-	-	-	(83.52)
<b>As at March 31, 2016</b>	<b>-</b>	<b>1.03</b>	<b>109.56</b>	<b>335.85</b>	<b>13.28</b>	<b>786.39</b>	<b>17.61</b>	<b>22.95</b>	<b>203.58</b>	<b>20.21</b>	<b>27.79</b>	<b>1.54</b>	<b>35.10</b>	<b>0.02</b>	<b>1,574.91</b>

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

Particulars	Freehold land	Leasehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, Culverts, Bunders etc.	Plant and machinery	Leasehold improvements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Leased assets - plant and machinery (including electrical installations and equipments)	Leased assets - office equipments (including computers)	Leased assets - vehicles	Total
Charge for the year	-	0.81	111.04	356.92	13.28	684.63	7.45	16.84	212.89	19.74	-	-	-	1,423.60
Disposals	-	-	-	(5.23)	-	(1.19)	-	(7.13)	(2.85)	(0.57)	-	-	-	(16.97)
Deconsolidation of entities (refer note 3(G))	-	(1.84)	-	(103.70)	-	(802.17)	-	(4.14)	(1.34)	(0.41)	-	-	-	(913.60)
Transferred to assets held for sale	-	-	-	(0.38)	-	(0.08)	-	(0.20)	0.27	-	-	-	-	(0.39)
Other adjustments (refer note 3(F))	-	-	-	-	-	-	-	-	-	-	(277.9)	(35.10)	(0.02)	(64.45)
<b>As at March 31, 2017</b>	-	-	<b>220.60</b>	<b>583.46</b>	<b>26.56</b>	<b>667.58</b>	<b>25.06</b>	<b>28.32</b>	<b>412.55</b>	<b>38.97</b>	-	-	-	<b>2,003.10</b>
Net Block														
<b>As at April 01, 2015</b>	<b>166.80</b>	<b>96.79</b>	<b>2,046.13</b>	<b>5,756.45</b>	<b>322.51</b>	<b>8,198.21</b>	<b>137.12</b>	<b>39.68</b>	<b>981.06</b>	<b>210.45</b>	<b>159.00</b>	<b>58.48</b>	<b>0.05</b>	<b>18,190.98</b>
<b>As at March 31, 2016</b>	<b>192.07</b>	<b>87.64</b>	<b>1,986.58</b>	<b>6,092.82</b>	<b>309.34</b>	<b>17,009.49</b>	<b>120.31</b>	<b>46.48</b>	<b>833.34</b>	<b>206.08</b>	<b>131.21</b>	<b>23.38</b>	<b>0.03</b>	<b>27,055.48</b>
<b>As at March 31, 2017</b>	<b>38.06</b>	<b>0.12</b>	<b>1,879.68</b>	<b>4,979.71</b>	<b>296.09</b>	<b>1,891.05</b>	<b>127.77</b>	<b>48.59</b>	<b>686.42</b>	<b>192.12</b>	-	-	-	<b>10,139.61</b>

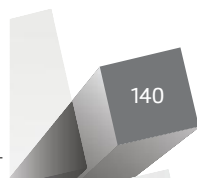
## Notes to the consolidated financial statements for the year ended March 31, 2017

1. Buildings (including roads) with deemed cost of ₹ 5,160.01 crore (March 31, 2016: ₹ 6,010.49 crore, April 01, 2015: ₹ 5,393.93 crore), runways, taxiways, aprons, bridges, culverts, bunders etc. are on leasehold land.
2. Development Fund collection charges of ₹ 1.30 crore (March 31, 2016: ₹ 5.01 crore) paid towards development of aeronautical assets in DIAL is capitalised from the Development Fund grant. Refer Note 46(i).
3. Foreign exchange differences in gross block:
  - a. Foreign exchange gain of ₹ 0.09 crore (March 31, 2016: ₹ 0.80 crore) on account of translating the financial statement items of foreign entities using the exchange rate at the balance sheet date.
  - b. The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, Foreign exchange loss of ₹ 39.87 crore (March 31, 2016: ₹ 477.56 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets have been adjusted against property, plant and equipment.
4. Held for sale includes:
  - a. Refer Note 36(c) and 36(d) as regards to Strategic Debt Restructuring Scheme ('SDR') in case of GREL and Memorandum of Understanding ('MOU') entered into by the Group with an external party in case of ATSCCL and MTSCCL respectively. The details relating to gross block and accumulated depreciation of aforementioned entities as at March 31, 2016 are included in the table below:

(₹ in crore)

Particulars	GREL	MTSCCL	ATSCCL	Total
Gross block as at March 31, 2016	3,560.77	238.50	129.61	3,928.88
Less :Accumulated depreciation as at March 31, 2016	(65.27)	(11.56)	(6.69)	(83.52)
<b>Net block as at March 31, 2016</b>	<b>3,495.50</b>	<b>226.94</b>	<b>122.92</b>	<b>3,845.36</b>

- b. Refer Note 36(h), regarding the MOU for sale of PTDSU. As at March 31, 2017, the gross block of PTDSU was ₹ 5.81 crore and accumulated depreciation is ₹ 0.39 crore.
5. Additions to plant and machinery include trial run costs, net of revenue from sale of infirm power of GCEL and GREL of ₹ Nil (March 31, 2016: ₹ 174.47 crore and ₹ 71.52 crore respectively) .
6. Deconsolidation of entities: As detailed in Note 36(f), GEL and its subsidiaries ceased to be subsidiaries of the Group w.e.f November 04, 2016. Further, as detailed in Note 36(g), GCEL ceased to be a subsidiary of the Group w.e.f. February 21, 2017.
7. During the year ended March 31,2017, there is a modification in the terms of arrangement of leased assets of DIAL and as per the modified terms this arrangement no longer contains an embedded lease. Accordingly, DIAL has derecognised the asset and liabilities under finance lease.
8. Depreciation for the year relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in Note 4 and intangible assets under development in Note 8.



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

9. The Group has availed the exemption under Ind AS 101. The reconciliation of the IGAAP balance to Ind AS balances are as detailed below:

(₹ in crore)

Particulars	Gross block as at April 01, 2015	Accumulated depreciation as at April 01, 2015
Property, plant and equipment as per previous GAAP	30,427.87	6,668.86
Less: Deconsolidation of joint ventures	(5,324.59)	(611.97)
Less: Assets transferred to Intangibles as per accounting of service concession arrangement	(1,408.36)	(513.23)
Less: Land given on operating lease classified as Investment property	(232.22)	-
Add: assets recognised as finance lease in DIAL	235.78	-
Add: Other adjustments	115.78	79.62
<b>Total</b>	<b>23,814.26</b>	<b>5,623.28</b>

10. The group has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment has been carried forward at the amount as determined under the previous GAAP. Information regarding the gross block of assets, accumulated depreciation has been disclosed by the group separately as follows:

(₹ in crore)

Particulars	Gross block as at April 01, 2015	Accumulated depreciation as at April 01, 2015	Net block as at April 01, 2015
Freehold Land	166.80	-	166.80
Leasehold Land	101.24	4.45	96.79
Runways, taxiways, aprons etc.	2,601.95	555.82	2,046.13
Building (including roads)	7,002.33	1,245.88	5,756.45
Bridges, Culverts, Bunders etc.	396.47	73.96	322.51
Plant & Machinery	10,929.27	2,731.06	8,198.21
Leasehold improvements	164.86	27.74	137.12
Office equipment (including computers)	160.74	121.06	39.68
Furniture and fixtures (including electrical installations and equipment)	1,477.08	496.02	981.06
Vehicles and aircrafts	313.75	103.30	210.45
Leased assets-Furniture and fixtures (including electrical installations and equipment)	275.35	116.35	159.00
Leased assets -plant and machinery	21.92	3.67	18.25
Leased assets - office equipment (including computers)	202.38	143.9	58.48
Leased assets - vehicles	0.12	0.07	0.05
<b>Total</b>	<b>23,814.26</b>	<b>5,623.28</b>	<b>18,190.98</b>

11. The property, plant and equipment of the Group has been pledged for the borrowing taken by the Group. Refer Note 19 and 24 for details.

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

**4. Capital work in progress**

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Capital expenditure incurred on tangible assets	830.25	10,458.29	10,333.43
Employee benefit expenses	148.28	329.82	295.15
Legal and professional fees	236.29	482.24	402.12
Travelling and conveyance	53.01	111.46	108.63
Depreciation / amortisation on property, plant and equipment and intangible assets	8.27	22.26	17.00
Interest costs	488.72	3,493.02	2,564.99
Exchange differences (net)	0.04	241.94	196.26
Trial run costs	-	192.68	117.25
Power and fuel	1.45	123.41	23.05
Other expenses	139.43	298.41	267.91
<b>(i)</b>	<b>1,905.74</b>	<b>15,753.53</b>	<b>14,325.79</b>
<b>Less: Other income</b>			
Interest income on bank deposits	3.39	152.16	141.33
Net gain on sale of current investments	0.58	34.81	34.48
Revenue from sale of infirm power	-	60.95	5.38
Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2016 : ₹ Nil; April 01, 2015: ₹ Nil)]	5.90	6.65	5.05
<b>(ii)</b>	<b>9.87</b>	<b>254.57</b>	<b>186.24</b>
<b>Total (iii) = (i) - (ii)</b>	<b>1,895.87</b>	<b>15,498.96</b>	<b>14,139.55</b>
Less: Apportioned over the cost of tangible assets	253.37	14,005.03	264.18
Less: Deconsolidation of entities during the year <sup>1</sup>	1,403.30	-	-
<b>(iv)</b>	<b>1,656.67</b>	<b>14,005.03</b>	<b>264.18</b>
<b>Total - (v) = (iii) - (iv)</b>	<b>239.20</b>	<b>1,493.93</b>	<b>13,875.37</b>

1. As detailed in Note 36(f), GEL and its subsidiaries ceased to be subsidiaries of the Group w.e.f November 04, 2016. Further, as detailed in Note 36(g), GCEL ceased to be a subsidiary of the Group w.e.f. February 21, 2017. The details of their capital work in progress balances as on date of deconsolidation is as below :

Entity Name	(₹ in crore)
GEL and its underlying components	1,351.10
GCEL	52.20
<b>Total</b>	<b>1,403.30</b>

2. The Group has availed the exemption under Ind AS 101 (refer note 56).

**5 Investment property under construction**

(₹ in crore)

Particulars	Investment property under construction	Total
<b>Cost</b>		
<b>As at April 01, 2015</b>	<b>1,683.46</b>	<b>1,683.46</b>
Acquisitions during the year	62.03	62.03
Expenses capitalised during the year	515.86	515.86
Disposals	(1.26)	(1.26)
<b>As at March 31, 2016</b>	<b>2,260.09</b>	<b>2,260.09</b>
Acquisitions during the year	14.25	14.25



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

Particulars	Investment property under construction	Total
Expenses capitalised during the year	249.76	249.76
Disposals	(2.29)	(2.29)
<b>As at March 31, 2017</b>	<b>2,521.81</b>	<b>2,521.81</b>
<b>Accumulated depreciation</b>		
As at April 01, 2015	-	-
Charge for the year	0.43	0.43
Disposals	-	-
<b>As at March 31, 2016</b>	<b>0.43</b>	<b>0.43</b>
Charge for the year	0.70	0.70
Disposals	-	-
<b>As at March 31, 2017</b>	<b>1.13</b>	<b>1.13</b>
<b>Net block</b>		
As at April 01, 2015	<b>1,683.46</b>	<b>1,683.46</b>
As at March 31, 2016	<b>2,259.66</b>	<b>2,259.66</b>
As at March 31, 2017	<b>2,520.68</b>	<b>2,520.68</b>

**Notes :**

(a) For investment property existing as at April 01, 2015, (i.e. its date of transition to Ind AS), the Group has considered the carrying amount as per the previous GAAP as deemed cost.

**(b) Information regarding income and expenditure of Investment property:**

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016
Rental income derived from investment property	10.00	4.14
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(7.01)	(3.02)
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	(3.38)	(2.08)
<b>Profit / (loss) arising from investment properties before depreciation</b>	<b>(0.39)</b>	<b>(0.96)</b>
Less: Depreciation for the year	(0.70)	(0.43)
<b>Profit / (loss) arising from investment properties</b>	<b>(1.09)</b>	<b>(1.39)</b>

(c) Investment property under construction as at March 31, 2017 represents 10,845 acres of land held by the Group consisting of 8,239 acres of land held by KSPL for the purpose of SEZ in Kakinada, 1,284 acres of land held by GKSEZ for the purpose of SEZ at Krishnagiri and 1,322 acres of land held by various other entities.

(d) As at March 31, 2017, State Industries Promotion Corporation of Tamil Nadu (SIPCOT) has issued notification / notice of acquisition for acquisition of 570.77 acres of land for industrial purpose. The management of the Group does not foresee any financial loss arising out of such notification / notice.

(e) Investment property of the Group has been pledged for the borrowings taken by the Group. Refer notes 19 and 24 for details.

(f) Considering that the Investment property are under construction stage, the Group is not able to reliably measure the fair value of all the Investment property and hence, not disclosed the fair value.

**6. Goodwill on Consolidation**

(₹ in crore)

Cost	
As at April 01, 2015	935.76
Additions	305.21
Exchange differences	37.38
Disposals	-
<b>As at March 31, 2016</b>	<b>1,278.35</b>
Additions	-
Discontinued operations [refer note 36 (f)]	(175.04)

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

Asset held for sale [refer note 36 (k)]	(355.89)
<b>As at March 31, 2017</b>	<b>747.42</b>
<b>Accumulated impairment</b>	
As at April 01, 2015	-
Charge for the year	100.16
Disposals	-
<b>As at March 31, 2016</b>	<b>100.16</b>
Charge for the year	-
Disposals	-
Asset held for sale [refer note 36 (k)]	(100.16)
<b>As at March 31, 2017</b>	<b>-</b>
<b>Net book value</b>	
<b>As at April 01, 2015</b>	<b>935.76</b>
<b>As at March 31, 2016</b>	<b>1,178.19</b>
<b>As at March 31, 2017</b>	<b>747.42</b>

### Notes:

- Additions in goodwill for the year ended March 31, 2016 represents :
  - ₹ 305.21 crore arising out of acquisition of additional stake of Malaysia Airports (Mauritius) Private Limited ('MAMPL') in DIAL by GAL.
- Impairment of goodwill represents:
  - ₹ 100.16 crore of PTDSU during the year ended March 31, 2016. For details refer note 36 (h)
- Exchange differences in goodwill on consolidation represents foreign exchange gain of ₹ Nil (March 31, 2016 : ₹ 37.38 crore) on account of effect of translation of goodwill arising out of consolidation of foreign operations using the exchange rate at the balance sheet date.

### 7. Other intangible assets

(₹ in crore)

Particulars	Airport concessionaire rights	Capitalised software	Carriage-ways	Mining rights	Technical know-how	Power Plant concessionaire rights	Right to Cargo facility	Total
<b>Gross block</b>								
<b>Cost or Valuation</b>								
<b>As at April 01, 2015 - Deemed Cost</b>	<b>430.47</b>	<b>17.38</b>	<b>2,733.11</b>	<b>-</b>	<b>8.98</b>	<b>919.52</b>	<b>13.57</b>	<b>4,123.03</b>
Additions	-	1.59	2.70	53.98	-	8.35	2.04	68.66
Disposals	-	(3.87)	-	-	-	(0.98)	(0.45)	(5.30)
Transferred to assets held for sale	-	(0.26)	-	-	-	-	-	(0.26)
<b>As at March 31, 2016</b>	<b>430.47</b>	<b>14.84</b>	<b>2,735.81</b>	<b>53.98</b>	<b>8.98</b>	<b>926.89</b>	<b>15.16</b>	<b>4,186.13</b>
Additions	-	9.38	0.91	26.26	-	-	3.86	40.41
Disposals	-	-	-	-	-	-	(0.09)	(0.09)
Deconsolidation of entities	-	(4.30)	-	(80.24)	-	(912.07)	-	(996.61)
<b>As at March 31, 2017</b>	<b>430.47</b>	<b>19.92</b>	<b>2,736.72</b>	<b>-</b>	<b>8.98</b>	<b>14.82</b>	<b>18.93</b>	<b>3,229.84</b>
<b>Accumulated Amortisation</b>								
<b>As at April 01, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	20.50	7.38	55.45	2.73	6.12	72.37	2.13	166.68
Disposals	-	-	-	-	-	(0.08)	(0.44)	(0.52)
Transferred to assets held for sale	-	(0.10)	-	-	-	-	-	(0.10)
<b>As at March 31, 2016</b>	<b>20.50</b>	<b>7.28</b>	<b>55.45</b>	<b>2.73</b>	<b>6.12</b>	<b>72.29</b>	<b>1.69</b>	<b>166.06</b>
Charge for the year	8.20	4.91	60.66	1.57	2.86	42.84	2.71	123.75
Disposals	-	-	-	-	-	-	(0.09)	(0.09)
Deconsolidation of entities	-	(1.48)	-	(4.30)	-	(110.75)	-	(116.53)
<b>As at March 31, 2017</b>	<b>28.70</b>	<b>10.71</b>	<b>116.11</b>	<b>-</b>	<b>8.98</b>	<b>4.38</b>	<b>4.31</b>	<b>173.19</b>

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

Particulars	Airport concessionaire rights	Capitalised software	Carriage-ways	Mining rights	Technical know-how	Power Plant concessionaire rights	Right to Cargo facility	Total
<b>Accumulated Impairment</b>								
<b>As at April 01, 2015</b>	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
<b>As at March 31, 2016</b>	-	-	-	-	-	-	-	-
Charge for the year	-	-	385.70	-	-	-	-	385.70
Disposals	-	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	-	-	<b>385.70</b>	-	-	-	-	<b>385.70</b>
<b>Net Block</b>								
<b>As at April 01, 2015</b>	430.47	17.38	2,733.11	-	8.98	919.52	13.57	4,123.03
<b>As at March 31, 2016</b>	409.97	7.56	2,680.36	51.25	2.86	854.60	13.47	4,020.07
<b>As at March 31, 2017</b>	401.77	9.21	2,234.91	-	-	10.44	14.62	2,670.95

- (1) The Group has availed the exemption under Ind AS 101. The reconciliation of the IGAAP balance to Ind AS balances are as detailed below:

(₹ in crore)

Particulars	Gross block as at April 01, 2015	Accumulated amortisation as at April 01, 2015
Other Intangible assets excluding goodwill as per previous GAAP	8,014.80	1,200.65
Less: Deconsolidation of joint ventures	(2,317.03)	(111.41)
Add: Assets transferred from tangible assets as per SCA's	1,408.36	513.23
Less: Intangible assets of annuity projects classified as receivable against service concession arrangement	(2,226.38)	(793.14)
Add: Other adjustments	74.85	22.24
<b>Total</b>	<b>4,954.60</b>	<b>831.57</b>

- (2) The Group has availed the exemption available under Ind AS 101, wherein the carrying value of intangible assets has been carried forward at the amount as determined under the previous GAAP. Information regarding the gross block of assets, accumulated amortisation has been disclosed by the Group separately as follows:

(₹ in crore)

Particulars	Airport Concessionaire rights	Capitalised software	Carriage-ways	Technical know-how	Power plant concessionaire rights	Right to cargo facility	Total
Gross block as at April 01, 2015	490.52	100.88	2,862.17	31.35	1,440.26	29.42	4,954.60
Less: Accumulated amortisation as at April 01, 2015	(60.05)	(83.50)	(129.06)	(22.37)	(520.74)	(15.85)	(831.57)
Net block as at April 01, 2015	430.47	17.38	2,733.11	8.98	919.52	13.57	4,123.03

(3) **DECONSOLIDATION OF ENTITIES:**

- a. As detailed in Note 36(f), GEL and its subsidiaries ceased to be subsidiaries of the Group w.e.f November 04, 2016. Further, as detailed in Note 36(g), GCEL ceased to be a subsidiary of the Group w.e.f. February 21, 2017 and as detailed in Note 36(d), GREL ceased to be subsidiary of the group w.e.f. May 12, 2016. Pursuant to the above, deletions during the year ended March 31, 2017 in power plant concessionaire rights, mining properties and capitalised software includes:

(₹ in crore)

Particulars	GCEL	GEL and its components	Total
Gross block as at March 31, 2017	81.09	915.52	996.61
Less: Accumulated amortisation as at March 31, 2017	(4.58)	(111.95)	(116.53)
Net block as at March 31, 2017	76.51	803.57	880.08

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

**8. Intangible assets under development**

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Capital expenditure incurred on intangible assets	127.66	174.43	69.77
Project premium	164.48	164.48	164.48
Employee benefit expenses	129.65	144.08	119.73
Legal and professional fees	110.85	135.94	121.76
Depreciation / amortisation on property, plant and equipment and intangible assets	0.21	1.52	6.93
Interest costs	96.21	96.23	59.11
Other expenses	63.49	101.72	63.30
	<b>(i) 692.55</b>	<b>818.40</b>	<b>605.08</b>
<b>Less: Other income</b>			
Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2016: ₹ Nil ; April 01, 2015: ₹ Nil)]	9.32	6.22	-
	<b>(ii) 9.32</b>	<b>6.22</b>	<b>-</b>
<b>Total - (iii) = (i) - (ii)</b>	<b>683.23</b>	<b>812.18</b>	<b>605.08</b>
Less: Apportioned over the cost of intangible assets	-	55.90	1.15
Less: Provision for claims recoverable (refer note 36(e))	-	95.48	88.43
Less: Asset classified as held for sale (refer note 36(h) and 36(k))	463.17	-	-
Less: Deconsolidation of entities during the year	220.06	-	-
	<b>(iv) 683.23</b>	<b>151.38</b>	<b>89.58</b>
<b>Total - (v) = (iii) - (iv)</b>	<b>-</b>	<b>660.80</b>	<b>515.50</b>

**Notes:**

- The Group has availed the exemption under Ind AS 101 (refer note 56).

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

## 9a. Interest in Joint ventures

## (1) Details of joint ventures :

Name of the Entity	Place of Business <sup>3</sup>	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting right held as at			Nature of Activities	Accounting Method
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015		
<b>a) Material Joint Ventures :</b>									
GMR Kamalanga Energy Limited (GKEL) <sup>4</sup>	India	NA	79.63%	79.63%	NA	85.99%	85.99%	Own and Operates a 1,050 MW coal based thermal power plant at Kamalanga, Orissa.	Equity Method
GMR Megawide Cebu Airport Corporation (GMCAC) <sup>11</sup>	Philippines	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	Operates the Mactan Cebu International Airport.	Equity Method
Delhi Duty Free Services Private Limited (DDFS) <sup>5</sup>	India	48.97%	48.97%	43.98%	66.93%	66.93%	66.93%	Operates Duty free shop at Indira Gandhi International Airport, New Delhi.	Equity Method
GMR Energy Limited (GEL) and its components <sup>6</sup>	India	51.73%	NA	NA	51.73%	NA	NA	Owns a barge mounted gas based power plant. Owns / operates / constructs thermal, solar and hydro power plants through its subsidiaries.	Equity Method
PT Golden Energy Mines TBK (PTGEMS) and its components <sup>7, 11</sup>	Indonesia	30.00%	27.89%	27.89%	30.00%	30.00%	30.00%	Coal mining operations in Indonesia .	Equity Method
GMR OSE Hungund Hospet Highways Private Limited (GOSEHHPL) <sup>8</sup>	India	NA	NA	51.00%	NA	NA	51.00%	Joint concessionaire of Hungund Hospet Expressways.	Equity Method
<b>b) Others :</b>									
Delhi Aviation Services Private Limited (DASPL) <sup>5</sup>	India	32.00%	32.00%	27.00%	50.00%	50.00%	50.00%	Manages the operation of bridge mounted equipment and supply potable water at Indira Gandhi International Airport, New Delhi.	Equity Method
TIM Delhi Airport Advertising Private Limited (TIM) <sup>5</sup>	India	31.94%	31.94%	26.95%	49.90%	49.90%	49.90%	Provides advertisement services at Indira Gandhi International Airport, New Delhi.	Equity Method
Delhi Aviation Fuel Facility Private Limited (DAFFPL) <sup>5</sup>	India	16.64%	16.64%	14.04%	26.00%	26.00%	26.00%	Operates aircraft refueling facility at Indira Gandhi International Airport, New Delhi.	Equity Method
Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM) <sup>5</sup>	India	16.64%	16.64%	14.04%	26.00%	26.00%	26.00%	Provides Cargo services at Indira Gandhi International Airport, New Delhi.	Equity Method
Wipro Airport IT Services Limited (WAISL) <sup>5</sup>	India	16.64%	16.64%	14.04%	26.00%	26.00%	26.00%	Provides IT infrastructure services at Indira Gandhi International Airport, New Delhi.	Equity Method
Travel Food Services (Delhi Terminal 3) Private Limited (TFS) <sup>5</sup>	India	25.60%	25.60%	21.60%	40.00%	40.00%	40.00%	Provides food & beverages services at Indira Gandhi International Airport, New Delhi.	Equity Method
Lagshya Hyderabad Airport Media Private Limited (Lagshya)	India	30.87%	30.87%	30.87%	49.00%	49.00%	49.00%	Provides outdoor media services for display of advertisement at Hyderabad Airport.	Equity Method
Asia Pacific Flight Training Academy Limited (APFT)	India	25.23%	25.23%	25.23%	40.00%	40.04%	40.04%	Provides flight training services at Hyderabad Airport.	Equity Method

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

Name of the Entity	Place of Business <sup>3</sup>	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting right held as at			Nature of Activities	Accounting Method
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015		
Rampia Coal Mine and Energy Private Limited (Rampia) <sup>4</sup>	India	NA	16.10%	16.10%	17.39%	17.39%	17.39%	Joint venture for operating Rampia coal mine, but the allotment of mine was cancelled.	Equity Method
Megawide - GISPL Construction Joint Venture (MGCV) <sup>5,11</sup>	Philippines	50.00%	50.00%	0.00%	50.00%	50.00%	0.00%	Construction / renovation of Mactan Cebu International Airport.	Equity Method
Limak GMR Joint Venture (CIV)	Turkey	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	Joint venture formed for construction of ISG airport, Turkey.	Equity Method
GMR Mining & Energy Private Limited (GMEL) <sup>10</sup>	India	68.57%	NA	NA	68.57%	NA	NA	Engaged in mining.	Equity Method

### Notes :

- Aggregate amount of unquoted investment in joint ventures - ₹ 4,086.25 crore (March 31, 2016 : ₹ 1,515.62 crore and April 01, 2015 : ₹ 1,659.61 crore).
- Aggregate amount of quoted investment in joint ventures - ₹ 3,249.19 crores (March 31, 2016 : ₹ 3,172.42 crore and April 01, 2015 : ₹ 3,038.15 crore); Market value of quoted investments in joint ventures : December 31, 2016 : ₹ 2,552.33 crore (December 31, 2015 : ₹ 1,399.34 crore and January 01, 2015 : ₹ 1,752.30 crore).
- The country of incorporation is same as their principal place of business.
- Jointly controlled entity of GEL and hence consolidated in GEL and its components in March 31, 2017.
- On account of increase in stake in DIAL during the year ended March 31, 2016.
- Refer Note No. 36(f) for subscription of shares of GEL by Tenaga and other investors. Refer Note No. 19(9) for CCPS issued by GEL.
- Increase in March 31, 2017 is on account of the change in the shareholding structure.
- Partial disposal during the year ended March 31, 2016. Was a joint venture as at April 01, 2015.
- Incorporated during the year ended March 31, 2016.
- Partially held by GCEL which got diluted during the year ended March 31, 2017 on account of SDR.
- The reporting dates of the jointly-controlled entities coincide with the parent Company except in case of GMCA, PTGEMS and its subsidiaries and jointly controlled entities and MGCV whose financial statements for the year ended on and as at December 31, 2014, December 31, 2015 and December 31, 2016 were considered for the purpose of consolidated financial statements of the Group as these are the entities incorporated outside India and their financials are prepared as per calendar year i.e. January to December.

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

(2) Summarised financial information for material joint ventures

(₹ in crore)

Particulars	GKEL**		GEL and its components**		DDFS		GMCAC		PTGEMS and its components				GOSEHHPL			Total	
	March 31, 2017	March 31, 2016	March 31, 2017	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	December 31, 2016	January 1, 2015	December 31, 2016	January 1, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
<b>Current assets</b>																	
Cash & cash equivalents	-	156.56	92.30	20.81	31.76	37.87	26.65	285.54	27.18	18.67	403.33	-	-	4.14	806.42	510.80	473.60
Current tax assets	-	-	-	-	-	-	-	-	-	-	0.31	-	-	2.10	1.03	0.24	2.41
Other assets	-	1,302.24	1,143.78	949.32	138.64	145.87	139.82	61.72	48.88	51.97	497.87	-	-	2.50	2,343.53	2,511.17	1,641.48
<b>Total current assets</b>	-	<b>1,458.80</b>	<b>1,236.08</b>	<b>970.13</b>	<b>170.40</b>	<b>183.74</b>	<b>166.47</b>	<b>347.26</b>	<b>76.06</b>	<b>70.64</b>	<b>901.51</b>	-	-	<b>8.74</b>	<b>3,150.98</b>	<b>3,022.21</b>	<b>2,117.49</b>
<b>Non current assets</b>																	
Non current tax assets	-	3.41	31.50	1.67	-	-	-	-	-	-	-	-	-	-	31.50	3.41	1.67
Deferred tax assets	-	-	-	-	17.12	20.91	19.46	-	-	-	36.40	-	-	-	68.59	76.51	55.86
Other non current assets	-	6,673.49	6,997.84	6,932.39	263.41	273.87	275.95	3,205.96	2,923.43	2,366.11	1,075.87	-	-	1,238.95	11,612.72	10,973.57	11,889.27
<b>Total non current assets</b>	-	<b>6,676.90</b>	<b>7,029.34</b>	<b>6,934.06</b>	<b>280.53</b>	<b>294.78</b>	<b>295.41</b>	<b>1,196.98</b>	<b>2,923.43</b>	<b>2,366.11</b>	<b>1,112.27</b>	-	-	<b>1,238.95</b>	<b>11,712.81</b>	<b>11,053.49</b>	<b>11,946.80</b>
<b>Current liabilities</b>																	
Financial liabilities (excluding trade payable and provisions)	-	1,166.44	1,311.46	1,336.83	-	37.22	56.08	36.03	37.19	1,634.70	32.02	-	-	32.73	1,400.30	1,288.15	3,088.70
Current tax liabilities	-	-	6.04	-	4.21	2.69	0.83	-	1.01	-	11.91	-	-	-	75.05	131.3	12.74
Other liabilities	-	1,046.49	493.66	1,008.42	71.92	67.08	56.88	222.95	133.29	78.53	364.73	-	-	1.44	1,078.34	1,695.52	1,510.00
<b>Total current liabilities</b>	-	<b>2,212.93</b>	<b>1,811.16</b>	<b>2,345.35</b>	<b>113.35</b>	<b>125.85</b>	<b>110.03</b>	<b>258.98</b>	<b>191.49</b>	<b>1,713.23</b>	<b>408.66</b>	-	-	<b>34.17</b>	<b>2,553.69</b>	<b>2,996.80</b>	<b>4,611.44</b>
<b>Non current liabilities</b>																	
Financial liabilities (excluding trade payable and provisions)	-	4,580.68	4,632.29	3,998.94	106.58	156.73	193.00	2,332.42	1,975.65	-	321.93	-	-	1,067.08	7,396.79	7,034.99	5,259.02
Deferred tax liabilities	-	-	0.39	-	-	-	-	23.47	24.55	0.77	3.22	-	-	-	76.28	27.75	3.99
Other liabilities	-	422.33	144.24	444.04	3.24	2.58	1.84	49.03	17.38	1.81	19.29	-	-	20.59	222.88	464.20	487.57
<b>Total non current liabilities</b>	-	<b>5,003.01</b>	<b>4,776.92</b>	<b>4,442.98</b>	<b>109.82</b>	<b>159.31</b>	<b>194.84</b>	<b>2,404.92</b>	<b>2,017.58</b>	<b>2.58</b>	<b>347.04</b>	-	-	<b>1,087.67</b>	<b>7,695.95</b>	<b>7,526.94</b>	<b>5,750.58</b>
<b>Net assets</b>	-	<b>919.76</b>	<b>1,115.86</b>	<b>1,677.34</b>	-	<b>227.76</b>	<b>193.36</b>	<b>889.32</b>	<b>790.42</b>	<b>720.94</b>	<b>1,582.61</b>	-	-	<b>125.85</b>	<b>4,614.15</b>	<b>3,551.96</b>	<b>3,702.27</b>

\*\* Refer Note 9a (1) (4) and 9a (1) (6)

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

**(3) Reconciliation of carrying amounts of material joint ventures**

₹ in crore

Particulars	GKEL**		GEL and its components**		DDFS		GMCAC		PTGEMS and its components				GOSEHHPL			Total	
	March 31, 2017	March 31, 2016	March 31, 2017	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015*	December 31, 2016	January 1, 2015	December 31, 2016	January 1, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Opening net assets	-	1,115.86	-	-	-	193.36	157.01	790.42	720.94	1,648.42	1,582.61	-	-	-	2,632.20	3,576.42	-
Profit for the year	-	(224.20)	-	-	-	90.69	86.76	128.17	70.78	237.27	134.46	-	-	-	456.13	(53.20)	-
Other Comprehensive income	-	(0.04)	-	-	-	(0.54)	(3.79)	(0.28)	-	(8.14)	2.92	-	-	-	(8.96)	(0.91)	-
Dividends paid	-	-	-	-	-	(46.14)	(37.50)	-	-	-	-	-	-	-	(46.14)	(37.50)	-
Dividend distribution tax	-	-	-	-	-	(9.61)	(9.12)	-	-	-	-	-	-	-	(9.61)	(9.12)	-
Other equity	-	28.14	-	-	-	-	-	-	-	-	-	-	-	-	-	28.14	-
<b>Closing net assets</b>	-	<b>919.76</b>	-	-	-	<b>227.76</b>	<b>193.36</b>	<b>889.32</b>	<b>790.42</b>	<b>1,819.73</b>	<b>1,648.42</b>	-	-	-	<b>4,614.15</b>	<b>5,551.96</b>	<b>3,702.27</b>
Proportion of the group's ownership	-	85.99%	-	85.99%	-	66.93%	66.93%	40.00%	40.00%	30.00%	30.00%	-	-	-	51.00%	-	-
Group's share	-	790.90	-	959.53	-	152.44	129.42	355.73	316.17	545.92	494.53	-	-	-	1,921.78	1,731.02	1,891.96
<b>Adjustments to the equity values</b>																	
a) Fair valuation of Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,446.51	-	-
b) Goodwill	-	-	-	-	-	80.03	80.03	-	-	2,703.27	2,677.89	-	-	-	2,783.30	2,757.92	2,643.40
<b>Carrying amount of the investment</b>	-	<b>790.90</b>	-	<b>959.53</b>	-	<b>232.47</b>	<b>209.45</b>	<b>355.73</b>	<b>316.17</b>	<b>3,249.19</b>	<b>3,172.42</b>	-	-	-	<b>7,151.59</b>	<b>4,488.94</b>	<b>4,535.36</b>

\* Indicates disclosure not applicable  
\*\* Refer Note No. 9a(i)(4) and 9a(i)(6)

**(4) Summarised statement of profit & loss for material joint ventures**

₹ in crore

Particulars	GKEL*		GEL and its components		DDFS		GMCAC		PTGEMS and its components		GOSEHHPL		Total	
	Upto November 04, 2016	March 31, 2016	Upto November 04, 2016	March 31, 2016	March 31, 2017	March 31, 2016	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Revenue	1,104.22	1,959.83	716.07	2594	1,000.29	939.23	265.82	209.59	2,606.40	2,275.93	-	-	5,692.80	5,384.58
Interest income	716	776	2594	86.52	15.45	15.37	0.49	0.10	43.43	29.66	-	-	92.47	52.89
Depreciation & amortisation	174.67	327.89	86.52	380.16	19.73	1799	1.67	0.95	30.57	27.92	-	-	313.16	374.75
Interest expense	390.28	653.93	380.16	547.11	16.05	20.50	25.46	17.58	35.06	15.88	-	-	847.01	707.89
Other expenses (net of other income)	727.20	1,223.85	547.11	2.34	831.17	780.55	108.47	90.06	2,250.11	2,247.17	-	-	4,464.06	4,341.63
Tax expenses / (income)	(2.98)	(13.88)	2.34	(274.12)	58.10	48.80	2.54	30.32	96.82	1.16	-	-	156.82	66.40
Profit from continuing operations	-	-	(274.12)	(274.12)	90.69	86.76	128.17	70.78	237.27	134.46	-	-	305.28	260.65
Profit from discontinued operations	(177.79)	(224.20)	(274.12)	(274.12)	-	-	-	-	-	-	-	-	(177.79)	(224.20)
Profit for the year	(177.79)	(224.20)	(274.12)	(274.12)	90.69	86.76	128.17	70.78	237.27	134.46	-	-	4.22	(53.20)
Other comprehensive income	(0.01)	(0.04)	(0.38)	(3.79)	(0.54)	(3.79)	(0.28)	-	(8.14)	2.92	-	-	(9.35)	(0.91)
Total comprehensive income	(177.80)	(224.24)	(274.50)	(274.50)	90.15	82.97	127.89	70.78	229.13	16.38	-	-	(5.13)	(54.11)
Group share of profit for the year	(152.89)	(192.82)	(141.97)	(141.97)	60.34	55.53	51.16	28.31	68.74	4.91	-	-	(114.62)	(104.07)
Dividend received	-	-	-	-	31.59	29.99	-	-	32.57	4.28	-	-	64.16	34.27

\* Subsequent to November 04, 2016 GKEL has been included as a part of GEL and its components and disclosed accordingly.



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

## (5) Financial information in respect of other joint ventures

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Aggregate carrying amount of investments in individually immaterial joint ventures	183.85	199.10	162.40
Aggregate amount of group's share of :			
- Profit / (loss) for the year	46.28	19.14	NA
- Other comprehensive income for the year	(0.06)	0.01	NA
- Total comprehensive income for the year	46.22	19.15	NA

## (6) Contingent liabilities

## a) Contingent liabilities

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Corporate guarantees	760.76	-	-
Bank guarantees outstanding / Letter of credit outstanding	251.22	24.99	103.04
Claims against the Group not acknowledged as debts	190.88	174.69	161.64
Matters relating to income tax under dispute	48.49	1.96	2.07
Matters relating to indirect taxes duty under dispute	1.73	1.71	1.15
<b>Total</b>	<b>1,253.08</b>	<b>203.35</b>	<b>267.90</b>

b) Refer Note 50(b) with regard to corporate guarantee provided by the Group on behalf of joint ventures.

## c) Others in addition to (a) and (b) above:

- i) During the year ended March 31, 2012, GEL received an intimation from the Chief Electrical Inspectorate, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to ₹ 11.06 crores calculated at the rate of six paise for each electricity unit generated by GEL for the period from June 2010 to December 2011. GEL filed a writ petition with the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh against the intimation by GoAP and it was granted a stay order on deposit of 1/3rd of the duty demanded within a stipulated time. GEL had not made the requisite deposit and accordingly the interim stay was automatically vacated.

However, based on an internal assessment and a legal opinion obtained by GEL, the management is confident that the provisions of Electricity Duty Act and Rules, 1939 in respect of payment of electricity duty are not applicable to GEL and accordingly, electricity duty liability of ₹ 14.61 crores (Group's share is ₹ 7.56 crores) for the period June 2010 to March 31, 2017 has been considered as a contingent liability as at March 31, 2017.

- ii) GEL had entered into a Power Purchase Agreement (PPA) with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naptha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a notice for good faith negotiation under erstwhile FSA entered into between GEL and the fuel supplier with respect to dispute regarding liquidated damages amounting to ₹ 296.16 crores along with an interest of ₹ 5.55 crores towards failure of GEL to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. GEL vide its letter dated October 31, 2012 had disputed the demand from the supplier towards the aforementioned damages.

During the year ended March 31, 2014, the fuel supplier had filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. GEL filed its reply on January 8, 2014, and as per the High court order dated September

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

11, 2014 arbitrators have been appointed. During the year ended March 31, 2015, the fuel supplier has submitted its statement of claim amounting to ₹ 272.63 crores (after adjusting dues of ₹ 29.08 crores payable to GEL) towards liquidated damages and interest at the rate of 15% p.a. on such liquidated damages. Further, GEL has filed its statement of defense and counter claim amounting to ₹ 35.96 crores along with interest at the rate of 18% p.a. During the year ended March 31, 2017, the Arbitration Tribunal issued its arbitral award directing the fuel supplier to pay ₹ 32.21 crores to GEL towards its counter claim filed by GEL and rejected the claims of the fuel supplier. Subsequently, the fuel supplier filed an appeal before the District Civil Court of Bangalore for setting aside the entire arbitration award. The fuel supplier has also filed an interim application under Section 36 of the Arbitration and Conciliation Act for grant of interim stay on execution of the Arbitration award.

The District City Civil Court vide its order dated March 04, 2017 issued the stay order on the operation of the Arbitration Award on furnishing a bank guarantee equivalent to 50% of counter claim amount. The final outcome of the case is pending conclusion. However based on its internal assessment and a legal opinion, the management of the Company is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to the consolidated financial statements of the Group and the claim from the fuel supplier has been considered as a contingent liability.

- iii) During the year ended March 31, 2012, GVPGL, a subsidiary of GEL had received a demand of ₹ 48.21 cores for the period September 2006 to November 2011 from the Chief Electrical Inspectorate, GoAP, whereby GoAP has imposed electricity duty on generation and sale of electrical energy calculated at the rate of six paise for each electricity unit generated by GVPGL since commencement of commercial operations. Based on an internal assessment and an expert opinion, the management of the Group is confident that the provisions of Electricity Duty Act and Rules, 1939 in respect of payment of electricity duty are not applicable to GVPGL. Accordingly, electricity duty liability of ₹ 63.65 crores (Group's share is ₹ 32.92 crores) for the period September 2006 to March 2017 has been considered as a contingent liability.
- iv) During the year ended March 31, 2010, GVPGL was granted a refund of customs duty of ₹ 69.10 crore which was paid earlier towards the import of plant and machinery. Subsequently, GVPGL received a refund of ₹ 59.11 crore.
  - a. During the year ended March 31, 2011, GVPGL received an intimation from the Office of the Joint Director General of Foreign Trade ('DGFT') for cancellation of duty drawback refund order received in 2009-10 to the extent of ₹ 9.99 crore.
  - b. During the year ended March 31, 2012, GVPGL received a further intimation from DGFT for cancellation of duty drawback refund order of ₹ 59.11 crore received in 2009-10, thereby seeking refund of the amount that it received earlier. Based on an expert's opinion the management is confident that the duty drawback refund granted earlier was appropriate and that the cancellation of the duty drawback refund is not tenable. Accordingly, no adjustment has been made with regard to the refund of ₹ 59.11 crore (group's share is ₹ 30.58 crore) already received by GVPGL.
  - c. GVPGL has filed a writ petition with the Hon'ble High Court of Delhi in November 2011. During the year ended March 31, 2015, the matter has been transferred to Hon'ble Supreme Court of India and will be concluded along with other similar cases and is pending finalization as at March 31, 2017.
- v) GKEL has invoked the Bank Guarantees of its EPC Contractors amounting to ₹ 579.30 crore (March 31, 2016 : ₹ 579.30 crore and April 01, 2015 : ₹ 579.30 crore) on November 12, 2014 for liquidated damages, non-payment of debit notes issued by the GKEL and outstanding liabilities to sub-contractors of EPC contractor. The EPC contractors have filed a claim of ₹ 840.74 crore and the matter is presently under arbitration in Singapore International Arbitration Council. The management of the Group believes that the claim of the EPC contractor is not tenable and the said litigation and arbitration will not have any impact on the consolidated financial statements of the Group.

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

## 9b. Interest in Associates

## (1) Details of Associates :

Name of the Entity	Place of Business <sup>2</sup>	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting right held as at			Nature of Activities	Accounting Method
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015		
<b>a) Material associates :</b> GMR Chhattisgarh Energy Limited (GCEL) <sup>3</sup>	India	47.62%	NA	NA	47.62%	NA	NA	Owns and operates 1,370 MW coal based thermal power plant in Raipur district of Chattisgarh.	Equity Method
GMR Rajahmundry Energy Limited (GREL) <sup>3</sup>	India	45.00%	NA	NA	45.00%	NA	NA	Owns and operates 768 MW combined cycle gas based power plant at Rajahmundry, Andhra Pradesh.	Equity Method

## Notes :

- Aggregate amount of unquoted investment in associates ₹ 2,029.39 crore (March 31, 2016 : Nil and April 01, 2015 : Nil).
- The country of incorporation of the above entities is same as their principal place of business.
- Dilution during the year ended March 31, 2017 on account of SDR by the lender. Was a subsidiary as at March 31, 2016. Refer Note No. 36(d) and 36(g).

## (2) Summarised financial information for material associates

(₹ in crore)

Particulars	GCEL			GREL			Total		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
<b>Current assets</b>									
Cash & cash equivalents	2.45	-	-	5.26	-	-	7.71	-	-
Current tax assets	-	-	-	0.57	-	-	0.57	-	-
Other assets	105.55	-	-	56.50	-	-	162.05	-	-
<b>Total current assets</b>	<b>108.00</b>	-	-	<b>62.33</b>	-	-	<b>170.33</b>	-	-
<b>Non current assets</b>									
Non current tax assets	0.69	-	-	-	-	-	0.69	-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-
Other non current assets	10,540.01	-	-	3,218.64	-	-	13,758.65	-	-
<b>Total non current assets</b>	<b>10,540.70</b>	-	-	<b>3,218.64</b>	-	-	<b>13,759.34</b>	-	-
<b>Current liabilities</b>									
Financial liabilities(excluding trade payable and provisions)	874.39	-	-	212.48	-	-	1,086.87	-	-
Current tax liabilities	0.13	-	-	0.31	-	-	0.44	-	-
Other liabilities	47.34	-	-	63.63	-	-	110.97	-	-
<b>Total current liabilities</b>	<b>921.86</b>	-	-	<b>276.42</b>	-	-	<b>1,198.28</b>	-	-
<b>Non current liabilities</b>									
Financial liabilities(excluding trade payable and provisions)	5,422.40	-	-	2,394.08	-	-	7,816.48	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-
Other liabilities	42.80	-	-	15.77	-	-	58.57	-	-
<b>Total non current liabilities</b>	<b>5,465.20</b>	-	-	<b>2,409.85</b>	-	-	<b>7,875.05</b>	-	-
<b>Net assets</b>	<b>4,261.64</b>	-	-	<b>594.70</b>	-	-	<b>4,856.34</b>	-	-

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

### (3) Reconciliation of carrying amounts of material associates

(₹ in crore)

Particulars	GCEL			GREL			Total		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
<b>Closing net assets</b>	<b>4,261.64</b>	-	-	<b>594.70</b>	-	-	<b>4,856.34</b>	-	-
Proportion of the group's ownership	47.62%	-	-	45.00%	-	-			
Group's share	2,029.39	-	-	267.62	-	-	2,297.01	-	-
<b>Adjustments to the equity values</b>									
a) Additional impairment charge	-	-	-	(267.62)	-	-	(267.62)	-	-
<b>Carrying amount of the investment</b>	<b>2,029.39</b>	-	-	-	-	-	<b>2,029.39</b>	-	-

### (4) Summarised Statement of Profit & Loss for material associates

(₹ in crore)

Particulars	GCEL		GREL		Total	
	W.e.f March 01, 2017	March 31, 2016	W.e.f May 12, 2016	March 31, 2016	March 31, 2017	March 31, 2016
Revenue	45.87	-	274.84	-	320.71	-
Interest income	0.97	-	3.91	-	4.88	-
Depreciation & amortisation expenses	29.89	-	181.48	-	211.37	-
Interest expense	78.45	-	236.33	-	314.78	-
Other expenses (net of other income)	192.98	-	269.35	-	462.33	-
Tax expenses / (income)	0.18	-	(0.88)	-	(0.70)	-
Profit for the year	(254.66)	-	(407.53)	-	(662.19)	-
Other comprehensive income	(0.05)	-	-	-	(0.05)	-
Total comprehensive income	(254.71)	-	(407.53)	-	(662.24)	-
Group share of profit for the year	(120.83)	-	(183.39)	-	(304.22)	-
Dividend received	-	-	-	-	-	-

### (5) Carrying amount of investments in joint ventures, associates and others

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Material joint ventures (refer note no. - 9(a))	7,151.59	4,488.94	4,535.36
Material associates (refer note no. - 9(b))	2,029.39	-	-
Other joint ventures (refer note no. - 9(a))	183.85	199.10	162.40
<b>Total</b>	<b>9,364.83</b>	<b>4,688.04</b>	<b>4,697.76</b>

### (6) Share in profits / (loss) of joint ventures / associates (net)

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016
Material joint ventures	(114.62)	(104.07)
Material associates	(304.22)	-
Other joint ventures	46.22	19.15
<b>Total</b>	<b>(372.62)</b>	<b>(84.92)</b>

### (7) Capital Commitments in respect of joint ventures and associates

#### a) Capital commitments in respect of joint ventures

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	598.37	3.24	3.22

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

**b) Capital commitments in respect of associates**

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	62.19	-	-

**(8) Other Commitments of / towards joint ventures and associates**

- i) Certain entities in power sector have entered into PPAs with customers, pursuant to which these entities have committed to sell power of contracted capacity as defined in the respective PPAs, make available minimum Power Load Factor (PLF) over the period of tariff year as defined in the respective PPAs. The PPAs contain provision for disincentives and penalties in case of certain defaults.
- ii) Certain entities in power sector have entered into fuel supply agreements with suppliers whereby these entities have committed to purchase and suppliers have committed to sell contracted quantity of fuel for defined period as defined in the respective fuel supply agreements, including the fuel obtained through the suppliers outside India.
- iii) One of the overseas entities in power sector and the Government of Indonesia (Government) have entered into coal sale agreement for a defined period pursuant to which the entity is required to pay to the Government, amount equivalent to a specified percentage of proceeds from sale of the coal by the entity. Further, based on a regulation of the Government, all Companies holding mining rights have an obligation to pay an exploitation fee equivalent to certain percentage, ranging from 3% - 5% of sales, net of selling expenses.
- iv) One of the overseas entities in power sector (as the buyer) and its jointly controlled entity (as the seller) in power sector have entered into a coal sale agreement for sale and purchase of coal, whereby the buyer entity and seller entity have committed to, respectively, take delivery and to deliver, minimum specified percentage of the annual tonnage as specified in the agreement for each delivery year, based on the agreed pricing mechanism. The buyer entity is also committed to use the coal for the agreed use, provided that it shall not sell any coal to any person domiciled or incorporated in the country in which the seller entity operates.
- v) Certain entities in the power sector have entered into long term assured parts supply and maintenance agreements with sub-contractors whereby these entities have committed to pay fixed charges in addition to variable charges based on operating performance as defined in the agreements. The entities have also committed to pay incentives on attainment of certain parameters by the sub-contractors.
- vi) GEL has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective lenders.
- vii) One of the entities in airports sector has entered into a tripartite Master Service Agreement ('MSA') with the service provider and the holding company of the service provider, whereby this entity is committed to pay annually to the service provider if the receivable of the service provider falls short of subsistence level (as defined in the said MSA). Also in case of delay in payment of dues from customers to the service provider, this entity would fund the deficit on a temporary basis till the time the service provider collects the dues from aforementioned customers.
- viii) In respect of Group's investments in certain jointly controlled entities, other joint venture partners have the first right of refusal in case any of the joint venture partners intend to sell its stake subject to other terms and conditions of respective joint venture agreements.
- ix) In respect of Group's investments in jointly controlled entities, the Group cannot transfer / dispose its holding for a period as specified in the respective joint venture agreements.
- x) Shares of the certain jointly controlled entities have been pledged as security towards loan facilities sanctioned to the Group.
- xi) The Group has committed to provide continued financial support to some of the joint ventures and associates, to ensure that these entities are able to meet their debts and liabilities as they fall due and they continue as going concerns.
- xii) GHIAL has agreed to buy out the 60% shareholding amounting to ₹ 5.34 crores in APFT held by its JV partner Asia Pacific Flight Training Academy, SDN, BHD, Malaysia at a value of one US dollar considering the market potential of flight training business in India.
- xiii) Certain entities in power sector have made a commitment towards expenditure on corporate social responsibility activities amounting to ₹ 62.79 crore.

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

**(9) a) Contingent liabilities in respect of associates** (₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Bank guarantees outstanding / Letter of credit outstanding	748.63	-	-
Claims against the Group not acknowledged as debts	12.39	-	-
<b>Total</b>	<b>761.02</b>	<b>-</b>	<b>-</b>

**b) Refer Note 50(b) with regard to corporate guarantee provided by the Group on behalf of associates.**

**c) Others in addition to (a) and (b) above:**

- GCEL was allotted two coal mines at Ganeshpur and Talabira to meet its fuel requirements. Subsequent to the year ended March 31, 2017, GCEL has filed writ petition with Delhi High Court for surrendering both the coal blocks allotted during the year ended March 31, 2015. The management is of the opinion that in view of the recent decisions by the Delhi High Court in similar cases, there will be no financial implications on GCEL for the surrender of mines.
- GCEL has experienced certain delays and incurred cost overruns in the completion of the project including receipt of additional claims from the EPC contractors. The claims of the key EPC contractor of USD 143.60 millions, Doosan Power Systems India Private Limited ('DPS') is under arbitration in the Singapore International Arbitration Centre (SIAC). Based on the legal opinion, the management is confident that it has strong defence for the claims raised by the EPC contractor and believes that the claims are not tenable in law and accordingly no financial implications are expected out of the said arbitration.
- GCEL had entered into Bulk Power Purchase Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL'), per which GCEL was granted Long Term Access (LTA) of 386MW in Western Region and 430MW in Northern Region. GCEL has written letters to PGCIL for surrendering these transmission lines. GCEL based on an internal assessment is of the view that the factors adversely impacting the supply of power by GCEL is "Force Majeure" as per BPTA and accordingly, believes that this will not have financial implications on GCEL.
- The environmental clearance for Talabira - 1 Coal Mine vested to the Group from Hindalco Industries Limited in terms of the Vesting Order received from the Nominated Authority, Ministry of Coal. GOI has been challenged at the National Green Tribunal, Eastern Bench, Kolkata. The said dispute is continuing from the time of Hindalco industries Limited and is pending as on the date. However, the management of the Group is of the opinion that the dispute raised does not have any legal validity and accordingly no adjustments are required to be made in these consolidated financial statements for the year ended March 31, 2017.

**9 c. Financial Assets - Non-current investments** (₹ in crore)

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Investments carried at fair value through consolidated statement of profit or loss</b>			
In equity shares of other companies <sup>1</sup>	0.59	4.59	4.65
In equity shares of body corporates [₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 3,924)]	-	-	0.00
<b>Investments at amortised cost</b>			
Investment in Debentures <sup>2</sup>	81.36	70.72	61.44
In other securities	1.51	-	-
	<b>83.46</b>	<b>75.31</b>	<b>66.09</b>
Less: Current portion of non-current investments (March 31, 2016: ₹ Nil; April 01, 2015: ₹ 3,924)	-	-	(0.00)
<b>Total</b>	<b>83.46</b>	<b>75.31</b>	<b>66.09</b>
<b>Aggregate book value of quoted investments</b>	-	-	-
<b>Aggregate market value of quoted investments</b>	-	-	-
<b>Aggregate value of unquoted investments</b>	<b>83.46</b>	<b>75.31</b>	<b>66.09</b>

- During the year ended March 31, 2017, the Group has written off its investments in Power Exchange India Limited.
- During the year ended March 31, 2011, GMR SEZ and Port Holding Private Limited ('GSPHPL') had invested ₹ 100.00 crore in KIHPL, a shareholder in KSPIL, through cumulative optionally convertible debentures with coupon rate of 0.10% p.a. GSPHPL is entitled to exercise the option of conversion of the aforesaid debentures into equity shares of KIHPL at a mutually agreed valuation at any time not exceeding 36 months from the date of execution of the debenture agreement (March 18, 2011). This period had been extended by 18 months with effect from March 18, 2014. During the year ended March 31, 2016, this period has been further extended by 36 months from September 18, 2015. In the event GSPHPL does not exercise the option to convert the debentures into shares within the said period, the debentures shall be compulsorily converted by KIHPL into equity shares on expiry of the aforementioned period. The investment in KIHPL of ₹ 100.00 crore has been carried at amortised cost as per Ind AS 109.

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

## 10. Trade receivables

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Unsecured, considered good</b>	42.23	43.17	79.54	1,736.74	1,530.60	1,364.07
	42.23	43.17	79.54	1,736.74	1,530.60	1,364.07
<b>Unsecured, considered doubtful</b>	9.04	5.09	20.27	13.69	35.72	40.34
Less: Allowances for doubtful receivables, including allowance for expected credit losses	(9.04)	(5.09)	(20.27)	(13.69)	(35.72)	(40.34)
	-	-	-	-	-	-
<b>Total</b>	<b>42.23</b>	<b>43.17</b>	<b>79.54</b>	<b>1,736.74</b>	<b>1,530.60</b>	<b>1,364.07</b>

- (i) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (ii) Trade receivables are non-interest bearing.

## 11. Loans

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Security Deposit</b>						
Unsecured, considered good						
Security deposit includes deposits with related parties (refer note below)	0.11	0.11	16.47	31.09	35.78	28.10
Security deposit with others	35.31	21.48	15.55	5.23	9.07	10.58
Unsecured, considered doubtful	0.31	0.31	0.31	-	-	-
	35.73	21.90	32.33	36.32	44.85	38.68
Provision for doubtful deposits	(0.31)	(0.31)	(0.31)	-	-	-
<b>Total (A)</b>	<b>35.42</b>	<b>21.59</b>	<b>32.02</b>	<b>36.32</b>	<b>44.85</b>	<b>38.68</b>
<b>Other loans</b>						
Unsecured, considered good						
Loan to related parties (refer note below)	370.72	106.64	136.61	100.12	250.66	248.19
Loan to others	45.45	6.35	2.48	14.44	1.33	17.04
Loan to employees	0.53	0.98	3.23	4.65	14.48	7.06
<b>Total (B)</b>	<b>416.70</b>	<b>113.97</b>	<b>142.32</b>	<b>119.21</b>	<b>266.47</b>	<b>272.29</b>
<b>Total (A+B)</b>	<b>452.12</b>	<b>135.56</b>	<b>174.34</b>	<b>155.53</b>	<b>311.32</b>	<b>310.97</b>
<b>Security deposit includes deposits with related parties:</b>						
GMR Family Fund Trust ('GFFT')	-	-	7.75	31.09	35.78	28.10
Corporate Infrastructure Services Limited ('CISL')	-	-	8.59	-	-	-
Others	0.11	0.11	0.13	-	-	-
	<b>0.11</b>	<b>0.11</b>	<b>16.47</b>	<b>31.09</b>	<b>35.78</b>	<b>28.10</b>

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

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Loan to related parties considered good include :</b>						
GMR Enterprises Private Limited ('GEPL')	331.00	-	-	10.00	10.00	10.00
GMR Varalakshmi Foundation ('GVF')	-	-	-	-	-	8.64
Laqshya	4.76	4.26	5.74	-	2.25	1.07
UEPL	-	24.85	22.46	-	-	-
JEPL	-	4.50	4.50	-	-	-
GOSSEHPL	14.30	20.08	20.08	-	-	-
GKEL	-	36.60	73.17	-	226.99	212.10
GVPGL	-	-	-	12.45	-	-
GBHPL	-	-	-	40.30	-	-
GMCAC	16.75	16.35	10.66	-	-	7.88
GREL	-	-	-	1.04	-	-
GWEL	1.43	-	-	8.25	-	-
GEL	-	-	-	0.82	-	-
GCEL	2.48	-	-	2.45	-	-
GBHHPL	-	-	-	1.26	-	-
GAGL	-	-	-	10.25	-	-
WAISL	-	-	-	6.27	4.62	0.70
AAI	-	-	-	7.03	6.80	7.80
	<b>370.72</b>	<b>106.64</b>	<b>136.61</b>	<b>100.12</b>	<b>250.66</b>	<b>248.19</b>

**12 Other financial assets**

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Unsecured, considered good unless stated otherwise</b>						
Non-current bank balances (refer note 16)	500.44	1,268.28	1,853.26	-	-	-
	<b>500.44</b>	<b>1,268.28</b>	<b>1,853.26</b>	-	-	-
<b>Derivative instruments at fair value through profit or loss</b>						
Derivatives not designated as hedge						
Principal and interest rate swap (refer note 52)	-	6.42	1.88	-	-	-
Cross currency swap (refer note 52)	-	-	29.40	-	-	-
	-	6.42	31.28	-	-	-
<b>Unsecured, considered good unless stated otherwise</b>						
Receivable against service concession arrangements	1,291.07	1,385.25	1,470.31	150.76	83.17	74.34
Unbilled revenue	26.92	-	-	368.64	313.05	278.95
Interest accrued on fixed deposits	0.50	6.97	3.92	28.30	46.24	63.99
Interest accrued on long term investments (refer note 50)	-	-	-	6.73	80.90	48.34
Non trade receivable	-	-	-	59.51	58.01	54.83
Non trade receivable considered doubtful	-	137.47	130.99	-	28.50	27.27
	<b>1,318.49</b>	<b>1,529.69</b>	<b>1,605.22</b>	<b>613.94</b>	<b>609.87</b>	<b>547.72</b>
Provision for doubtful non trade receivable	-	(137.47)	(130.99)	-	(28.50)	(27.27)
<b>Total</b>	<b>1,818.93</b>	<b>2,666.92</b>	<b>3,358.77</b>	<b>613.94</b>	<b>581.37</b>	<b>520.45</b>



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

## 13 Other assets

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Capital advances</b>						
Unsecured, considered good						
Capital advances to related parties (refer note below)	72.90	662.90	712.90	-	-	-
Capital advances to others	115.08	396.11	489.28	-	-	-
<b>Total (A)</b>	<b>187.98</b>	<b>1,059.01</b>	<b>1,202.18</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Advances other than Capital advances</b>						
Unsecured, considered good						
Advances other than capital	8.91	106.14	108.56	183.45	291.33	231.04
Passenger service fee (Security Component) [Refer note 42(d)(v)]	42.21	61.34	80.03	-	-	-
Unsecured, considered doubtful	0.45	16.04	16.24	-	-	-
	51.57	183.52	204.83	183.45	291.33	231.04
Provision for doubtful advances	(0.45)	(16.04)	(16.24)	-	-	-
<b>Total (B)</b>	<b>51.12</b>	<b>167.48</b>	<b>188.59</b>	<b>183.45</b>	<b>291.33</b>	<b>231.04</b>
<b>Others</b>						
Prepaid expenses	10.13	57.61	89.42	34.89	80.94	96.27
Deposit/balances with statutory/government authorities	54.02	69.18	72.37	19.29	55.00	50.20
Development fund receivable	-	-	106.35	-	83.99	456.20
Deposit/balances with statutory/government authorities, considered doubtful	-	6.23	6.23	-	-	-
	64.15	133.02	274.37	54.18	219.93	602.67
Provision for doubtful advances	-	(6.23)	(6.23)	-	-	-
<b>Total (C)</b>	<b>64.15</b>	<b>126.79</b>	<b>268.14</b>	<b>54.18</b>	<b>219.93</b>	<b>602.67</b>
<b>Total (A+B+C)</b>	<b>303.25</b>	<b>1,353.28</b>	<b>1,658.91</b>	<b>237.63</b>	<b>511.26</b>	<b>833.71</b>
<b>Capital advances includes advances to related parties:</b>						
GEPL	50.00	640.00	690.00	-	-	-
Polygon Enterprises Private Limited ('Polygon')	22.90	22.90	22.90	-	-	-
<b>Total</b>	<b>72.90</b>	<b>662.90</b>	<b>712.90</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 14 Inventories

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Raw materials - coal and other fuel (including March 31, 2017 : ₹ Nil, March 31, 2016 : ₹ 10.86 crore and April 01, 2015 : ₹ 1.05 crore in transit)	-	121.93	34.22
Raw materials - others	66.52	8.73	5.41
Traded goods	16.85	9.99	7.40
Consumables, stores and spares	45.79	83.72	77.31
<b>Total Inventories (valued at lower of cost and net realisable value)</b>	<b>129.16</b>	<b>224.37</b>	<b>124.34</b>

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

### 15 Financial Assets - Current investments

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Investments carried at fair value through consolidated statement of profit or loss</b>			
Investment in equity instruments	-	-	0.41
Investment in domestic mutual funds	2,547.70	1,312.63	330.55
Investments in domestic other funds	45.68	56.15	24.04
Investment in overseas funds by foreign subsidiaries	240.07	339.03	653.15
Investment in commercial papers	140.49	74.01	-
<b>Total Investments</b>	<b>2,973.94</b>	<b>1,781.82</b>	<b>1,008.15</b>

#### Notes:

- Aggregate market value of current quoted investments - ₹ Nil (March 31, 2016: ₹ Nil; April 01, 2015 : ₹ 0.41 crore)
- Aggregate carrying amount of current unquoted investments (including current portion of non-current investments) - ₹ 2,973.94 crore (March 31, 2016: ₹ 1,781.82 crore; April 01, 2015 : ₹ 1,007.74 crore)
- Aggregate provision for diminution in the value of current investments ₹ Nil (March 31, 2016: ₹ Nil ; April 01, 2015: ₹ 0.80 crore )

### 16 Cash and cash equivalents

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Balance with banks						
- on current account <sup>2</sup>	0.28	0.28	10.18	325.64	278.40	1,148.96
- Deposits with original maturity of less than three months	-	-	7.03	1,120.29	894.94	312.87
Cheques / drafts on hand	-	-	-	9.62	15.78	6.34
Cash on hand / credit card collection	-	-	-	3.21	3.50	4.20
<b>(A)</b>	<b>0.28</b>	<b>0.28</b>	<b>17.21</b>	<b>1,458.76</b>	<b>1,192.62</b>	<b>1,472.37</b>
<b>Bank balances other than cash and cash equivalents</b>						
- Deposits with remaining maturity for less than 12 months <sup>3</sup>	-	-	-	311.82	410.75	830.84
- Restricted balances with bank <sup>1, 4</sup>	500.16	1,268.00	1,836.05	0.50	940.89	1,346.20
<b>(B)</b>	<b>500.16</b>	<b>1,268.00</b>	<b>1,836.05</b>	<b>312.32</b>	<b>1,351.64</b>	<b>2,177.04</b>
Amount disclosed under other financial assets (refer note 12)	(500.44)	(1,268.28)	(1,853.26)	-	-	-
<b>(C)</b>	<b>(500.44)</b>	<b>(1,268.28)</b>	<b>(1,853.26)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>(A+B-C)</b>	<b>-</b>	<b>-</b>	<b>1,771.08</b>	<b>2,544.26</b>	<b>3,649.41</b>

- Includes fixed deposits in GICL of ₹ 229.60 crore (March 31, 2016: ₹ 457.71 crore and April 01, 2015: ₹ 609.15 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that in spite of such economic difficulties the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus. Accordingly, the amount of deposit has been considered as non current.
- Includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts
- Includes unclaimed dividend of ₹ 0.26 crore (March 31, 2016: ₹ 0.27 crore and April 01, 2015: ₹ 0.27 crore) and ₹ Nil (March 31, 2016: ₹ 0.01 crore and April 01, 2015: ₹ 9.91 crore) towards DSRA maintained by the Company with ICICI. Includes ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 347.65 crore) towards share application money for issue of rights shares. The funds are received in an escrow account and are restricted till the allotment of equity shares pursuant to the right issue. Refer note 17(g).

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

4. Restricted deposits includes margin money deposit and deposits with banks that are pledged by the Group with the Government and other authorities and with lenders against long-term and short-term borrowings availed by the Group.
5. Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group and earn interest at the respective short-term deposit rates.
6. Refer notes 19 and 24 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.
7. 'For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks:			
- On current accounts	325.64	278.40	1,148.96
Deposits with original maturity of less than three months	1,120.29	894.94	312.87
Cheques / drafts on hand	9.62	15.78	6.34
Cash on hand / credit card collection	3.21	3.50	4.20
Cash at bank and short term deposits attributable to entities held for sale (refer note 36)	5.89	135.05	35.71
<b>Cash and cash equivalents for Consolidated statement of cash flow</b>	<b>1,464.65</b>	<b>1,327.67</b>	<b>1,508.08</b>

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

(₹ in crore)

Particulars	SBNs <sup>1</sup>	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	2.58	1.51	4.09
(+) Withdrawn from Banks	-	0.21	0.21
(+) Permitted receipts <sup>2</sup>	4.47	36.51	40.98
(+) Non permitted receipts <sup>4</sup>	0.92	-	0.92
(-) Permitted payments	-	(3.04)	(3.04)
(-) Amount deposited in banks	(7.97)	(32.22)	(40.19)
<b>Closing cash in hand as on December 30, 2016<sup>3</sup></b>	<b>-</b>	<b>2.97</b>	<b>2.97</b>

1. For the purposes of this clause, the term 'Specified Bank Notes' (SBNs) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.
2. Amount disclosed under Permitted receipts for SBNs represents cash collected towards car parking charges, airport entry passes, toll charges, amount received through Lost and Found section. The management has considered that the aforesaid collections are permissible as these are towards public utility services which were subsequently waived through a government notification with effect from November 14, 2017. Accordingly, the management has accepted these SBNs during the aforesaid period for uninterrupted functioning of the airport and expressways facilities.
3. ₹ 5,000 of SBNs as on December 30, 2016 were stale which could not be deposited in bank and accordingly written off later during the year.
4. Amount disclosed under "Non permitted receipts" represents the amount directly deposited by employees out of imprest advance made by the Company on various dates before November 08, 2016.

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

### 17 Equity

	Equity Shares		Preference Shares <sup>2</sup>		Preference Shares <sup>3</sup> (Series A and B)	
	In Numbers	(₹ in crore)	In Numbers	(₹ in crore)	In Numbers	(₹ in crore)
<b>Authorised share capital:</b>						
<b>At April 01, 2015</b>	<b>7,500,000,000</b>	<b>750.00</b>	-	-	<b>12,000,000</b>	<b>1,200.00</b>
Increase/(decrease) during the year <sup>1</sup>	6,000,000,000	600.00	6,000,000	600.00	(12,000,000)	(1,200.00)
<b>At March 31, 2016</b>	<b>13,500,000,000</b>	<b>1,350.00</b>	<b>6,000,000</b>	<b>600.00</b>	-	-
Increase/(decrease) during the year	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>13,500,000,000</b>	<b>1,350.00</b>	<b>6,000,000</b>	<b>600.00</b>	-	-

#### a. Issued equity capital

##### Equity shares of ₹ 1 each issued, subscribed and fully paid

	In Numbers	(₹ in crore)
<b>At April 01, 2015</b>	<b>4,361,247,379</b>	<b>436.13</b>
Add: Issued during the year (refer note 17(g))	934,553,010	93.46
Add : Converted from Series A CCPS & Series B CCPS during the year (refer note 17(c))	740,144,886	74.00
<b>At March 31, 2016</b>	<b>6,035,945,275</b>	<b>603.59</b>
Changes during the period	-	-
<b>At March 31, 2017</b>	<b>6,035,945,275</b>	<b>603.59</b>

- During the year ended March 31, 2016, the authorised equity share capital was increased by ₹ 600 crore i.e. 600 crore equity shares of ₹ 1 each.
- During the year ended March 31, 2016, the authorised preference share capital was increased by ₹ 600 crore i.e. 0.60 crore preference shares of ₹ 1,000 each.
- During the year ended March 31, 2016, the authorised preference share capital of Series A and Series B was decreased by ₹ 1,200 crore i.e. 1.20 crore preference shares of ₹ 1,000 each.

#### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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 proportion to the number of equity shares held by the equity shareholders.

#### c. Terms/ rights attached to preference shares

During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 CCPS of face value of ₹ 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS were convertible into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations') on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date. Pursuant to the approval of the Management Committee of the Board of Directors dated August 26, 2015 and September 26, 2015, the Company approved the allotment for conversion of aforesaid Series A CCPS into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively. The presentation of the liability and equity portions of the share is explained in the summary of significant accounting policy.

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

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

Out of the equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholder	March 31, 2017		March 31, 2016		April 01, 2015	
	No. of shares held	(₹ in crore)	No. of shares held	(₹ in crore)	No. of shares held	(₹ in crore)
<b>GMR Holdings Private Limited ('GHPL'), the Holding Company (till August 10, 2016)</b> Equity shares of ₹ 1 each, fully paid up	-	-	2,852,072,962	285.21	2,752,091,862	275.21
<b>GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company</b> Equity shares of ₹ 1 each, fully paid up	31,321,815	3.13	31,321,815	3.13	31,321,815	3.13
<b>GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company (till August 10, 2016) and holding company w.e.f August 11, 2016.</b> Equity shares of ₹ 1 each, fully paid up	2,878,245,098	287.82	23,400,000	2.34	23,400,000	2.34
<b>Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company</b> Equity shares of ₹ 1 each, fully paid up	17,999,800	1.80	17,999,800	1.80	17,999,800	1.80
<b>GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company</b> Equity shares of ₹ 1 each, fully paid up	805,635,166	80.56	805,635,166	80.56	52,973,443	5.30
<b>Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company</b> Equity shares of ₹ 1 each, fully paid up	100,000	0.01	100,000	0.01	100,000	0.01

## e. Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2017		March 31, 2016		April 01, 2015	
	No. of shares held	% holding in class	No. of shares held	% holding in class	No. of shares held	% holding in class
<b>Equity shares of ₹ 1 each fully paid</b>						
GHPL	-	-	2,852,072,962	47.25%	2,752,091,862	63.10%
GEPL	2,878,245,098	47.69%	-	-	-	-
GBC	805,635,166	13.35%	805,635,166	13.35%	52,973,443	1.21%
Dunearn Investments (Mauritius) Pte Limited	513,639,481	8.51%	513,639,481	8.51%	-	-
<b>Series A CCPS of ₹ 1,000 each</b>						
Dunearn Investments (Mauritius) Pte Limited	-	-	-	-	3,944,084	69.40%
IDFC Limited*	-	-	-	-	209,550	3.69%
GKFF Ventures*	-	-	-	-	272,415	4.79%
Premier Edu-Infra Solutions Private Limited*	-	-	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	-	-	1,047,752	18.43%
<b>Series B CCPS of ₹ 1,000 each</b>						
Dunearn Investments (Mauritius) Pte Limited	-	-	-	-	3,944,085	69.40%

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

Name of the shareholder	March 31, 2017		March 31, 2016		April 01, 2015	
	No. of shares held	% holding in class	No. of shares held	% holding in class	No. of shares held	% holding in class
IDFC Limited*	-	-	-	-	209,550	3.69%
Premier Edu-Infra Solutions Private Limited*	-	-	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	-	-	1,047,752	18.43%

\*Joint investor under the same share subscription and shareholders agreement.

As per records of the Company including its register of shareholders/members, the above share holding represents both legal and beneficial ownership of shares.

**(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:**

During the year ended March 31, 2016, 5,683,351 Series A CCPS and 5,683,353 Series B CCPS of face value of ₹ 1,000 each have been converted into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively (refer note 17(c)).

(g) Pursuant to the approval of the Management Committee of the Board of Directors dated April 18, 2015, the Company approved the allotment of 934,553,010 equity shares of face value of ₹ 1 each at a price of ₹ 15 per equity share (including securities premium of ₹ 14 per equity share) for an amount aggregating to ₹ 1,401.83 crore to the existing equity shareholders of the Company on rights basis in the ratio of 3 equity shares for every 14 equity shares held by equity shareholders under chapter IV of the SEBI ICDR Regulations and provisions of all other applicable laws and regulations.

**(h) Shares reserved for issue under options**

For details of shares reserved for issue on conversion of foreign currency convertible bonds ('FCCB'), please refer note 19(7) related to terms of conversion/redemption of FCCB.

### 18. Other Equity

		(₹ in crore)
<b>Equity component of preference shares (refer note 46(xii))</b>		
Balance as at April 01, 2015		507.09
Balance as at March 31, 2016		507.09
<b>Balance as at March 31, 2017</b>	<b>(A)</b>	<b>507.09</b>
<b>Treasury shares</b>		
Balance as at April 01, 2015		(101.54)
Balance as at March 31, 2016		(101.54)
<b>Balance as at March 31, 2017</b>	<b>(B)</b>	<b>(101.54)</b>
<b>Share application money pending allotment</b>		
Balance as at April 01, 2015		889.66
Less: issue of shares (refer note 17(g))		(889.66)
Balance as at March 31, 2016		-
<b>Balance as at March 31, 2017</b>	<b>(C)</b>	<b>-</b>
<b>Money received against share warrants</b>		
Balance as at April 01, 2015		141.75
Less: transfer to capital reserve on forfeiture of equity share warrants (refer note 18(e))		(141.75)
Balance as at March 31, 2016		-
<b>Balance as at March 31, 2017</b>	<b>(D)</b>	<b>-</b>

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

<b>Securities premium</b>		
Balance as at April 01, 2015		7,466.77
Add: received during the year on issue of equity shares (refer note 17(g))		1,308.37
Add: securities premium towards conversion of CCPS into equity shares (refer note 17(c))		1,062.66
Less: utilised towards share issue expenses (net of taxes)		(18.76)
Balance as at March 31, 2016		9,819.04
Add: Disposal of a subsidiary during the year		1,296.76
<b>Balance as at March 31, 2017</b>	<b>(E)</b>	<b>11,115.80</b>
<b>Debenture redemption reserve (refer note 18(c))</b>		
Balance as at April 01, 2015		175.45
Add: amount transferred from the surplus balance in the consolidated statement of profit and loss		38.49
Less: amount transferred to the surplus in the consolidated statement of profit and loss		(34.38)
Balance as at March 31, 2016		179.56
Add: amount transferred from the surplus balance in the consolidated statement of profit and loss		29.89
Less: amount transferred to the surplus in the consolidated statement of profit and loss		(28.13)
<b>Balance as at March 31, 2017</b>	<b>(F)</b>	<b>181.32</b>
<b>Capital reserve on consolidation</b>		
Balance as at April 01, 2015 (refer note 18(f))		(71.23)
Balance as at March 31, 2016		(71.23)
<b>Less: Disposal of a subsidiary during the year</b>		<b>(90.84)</b>
<b>Balance as at March 31, 2017</b>	<b>(G)</b>	<b>(162.07)</b>
<b>Capital reserve on acquisition (refer note 18(a))</b>		
Balance as at April 01, 2015		3.41
Balance as at March 31, 2016		3.41
<b>Balance as at March 31, 2017</b>	<b>(H)</b>	<b>3.41</b>
<b>Capital reserve on government grant (refer note 18(d))</b>		
Balance as at April 01, 2015		67.41
Balance as at March 31, 2016		67.41
<b>Balance as at March 31, 2017</b>	<b>(I)</b>	<b>67.41</b>
<b>Capital redemption reserve</b>		
Balance as at April 01, 2015		28.53
Balance as at March 31, 2016		28.53
Less: Disposal of subsidiaries during the year		(28.53)
<b>Balance as at March 31, 2017</b>	<b>(J)</b>	<b>-</b>
<b>Capital reserve on forfeiture</b>		
Balance as at April 01, 2015		-
Add: transfer on forfeiture of equity share warrants (refer note 18(e))		141.75
Balance as at March 31, 2016		141.75
<b>Balance as at March 31, 2017</b>	<b>(K)</b>	<b>141.75</b>
<b>Foreign currency monetary translation difference account (FCMTR) (Refer note 18(g))</b>		
Balance as at April 01, 2015		-
Add: Exchange difference on FCCB recognised during the year		(0.88)
Balance as at March 31, 2016		(0.88)
Add: Exchange difference on FCCB recognised during the year		35.07
Less: FCMTR amortisation during the year		(0.76)

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

<b>Balance as at March 31, 2017</b>	<b>(L)</b>	<b>33.43</b>
<b>Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act (refer note 18(b))</b>		
Balance as at April 01, 2015		12.02
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss		7.50
Balance as at March 31, 2016		19.52
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss		7.12
<b>Balance as at March 31, 2017</b>	<b>(M)</b>	<b>26.64</b>
<b>Surplus in the consolidated statement of profit and loss</b>		
Balance as at April 01, 2015		(3,508.83)
Profit/ (loss) for the year		(2,712.50)
Add: Amount transferred from debenture redemption reserve		34.38
Less: Transfer to debenture redemption reserve		(38.49)
Less: Preference share dividend declared by a subsidiary		(2.16)
Less: Special Reserve u/s 45-IC of RBI Act (refer note 18(b))		(7.50)
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(0.72)
Less: Dividend distribution tax on preference share dividend declared by subsidiaries		(3.01)
Balance as at March 31, 2016		(6,238.83)
Profit/ (loss) for the year		(574.59)
Add: Amount transferred from debenture redemption reserve		28.13
Less: Transfer to debenture redemption reserve		(29.89)
Less: Special Reserve u/s 45-IC of RBI Act (refer note 18(b))		(7.12)
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(5.29)
Less: Preference share dividend declared by a subsidiary		(2.16)
Less: Dividend distribution tax on preference share dividend declared by subsidiaries		(0.56)
<b>Balance as at March 31, 2017</b>	<b>(N)</b>	<b>(6,830.31)</b>
<b>Components of Other Comprehensive Income ('OCI')</b>		
<b>Foreign currency translation difference account (FCTR)</b>		
Balance as at April 01, 2015		-
Movement during the year		33.43
Balance as at March 31, 2016		33.43
Movement during the year		27.54
<b>Balance as at March 31, 2017</b>	<b>(O)</b>	<b>60.97</b>
<b>Total other equity (A+B+C+D+E+F+G+H+I+J+K+L+M+N+O)</b>		
<b>Balance as at April 01, 2015</b>		<b>5,610.49</b>
<b>Balance as at March 31, 2016</b>		<b>4,387.26</b>
<b>Balance as at March 31, 2017</b>		<b>5,043.90</b>

- (a) GAPL purchased the aircraft division of GMR Industries Limited ('GIDL') under slump sale on October 01, 2008 for a purchase consideration of ₹ 29.00 crore on a going concern basis and the transaction was concluded in the month of March 2009. Accordingly, an amount of ₹ 3.41 crore being the excess of net value of the assets acquired (based on a valuation report) over the purchase consideration has been recognised as capital reserve on acquisition.



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

- (b) As required by section 45-1C of the RBI Act, 20% of DSPL and GAL's net profit of the year is transferred to special reserve. The said reserve can be used only for the purpose as may be specified by the RBI from time to time.
- (c) GWEL, GEL and GPEPL have not transferred amounts to Debenture Redemption Reserve.
- (d) During the year ended March 31, 2006, GHIAL had received a grant of ₹ 107.00 crore from Government of Telangana [formerly Government of Andhra Pradesh ('GoAP')] towards Advance Development Fund Grant, as per the State Support Agreement. This is in the nature of financial support for the project and accordingly, the Group's share amounting to ₹ 67.41 crore as at April 1, 2011 was included in Capital reserve (government grant).
- (e) On July 02, 2014, the Board of Directors of the Company approved an issue and allotment of up to 180,000,000 warrants having an option to apply for and be allotted equivalent number of equity shares of face value of Re.1 each on a preferential basis under chapter VII of the SEBI ICDR Regulations and provisions of all other applicable laws and regulations and accordingly the Company received an advance of ₹ 141.75 crore against such share warrants. The shareholders approved the aforesaid issue of warrants through postal ballot on August 12, 2014. Pursuant to the approval of the Management Committee of the Board of Directors dated February 26, 2016 the outstanding warrants have been cancelled as the holders did not exercise the option within the due date of 18 months from the date of allotment and ₹ 141.75 crore received as advance towards such warrants has been forfeited in accordance with the SEBI ICDR Regulations during the year ended March 31, 2016. The said amount has been credited to Capital Reserve account during the year ended March 31, 2016.
- (f) The Group has paid an additional consideration of ₹ 197.09 crore for acquisition of RSSL which has been adjusted against the capital reserve as at April 01, 2015 (refer note 39)
- (g) The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, exchange gain of ₹ 34.31 crore (March 31, 2016: exchange loss ₹ 0.88 crore), net of amortisation, on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset. The unamortised balance as at March 31, 2017 amounts to exchange loss of ₹ 33.43 crore (March 31, 2016: exchange loss ₹ 0.88 crore).

## 19 Long-term borrowings

	Non- Current Portion			Current Maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
<b>Bonds /debentures</b>						
Debentures (secured)	973.74	1,777.75	2,069.25	182.55	232.85	211.32
Foreign currency senior notes (secured)	5,261.96	1,886.63	1,776.73	-	-	-
Foreign currency convertible bonds (unsecured)	1,930.14	1,962.56	-	-	-	-
<b>Term loans</b>						
Indian rupee term loans from banks (secured)	6,128.33	17,736.90	17,456.70	765.32	839.97	1,277.44
Indian rupee term loans from financial institutions (secured)	1,346.36	5,308.43	6,660.89	265.69	286.94	393.61

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

	Non- Current Portion			Current Maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Indian rupee term loans from others (secured)	0.06	0.12	0.18	0.06	0.05	0.05
Foreign currency loans from banks (secured)	2,563.20	1,319.19	3,618.42	353.91	3,568.45	1,491.52
Foreign currency loans from financial institutions (secured)	-	663.46	625.49	-	-	-
Indian rupee term loans from banks (unsecured)	-	-	60.96	-	-	125.00
Indian rupee term loans from financial institutions (unsecured)	101.45	-	-	20.83	-	-
Indian rupee term loans from others (unsecured)	41.25	0.42	0.46	92.82	0.05	0.13
Foreign currency loans from banks (unsecured)	284.54	323.00	312.15	32.89	7.51	3.15
Foreign currency loans from others (unsecured)	9.37	-	-	-	-	-
Indian rupee term loans against development fees (secured)	-	-	89.06	-	84.00	456.20
Supplier's credit (secured)	-	19.69	37.11	19.30	19.69	18.56
<b>Liability component of compound financial instrument</b>						
Convertible preference shares (unsecured)	4.27	1,249.44	2,143.28	-	-	-
<b>Other loans</b>						
Bills discounted (secured)	-	-	-	-	-	134.70
Finance lease obligation (secured)	-	91.30	192.93	0.66	100.06	89.61
Negative grant (unsecured)	-	-	4.56	66.41	66.21	60.16
From the State Government of Telangana ('GoT') (unsecured)	315.05	315.05	315.05	-	-	-
	<b>18,959.72</b>	<b>32,653.94</b>	<b>35,363.22</b>	<b>1,800.42</b>	<b>5,205.78</b>	<b>4,261.45</b>
<b>The above amount includes</b>						
Secured borrowings	16,273.65	28,803.47	32,526.76	1,587.49	5,132.01	4,073.01
Unsecured borrowings	2,686.07	3,850.47	2,836.46	212.93	73.77	188.44
Amount disclosed under the head 'Other current financial liabilities' (Refer note 21)	-	-	-	(1,800.42)	(5,205.78)	(4,261.45)
<b>Net amount</b>	<b>18,959.72</b>	<b>32,653.94</b>	<b>35,363.22</b>	<b>-</b>	<b>-</b>	<b>-</b>

- During the year ended March 31, 2012, GEL had issued 8,000 secured, redeemable and non-convertible debentures ('NCD') of ₹ 0.10 crore (₹ 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures were secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GEL held by GGAL; (c) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between GEL and ICICI; and (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained

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

by GEL with ICICI. These debentures were redeemable at a premium yielding 14.25% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.25% p.a. in thirty seven quarterly unequal instalments commencing from March 2012. As at March 31, 2016, GEL had partially redeemed these debentures and the revised face value of these debentures after redemption was ₹ 0.08 crore (₹ 830,000) (April 01, 2015: ₹ 0.10 crore (₹ 967,500)) per debenture. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.

2. During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non convertible debentures of ₹ 0.10 crore each to ICICI ('Tranche 1'). During the year ended March 31, 2013, the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non convertible debentures of ₹ 0.10 crore each ('Tranche 2'). These debentures are secured by way of (a) first pari passu charge over 998 acres of land held by GKSEZ (b) subservient charge on 8,236 acres of SEZ land held by KSPL (c) first exclusive charge over DSRA maintained by the Company with ICICI and (d) second ranking pledge over 30% of fully paid-up equity shares of ₹ 10 each of GGAL. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 25, 2012. As at March 31, 2017, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.07 crore (₹ 717,500) (March 31, 2016: ₹ 0.08 crore (₹ 830,000) and April 01, 2015: ₹ 0.10 crore (₹ 967,500)) per debenture.
3. Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by GPEL amounting to ₹ 441.95 crore (March 31, 2016: ₹ 473.44 crore and April 01, 2015: ₹ 505.88 crore) bear an interest rate of 9.38% p.a. and are secured by way of first charge over all assets of GPEL, both movable (including future annuity receivable) and immovable properties, both present and future, excluding project assets (unless permitted by National Highways Authority of India ('NHAI') under the Concession agreement). These debentures are redeemable in thirty four unequal half yearly instalments commencing from April 2010 and ending in October 2026.
4. Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by GWEL amounting to ₹ Nil (March 31, 2016: ₹ 74.58 crore and April 01, 2015: ₹ 74.55 crore) were secured by way of first pari-passu charge by way of mortgage on all the immovable properties and hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and other movable assets and further secured by first charge/ hypothecation of book debts, operating cash flows, receivables, other current assets, revenues whatsoever in nature, present and future, assignment on all project related documents, all benefits incidental to the project as well as rights under letter of credit or such other security to be provided by the procurer of power under the terms of PPA and pledge of shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security ranked pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. These debentures carried an interest rate of 12.15% p.a. Further additional coupon rate to the extent of 0.25% p.a. was payable for every notch below the agreed rating of NCD. These debentures were repayable in 3 equal instalments in September 2022, September 2023 and November 2023. GWEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
5. DIAL has issued 6.125% Senior Secured Foreign Currency Notes ('Notes') of ₹ 1,859.24 crore (March 31, 2016: ₹ 1,886.63 crore and April 01, 2015: ₹ 1,776.73 crore) in International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February 2022. The Notes are secured by a first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account ('TRA'), any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.
6. DIAL has issued 6.125% Notes of ₹ 3,402.72 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) in International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes were refinanced from Rupee Term Loan and Foreign Currency Loans of DIAL during the year ended March 31, 2017. The Notes are due for repayment in October 2026. The Notes are secured by first rank pari-passu charge on all the future revenues, receivables, TRA, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.
7. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted FCCBs of USD 30.00 crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing Date upto close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at ₹ 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/ USD. The Company needs to take necessary steps incase the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited.

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

8. 6% Redeemable, Convertible, Non Cumulative Preference Shares of ₹100 each fully paid up issued by GCORRPL, are redeemable at par on June 1, 2026. These preference shares can be redeemed at the option of GCORRPL at any time, as may be determined by the Board of Directors of GCORRPL with one month prior notice to the preference shareholders. These preference shares have been classified as financial liability by GCORRPL and are measured at amortised cost of ₹ 4.27 crore (March 31, 2016 : ₹ 3.86 crore and April 01, 2015: ₹ 3.48 crore).
9. During the year ended March 31, 2011, GEL issued 13,950,000 compulsorily convertible cumulative preference shares ("CCCPs") of ₹ 1,000 each. These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited, and Argonaut Ventures (collectively called as PE Investors). During the year ended March 31, 2014, GEL entered into an amended and restated share subscription and shareholders agreement ('Amended SSA') with the investors, the Company and other GMR Group companies whereby the PE Investors continued to hold 6,900,000 CCCPS in GEL and a new investor GKFF Capital subscribed to additional 325,000 CCCPS of ₹ 1,000 each (collectively referred to as 'Portion B securities').

As defined in the terms of Amended SSA, GEL has to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of ₹ 1,278.67 crore ('Investor exit amount'), in view of which Portion B Securities were considered as "Borrowings". In case of non-occurrence of Qualified Initial Public offer ('QIPO') within 24 months from the last return date, the Group may give an exit to Portion B Securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR Group companies as stated aforesaid, the Portion B Securities investors have the sole discretion to exercise the various rights under clause 10 of the Amended SSA. The carrying value of these preference shares as at March 31, 2016 was ₹ 1,245.58 crore (April 01, 2015: ₹ 1,069.31 crore). GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.

10. During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 CCPS of face value of ₹ 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS were convertible into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations') on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date. Pursuant to the approval of the Management Committee of the Board of Directors dated August 26, 2015 and September 26, 2015, the Company approved the allotment for conversion of aforesaid Series A CCPS into 359,478,241 equity shares of face value of Re. 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of Re.1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively. These CCPS were considered as compound financial instruments and the liability component of these CCPS as at April 01, 2015 was ₹ 1,070.48 crore.
11. Secured Indian rupee term loan from a bank of ₹ 41.59 crore (March 31, 2016: ₹ 82.65 crore and April 01, 2015: ₹ 201.49 crore) of KSPL is secured by pari passu first charge on land and buildings appurtenant thereon and first ranking exclusive charge over DSRA. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate ranging from 9.25% to 10.00% p.a. plus spread of 5.50% p.a. and is repayable in 12 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. October 2014.
12. Secured Indian rupee term loan from a bank of ₹ 79.59 crore (March 31, 2016: ₹ 125.82 crore and April 01, 2015: ₹ 174.37 crore) of the Company is secured by a) an exclusive charge on loans and advances provided by the Company out of this loan facility b) DSRA covering interest payment of one month and c) securities as set out in note 93. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. and is repayable in five equal quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
13. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 48.21 crore) of the Company was secured by 10% of cash margin on the outstanding amount in form of lien on fixed deposits in favour of the lender and an exclusive charge on loans and advances provided by the Company created out of this facility. The loan carried an interest rate of base rate of lender plus spread of 0.85% p.a. and was repayable in 6 equal quarterly instalments commencing from March 2014. During the year ended March 31, 2016 the Company had repaid the loan in full.

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

14. Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2016: ₹ 124.79 crore and April 01, 2015: ₹ 131.79 crore) of GHRL were secured by first pari passu charge by way of equitable mortgage of GHRL's immovable properties pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land; further secured by first pari passu charge on the whole of stocks of raw materials, goods-in-process, semi-finished goods and finished goods, consumable stores and spares, book debts, bills, movable plant and machinery, machinery spares, tools and accessories and other movables, whole of equipments including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of GHRL or not, all bank accounts (whether escrow and no lien or otherwise) and all estate, rights, title, interest, benefits, claims and demands, trade receivables, all cash flows and receivables and proceeds of GHRL. Further the loans were secured by corporate guarantee given by GHIAL. The loans carried an interest rate of 12.20% p.a. The loans were repayable in 48 unequal quarterly instalments commencing from December 2012. During the year ended March 31, 2017, the loan has been repaid in full.
15. Secured Indian rupee term loans from banks and financial institutions of ₹ 1,610.55 crore (March 31, 2016: ₹ 1,670.83 crore and April 01, 2015: ₹ 1,712.75 crore) of GHVEPL are secured by way of pari passu first charge over GHVEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GHVEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GHVEPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and collection of tolls unless restricted by NHAI under the concession agreement and by way of pledge of 1,300,000 equity shares and 7,733,000 preference shares held by GMRHL in GHVEPL. The loans carry an interest rate of 11.00% to 11.25% p.a. and are repayable in forty six unequal quarterly instalments commencing from April 2013.
16. Secured Indian rupee term loans from a bank of ₹ 35.00 crore (March 31, 2016: ₹ 35.00 crore and April 01, 2015: ₹ 35.00 crore) of GHVEPL is secured by way of first pari passu charge on the same securities offered as security for the Project Loan mentioned in point 15 above and is repayable in thirty six monthly instalments commencing after 24 months from the date of first disbursement i.e. March 2014. The loan carries an interest rate of 2.75% over bank's base rate.
17. Secured Indian rupee term loans from banks of ₹ 252.09 crore (March 31, 2016: ₹ 253.37 crore and April 01, 2015: ₹ 254.72 crore) of GACEPL are secured by way of pari passu first charge over GACEPL's immovable properties and movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GACEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GACEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 100% equity shares of GACEPL held by the Company, GEL and GMRHL. During the year ended March 31, 2016, the loans have been restructured. The loans carry an interest at bank's base rate plus spread which shall be reset yearly and are repayable in 42 unequal quarterly instalments with the last instalment due in September 2025.
18. Secured Indian rupee term loans from banks of ₹ 129.70 crore (March 31, 2016: ₹ 168.38 crore and April 01, 2015: ₹ 205.25 crore) of GTTEPL are secured by way of mortgage of all the present and future immovable fixed assets of GTTEPL, hypothecation of movable fixed assets of GTTEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTTEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee by GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest rate of 8.25% p.a. ffl 10% spread now fixed at 9.08% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.
19. Secured Indian rupee term loans from banks of ₹ 665.52 crore (March 31, 2016: ₹ 667.12 crore and April 01, 2015: ₹ 687.94 crore) of GCORRPL are secured by way of first charge on all immovable and movable properties of GCORRPL, both present and future; assignment of all rights, titles and interests in respect of all assets (as permitted by Concession Agreement) and a first charge on all revenues and receivables and by way of pledge of 26% of paid up equity capital of GCORRPL held by the shareholders. Further secured by way of pari passu charge over GCORRPL's movable properties, both present and future, including plant and machinery; rights, title, interest, benefit, claims of GCORRPL in respect of the project agreements executed / to be executed, insurance policies both present and future and all rights, title, interest, benefit, claims, demands of GCORRPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and receipts of annuity unless restricted by Government of Tamil Nadu under the Concession Agreement. The loans carry an interest of 10.60% to 11.25% p.a. subject to reset from time to time. During the year ended March 31, 2015, GCORRPL had undertaken negotiation with the lenders pursuant to which, the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 27 unequal half yearly instalments commencing from June 2014.
20. Secured Indian rupee term loans from banks of ₹ 101.08 crore (March 31, 2016: ₹ 130.66 crore and April 01, 2015: ₹ 159.13 crore) of GTAEPPL are

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

secured by way of mortgage of all the present and future immovable fixed assets of GTAEPL, hypothecation of movable fixed assets of GTAEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTAEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee from GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest rate of 8.25% ffl 10% spread now fixed at 9.08% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.

21. Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2016: ₹ 2,961.15 crore and April 01, 2015: ₹ 2,968.35 crore) of DIAL were secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further by the pledge of requisite shares of DIAL held by GAL and Fraport AG Frankfurt Airport Services Worldwide ('FAG') (shareholders of DIAL). The rupee term loans from banks and financial institutions carried an interest rate at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranged from 10.10% to 11.00% p.a. (March 31, 2016: 10.50% to 11.75% p.a.). Indian rupee term loans from banks of ₹ 2,167.34 crore as at March 31, 2016 were repayable in 48 quarterly unequal instalments commencing from June 2016 till March 2028 and from financial institution amounting to ₹ 793.81 crore as at March 31, 2016 were repayable in 32 quarterly unequal instalments commencing from June 2016 till September 2023. During the year ended March 31, 2017, the loan was repaid in full.
22. Secured Indian rupee term loans from banks and financial institutions and foreign currency loans including the interest rate swap ('IRS') arrangement from banks of ₹ 1,759.02 crore (March 31, 2016: ₹ 1,788.62 crore and April 01, 2015: ₹ 1,729.55 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land to an extent of 2,136.46 acres, freehold land of 8.82 acres and first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future, as well as assignment of all right, title, interest, benefits, claims and demands available under the concession agreement and other project documents, security interest in the TRA, DSRA and further secured by pledge of 16.41 crore and 2.87 crore equity shares, both present and future, held or to be held, upto 51% of the paid up share capital of GHIAL, as the case may be, by both, GAL and MAHB (Mauritius) Private Limited respectively. The foreign currency loans from banks of ₹ 483.71 crore (March 31, 2016: ₹ 546.74 crore and April 01, 2015: ₹ 577.33 crore) carry an interest rate of LIBOR plus agreed spread; however GHIAL has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 8.30% p.a. The Indian rupee term loans from banks and financial institutions of ₹ 1,275.85 crore (March 31, 2016: ₹ 1,241.88 crore and April 01, 2015: ₹ 1,152.22 crore) carry interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate ranges from 9.95% to 11.25% p.a. Indian rupee term loans from banks and financial institutions are repayable in 51 quarterly instalments beginning from October 2016 and 52 quarterly instalments beginning from July 2016, respectively. The secured foreign currency loan from a bank is repayable in 56 quarterly instalments beginning from July 2010.
23. Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 2,467.83 crore) of GREL and from financial institutions of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 562.58 crore) were secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA, other reserves and any other bank accounts of GREL, both present and future. These loans were further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto and further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future, secured by way of pledge 52.00 crore equity shares of GREL held by GEL as at April 01, 2015. The rate of interest for loans from banks was the base rate of lead bank plus 100 bbps except in case of two banks, for which the interest rates range from 12.84% to 14.25% p.a. and the rate of interest on loans from financial institution was 12.84% to 13.39% p.a. GREL has been deconsolidated as at March 31, 2016. Refer note 36(d) and 36(k) regarding discontinued operations.
24. Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2016: ₹ 7,190.08 crore and April 01, 2015: ₹ 5,959.06 crore) of GCEL were secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on, all GCEL's immovable properties both present and future, all the movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, intangible goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature wherever arising including Clean Development Mechanism ('CDM') benefits of GCEL both present and future, all the rights, titles, interest, benefits, claims and demands whatsoever of GCEL in

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

the project documents (including PPA's/ MOU for sale of power, package/ construction contracts, Operation and Maintenance related agreements, land lease agreements, fuel supply contracts/ long term linkages, services contracts, mining lease, vesting order, coal mine development and production agreement etc.) all as amended varied or supplemented from time to time; and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCEL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCEL and other rights, claims etc. and pledge of shares held by the promoters/ sponsors constituting 51% of preference and equity shares of GCEL which shall be reduced to 26% of shares on repayment of half of the loans subject to the compliance of conditions put forth by the consortium of rupee lenders, cost overrun lenders and foreign currency lenders. All the securities ranked pari passu among all the rupee lenders, cost overrun and mining capex lenders, foreign currency lenders aggregating to ₹ 8,977.00 crore and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) to the extent of ₹ 1,054.00 crore and the lenders participating in the performance guarantee of ₹ 455.00 crore and on second charge basis with lenders providing customs / excise bank guarantee and loan equivalent risk limits of ₹ 1,163.00 crore. The loans carried an interest rate ranging from 12.75% to 13.75% p.a. except for one lender which charged the rate prevailing at each rupee disbursement which ranged from 13.25% to 19.00% p.a. GCEL shall repay 70% of the loans from banks and financial institutions (other than funding for mining capex) in 40 equal quarterly instalments commencing from February 2017 and the balance 30% by way of a single instalment on March 2027, except for one lender to whom the loan is to be repaid in 60 equal quarterly instalments commencing from April 2017 to January 2032. In respect of Mining capex funding, the principal of 69.33% shall be repaid in 55 structured quarterly instalments commencing from June 2017 with the balance amount of debt is to be refinanced in March 2031 as per the sanction letter, with the refinanced debt to be repaid in next 4 years. GCEL has been deconsolidated as at March 31, 2017. Refer note 36(g) regarding discontinued operations.

25. Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2016: ₹ 3,402.05 crore and April 01, 2015: ₹ 3,109.85 crore) of GWEL except term loans under subservient charges were secured by way of a first charge by registered mortgage of all the immovable properties (present and future) and by hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods. Further, secured by way of a first charge on book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future, retention account, escrow account, DSRA and any other bank account, assignment / hypothecation on all rights, titles, interest, profit, benefits, claims, demand whatsoever of GWEL in the project documents/ clearances pertaining to the project / letter of credit / guarantee / performance bond/ corporate guarantee/ bank guarantee / provided by any party to the project documents as amended from time to time. Further, the loan was secured by pledge of equity shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. Rupee term loan from a bank of ₹ 200.00 crore was secured by a subservient charge with existing lenders on all the movable properties including but not limited to plant and machinery spares, tools, spares and accessories of the project and other movables both present and future. The loans carried an interest rate of base rate plus 215 bbps and the loans were repayable after a moratorium of 18 months with first instalment becoming due from June 2016, further 72% of the loans are repayable in 54 unequal structured quarterly instalments and balance 28% are repayable in September 2029 by way of refinancing. Rupee term loan from a bank of ₹ Nil (March 31, 2016: 105.00 crore and April 01, 2015: ₹ 105.00 crore) was repayable in 20 equal quarterly instalments commencing from July 2016 and carried an interest rate ranging from 13.00% to 15.35% p.a. Further, rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 100.00 crore) was repayable in 72 unequal quarterly instalments commencing from June 2016 and rupee term loan from a bank of ₹ 95.00 crore is repayable in 31 unequal quarterly instalments commencing from September 2017. These loans carried an interest rate ranging from 11.65% to 13.50% p.a. respectively. Certain banks/ financial institution which did not participate in refinancing of existing loan amounting to ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 999.17 crore) were to be repaid to the extent of 70.09% in 43 equal quarterly instalments commencing from the end of moratorium period i.e. August 2014 and the balance of 29.91% by way of single instalment in May 2025. These loans carried an interest of 12.85% p.a. These loans were prepaid during the year ended March 31, 2016 on refinancing. The loan from a financial institution of ₹ Nil (March 31, 2016: ₹ 100.00 crore and April 01, 2015: ₹ Nil) was repayable in 20 equal quarterly instalments commencing from April 2017 and carried an interest rate of 13.00% p.a. GWEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
26. Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2016: ₹ 195.83 crore and April 01, 2015: ₹ 214.24 crore) of GGSPPPL except in case of one bank were secured by way of pledge of shares aggregating 51% of the total paid up capital of GGSPPPL and first charge by way of mortgage of immovable properties of GGSPPPL. Further, rupee term loan from the remaining one bank was secured by a subservient charge/ hypothecation/ mortgage/ assignment/ security interest on all movable and immovable assets present and future in favour of lender or security trustee. The rate of interest in case of loans from banks ranged from 12.00% to 14.35% p.a. and in case of loans from financial

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institution, the rate of interest was 12.00% p.a. The loans from banks and financial institutions were repayable in 47 unequal quarterly instalments commencing from July 2012 to January 2024, except in case of one bank, which was repayable in 36 quarterly instalments by March 2024. GGSPPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.

27. Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 90.16 crore) of MTSCCL was secured by way of a first ranking mortgage / hypothecation / assignment/ security interest/ pledge on immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of MTSCCL and all rights, titles, permits and interests of MTSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carried interest rate in the range of base rate plus spread of 2.75% to 3.00% p.a. Rupee term loan of ₹ 64.71 crore is repayable in 28 quarterly instalments commencing from March 2014 and loan of ₹ 16.49 crore is repayable in 48 quarterly instalments commencing from June 2015. Pursuant to the memorandum of understanding ('MOU') as detailed in note 36(c), MTSCCL has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.
28. Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 22.56 crore) of ATSCCL was secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of ATSCCL and all rights, titles, permits, and interests of ATSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carried interest rate in the range base rate plus spread of 2.75% p.a. to 3.00% p.a. Rupee term loan of ₹ 9.81 crore is repayable in 28 quarterly instalments commencing from March 2014 and loan of ₹ 11.64 crore is repayable in 48 quarterly instalments commencing from June 2015. Pursuant to the MOU as detailed in note 36(c), ATSCCL has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.
29. Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2016: ₹ 12.28 crore and April 01, 2015: ₹ 26.55 crore) of HASSL were secured by an equitable mortgage of leasehold right and title in respect of leasehold land belonging to GHIAL and other immovable properties and first charge on all movables, including movable machinery, machinery spares, tools, accessories, furniture, fixtures, vehicles and other movable assets, book debts, operating cash flows, receivables, intangibles, uncalled capital, commissions, revenues, present and future and assignment of all claims and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.38 crore equity shares of HASSL held by GHIAL. The loans carried interest rate at RBI Prime Lending Rate ('PLR') plus 3.00% p.a. The loans were repayable in 21 equal quarterly instalments commencing from March 2012. During the year ended March 31, 2017, the loan was repaid in full.
30. Secured Indian rupee term loans from banks of ₹ 60.33 crore (March 31, 2016: ₹ 54.85 crore and April 01, 2015: ₹ 49.39 crore) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and an exclusive charge on all movable and immovable assets, operating cash flows, book debts, receivables, commissions, revenue of whatsoever nature, both present and future, and an exclusive charge on all bank accounts of the project, including TRA, escrow accounts etc. The rupee term loan carries an interest rate of 11.00% p.a. Further, on account of restructuring, GHASL got the additional term loan facility by way of additional funded interest term loan ('FITL'). Further, GHASL also got the moratorium of two years for repayment of loans (term loan and FITL) and are repayable over 32 unequal quarterly instalments beginning from June 2017.
31. Secured Indian rupee term loans (including FITL) from banks of ₹ 278.00 crore (March 31, 2016: ₹ 281.51 crore and April 01, 2015: ₹ 257.26 crore) of GAEL are secured by first pari-passu charge (a) by way of equitable mortgage of leasehold rights of land of GAEL and GATL to the extent of 16.46 acres on which MRO facilities are constructed with all the buildings, structures, etc. on such land; (b) hypothecation of all the movable assets of the GAEL and GATL, including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets; (c) book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of GAEL and GATL; (d) all rights, title, interests, benefits, claims and demands whatsoever of GAEL and the subsidiary, GATL, with respect to the insurance contracts; (e) on all the bank accounts of GAEL and GATL; (f) pledge of 51% of paid up share capital of GAEL held by GHIAL; and (g) unconditional and irrevocable corporate guarantee of GHIAL pari passu among the lenders for their respective term loans and funded interest term loan. The loans carry interest rate of 11.00% p.a. The loans are repayable in 40 quarterly unequal instalments beginning from June 2016. Further, the interest for a period of 25 months commencing from March 2014 was converted into FITL and the FITL is repayable in 28 quarterly unequal instalments beginning from June 2016. During the year ended March 31, 2016, GAEL has also entered in to an agreement with a bank to obtain Loan Equivalent Risk (LER) facility for the cross currency arrangements which is secured by a second charge over the fixed and current assets, both present and future. Further, terms loans of ₹ 84.41 crore (March 31, 2016: ₹ 87.77 crore) have been swapped by way of cross currency arrangement with the bank pursuant to which the principal of ₹ 84.41 crore has been swapped for an equivalent USD 1.25 crore and interest on such loan from 11.00% to 5.22% on the applicable USD amount. Additionally the interest on loans of ₹ 190.61 crore (March 31, 2016: ₹ 190.61 crore) has been swapped by



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way of cross currency arrangement with a bank pursuant to which interest of 11.00% has been swapped to 9.78% p.a. on the applicable equivalent USD 2.83 crore (March 31, 2016: USD 2.83 crore) on such effective date.

32. Secured Indian rupee term loans from banks of ₹ 109.88 crore (March 31, 2016: ₹ 135.17 crore and April 01, 2015: ₹ 138.29 crore) of DAPSL are secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of pledge of 30% of the issued and paid up capital of DAPSL, to be pledged at all the times during the tenure of loan. The loans carry an interest rate ranging from 8.55% to 11.25% p.a. subject to reset at the end of every 12 months from the date of first disbursement. The loans were earlier repayable in 38 quarterly structured instalments commencing from October 2015, however pursuant to refinancing the loans are repayable in 32 quarterly structured instalments commencing from June 2017.
33. Secured Indian rupee term loans from a bank of ₹ Nil (March 31, 2016: ₹ 2.80 crore and April 01, 2015: ₹ 5.40 crore) of HDFRL (amalgamated with GHRL as at March 31, 2017) was secured by current assets including stock and such other movables, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts and pledge of 30% of shares of total equity held by GHIAL. As at March 31, 2016, HDFRL had pledged 0.51 crore equity shares as per the sanction terms. The rate of interest was base rate plus agreed spread, which is subject to reset at the end of agreed interval. The loan carried interest rate ranging from 11.25% to 12.50% p.a. The loan was repayable in 22 unequal quarterly instalments commencing from March 2012 till March 2017. During the year ended March 31, 2016, HDFRL had entered into a cross currency swap agreement with a bank to receive equivalent USD 0.09 crore for the loan amount at the interest rate of 5.88% p.a. on the applicable USD amount.
34. Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2016: ₹ 420.07 crore and April 01, 2015: ₹ 241.98 crore) of GBHHPL were secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA and other reserves and any other bank accounts of GBHHPL both present and future. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GBHHPL in the project documents. Further secured by way of pledge of 51% of its equity shares held by GEL. The loans from banks carried interest rate of base rate of the respective lender plus 300 bbps to 330 bbps and the loans from financial institutions carried interest rate of PLR of the respective lender minus 225 bbps except in case of one financial institution, which charged interest rate as per the respective lenders interest rate. The loans were repayable in 54 unequal quarterly instalments commencing from March 2019. GBHHPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
35. Secured Indian rupee term loan from a bank of ₹ 73.14 crore (March 31, 2016: ₹ 81.09 crore and April 01, 2015: ₹ 84.11 crore) of GADL is secured by first exclusive charge on GADL's loans and advances, current assets, cash flows and interest on inter corporate deposits/ sub debt including corporate guarantee from the Company and GAL. The loan is repayable in 28 quarterly instalments commencing from December 2013 and carries an interest rate of 11.75% p.a. (March 31, 2016: 11.75% to 12.25% p.a.).
36. Secured Indian rupee term loan from a bank of ₹ 482.43 crore (March 31, 2016: ₹ 480.56 crore and April 01, 2015: ₹ 783.34 crore) of the Company is secured by (a) first pari passu charge on 998 acres of land held by GKSEZ (b) subservient charge on 8,236 acres of SEZ land held by KSPL and (c) pledge of 30% equity shares of GCEL held by GGAL. The loan carries interest at base rate of lender plus spread of 4.75% p.a. The loan is repayable in twelve structured quarterly instalments commencing from April 2021 and ending on January 2024 as per the revised agreement dated May 27, 2016. There were certain mandatory prepayment events agreed with the bank including further issue of equity shares / divestments of stake in certain entities. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
37. Secured Indian rupee term loan from a bank of ₹ 60.35 crore (March 31, 2016: ₹ 63.20 crore and April 01, 2015: ₹ 65.87 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender (b) an exclusive charge on assets created out of this facility (c) corporate guarantee of GEPL and (d) securities as set out in note 93. The loan carries an interest rate of base rate of lender plus spread of 0.85% p.a. and is repayable in 10 structured quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
38. Secured Indian rupee term loan from a bank of ₹ 117.07 crore (March 31, 2016: ₹ 120.00 crore and April 01, 2015: ₹ 120.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender (b) charge on assets created out of this facility and (c) securities as set out in note 93. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. The loan is repayable in 8 equal quarterly instalments commencing from January 2018 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of 18 months from the date of first disbursement and every 3 months

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thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

39. Secured Indian rupee term loan from a bank of ₹ 82.44 crore (March 31, 2016: ₹ 87.08 crore and April 01, 2015: ₹ 90.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender (b) an exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank (c) second charge on cash flows of GISPL from coal trading under Coal Sales and Purchase Agreement with GCRPL (d) exclusive charge on loans given to GEL (e) DSRA covering interest payment for the next three months and (f) securities as set out in note 93. The loan carries an interest rate of base rate of lender plus spread of 1.25% p.a. The loan is repayable in 14 unequal semi-annual instalments commencing after 12 months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
40. Secured Indian rupee term loan from a bank of ₹ 44.75 crore (March 31, 2016: ₹ 73.99 crore and April 01, 2015: ₹ 168.55 crore) of the Company is secured by an exclusive first mortgage and charge on (a) residential property of Mr. G.B.S Raju, Director at Bengaluru (b) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL') (c) non agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPPL') at Andhra Pradesh (d) non agricultural lands of Mr. G. M. Rao, Executive Chairman (e) commercial apartment owned by Honey Flower Estates Private Limited ('HFEPL') (f) an irrevocable and unconditional guarantee of BIPL and HJPPPL limited to the extent of the value of their property as stated aforesaid (g) an irrevocable and unconditional guarantee of GHPL, BIPL and HFEPL and (h) demand promissory note equal to principal amount of the loan and interest payable on the loan given by the Company. The loan carries an interest rate of base rate of lender plus applicable spread of 3.25% p.a. and is repayable in 13 equal quarterly instalments commencing from July 2015 as per the revised agreement dated April 10, 2015. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
41. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 175.40 crore and April 01, 2015: ₹ 216.72 crore) of GEL was secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposits lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at ₹ 300.00 crore; and (d) non disposable undertaking of the shares of the Company held by GHPL of ₹ 60.00 crore. The loan carried interest of bank's base rate plus 1.00% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
42. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 257.94 crore and April 01, 2015: ₹ 310.23 crore) of GEL was secured by (a) exclusive charge on assets created out of the loan facility (b) cash margin of 10% of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders (c) pledge of shares of the GEL, valued at ₹ 210.00 crore (d) corporate guarantee of the Company (e) exclusive charge by way of mortgage on immovable fixed assets owned by the GEL or any associate GEL / Group Company / promoters, such that a cover of 0.5x of the outstanding facility amount (net of fixed deposit margin) is maintained throughout the tenor of the facility (f) pledge of 25% equity shares of GVPGL held by GEL. The loan carried interest rate of bank's base rate plus 1.00% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
43. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 378.31 crore and April 01, 2015: ₹ 428.31 crore) of GEL was secured by (a) exclusive charge on assets created out of the loan facility (b) 10% DSRA of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders (c) pledge of shares of the GEL valued at ₹ 260.00 crore (d) corporate guarantee of the Company (e) exclusive charge by way of mortgage on office space Bandra Kurla complex, Mumbai (f) pledge of 30% shares of GPCL (g) NDU of 21% share holding of GPCL held by GEL. The loan carried interest rate of bank's base rate plus 1.25% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The lender had a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
44. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 149.04 crore and April 01, 2015: ₹ 148.51 crore) of GEL was secured by pledge of total paid up equity share capital of GEL held by the Company for an amount equivalent to the loan facility, subject to Banking Regulation Act, 1949 and corporate guarantee by the Company guaranteeing the repayment of the loan and payment of interest and other charges thereon. The loan carried interest rate of base rate of the bank plus 2.00% floating spread with reset option as stipulated by the lender from time to time and is repayable after 3 years from the drawdown date. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
45. Secured loan from a bank of ₹ 0.23 crore (March 31, 2016: ₹ 0.38 crore and April 01, 2015: ₹ 0.50 crore) of the Company are secured on certain vehicles of the Company. The loan carries an interest rate of 10.00% p.a. The loan is repayable in 60 equal monthly instalments commencing from October 2013.

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

46. Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 18.17 crore and April 01, 2015: ₹ Nil) of GVPGL was secured by way of fixed deposits and corporate guarantees of GGAL. The loan was repayable in seven equal quarterly instalments from the end of 3 months from the date of first disbursement of the facility and carried an interest of bank's base rate plus spread of 1.25% p.a. GVPGL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
47. Secured Indian rupee term loan from a bank of ₹ 3.20 crore (March 31, 2016: ₹ 3.48 crore and April 01, 2015: ₹ Nil) of PAPPL is secured by 20.03 acres of immovable property of PAPPL. The loan carries a floating rate of 10.90% p.a. and is repayable in 108 monthly instalments commencing from October 2015.
48. Secured Indian rupee term loan from a bank of ₹ 393.86 crore (March 31, 2016: ₹ 434.30 crore and April 01, 2015: ₹ Nil) of GAL is secured by exclusive first charge by way of hypothecation on GAL's movable fixed assets (except investments) and current assets, revenues and receivables, both present and future, monies lying in the accounts of GAL, including TRA. Further secured by pledge of 26% equity shares of GAL held by the Company, an unconditional and irrevocable corporate guarantee from the Company, non-disposal undertaking and power of attorney executed in favor of bank (to be executed for any acquisition of shares by GAL in DIAL beyond 54%). The loan carries interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The rate of interest is ranging from 10.20% to 10.70% p.a. 76% of the loan is repayable in 15 quarterly equal instalments commencing from March 2017 till September, 2020. The balance 24% of the loan shall be repaid as a bullet repayment in September 2020.
49. Secured Indian rupee term loan from a bank of ₹ 253.73 crore (March 31, 2016: ₹ 261.21 crore and April 01, 2015: ₹ Nil) of the Company is secured by (a) 10% DSRA in the form of lien on fixed deposit in favor of the lender; (b) exclusive first charge on asset provided by the Company created out of the facility; (c) securities as set out in note 93. The loan carries an interest rate of base rate of lender plus spread of 0.50% p.a. The loan is repayable in 14 structured quarterly instalments commencing from January 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
50. Secured Indian rupee term loan from a bank of ₹ 89.10 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of the Company is secured by a first mortgage and charge on 180 acres of land held by GKSEZ. The loan carries an interest rate of MCLR plus spread of 5.00% p.a. and is repayable in eighteen equal monthly instalments commencing from the end of 6 months from October 2016.
51. Secured Indian rupee term loan from a bank of ₹ 183.25 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of the Company is secured by (a) first pari passu charge over 998 acres of land held by GKSEZ (b) subservient charge on 8,236 acres of SEZ land held by KSPIL (c) charge over Dividend / Interest Escrow Account of the Company into which all dividends and/or interest receivable by the Company from GEL and GGAL would be deposited and (d) first ranking pledge/NDU over 49% of equity shares of GGAL. The loan carries interest at the lender's Marginal Cost of Funds based Lending Rate of 1Y (I-MCLE-1Y) plus spread of 4.55% p.a. The loan is repayable in eighteen structured quarterly instalments commencing from December 25, 2016 and ending on March 25, 2021. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
52. Secured Indian rupee term loan from a bank of ₹ 193.76 crore (March 31, 2016: ₹ 206.84 crore and April 01, 2015: ₹ 223.62 crore) of the Company is secured by (a) residual charge over all current assets and movable fixed assets of the Company with negative lien (b) first charge over loans and advances of the Company (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding (c) first charge over cash flows of GMRHL (d) DSRA covering interest payment for the first three months and (e) securities as set out in note 93. The loan carries interest at base rate of lender plus spread of 1.05% p.a. and is repayable in 6 structured quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
53. Secured Indian rupee term loan from a bank of ₹ 378.00 crore (March 31, 2016: Nil and April 01, 2015: ₹ Nil) of the Company is secured by (a) first charge on assets created out of this facility (b) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender and (c) securities as set out in note 93. The loan carries interest rate of MCLR plus spread of 1.45% p.a. The loan is repayable in 28 structured quarterly instalments commencing from October 2017. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.
54. Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ 2.85 crore and April 01, 2015: ₹ Nil) of GRSPPL was secured by way of first charge on all the goods, book debts and all the other movable assets. The loan carried an interest rate of 13.25% p.a. and was repayable in 11 yearly instalments with initial gestation period of 12 months commencing from February 2017. GRSPPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.

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

55. Secured Indian rupee term loan from a bank of ₹ 75.00 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of RSSL is secured by way of a irrevocable corporate guarantee issued by the Company, charge on present and future assets of RSSL created out of the term loan, charge on 10% of FD margin of the outstanding facility amount, mortgage of various immovable properties of the Group and pledge of the shares of various companies of the Group. The loan carries an interest rate of 10.85% p.a. and is repayable in 28 quarterly instalments commencing from October 31, 2017.
56. Secured Indian rupee term loan from a financial institution of ₹ 498.61 crore (March 31, 2016: ₹ 597.65 crore; April 01, 2015: ₹ 696.60 crore) of the Company is secured by a first pari passu charge on 8,236 acres of land held by KSPL. The loan carries interest rate of 11.75% p.a. payable on a half yearly basis and is repayable in 10 equated annual instalments commencing from December 2012.
57. Secured Indian rupee term loans from financial institutions of ₹ 25.58 crore (March 31, 2016: ₹ 99.98 crore and April 01, 2015: ₹ 249.72 crore) of GMRHL are secured by way of a pledge of 26% equity shares of GMRHL held by the Company. This term loan carries an interest rate of 13.00% p.a. for the first 13 months from the date of disbursement; 14.00% p.a. for the next 12 months from the end of 13 months from the date of first disbursement; 15.00% p.a. for the rest of the tenure of loan and the principal is repayable in a lumpsum within 37 months from the date of agreement i.e. March 2013.
58. Secured Indian rupee term loans from financial institutions of ₹ 10.97 crore (March 31, 2016: ₹ 14.40 crore and April 01, 2015: ₹ 20.72 crore) of GAPL are secured by way of hypothecation of aircrafts of GAPL and guarantee issued by the Company. The loan carries an interest rate of 10.22% p.a. (March 31, 2016: 10.36% to 11.38% p.a.). The loan is repayable in quarterly instalments of ₹ 1.22 crore each with an option to preclose at the end of year 1 and thereafter on every interest reset date with 30 days written notice to the lender without any prepayment premium.
59. Secured Indian rupee term loan from a financial institution of ₹ Nil (March 31, 2016: ₹ 697.80 crore and April 01, 2015: ₹ 697.30 crore) of GEL was secured by way of first pari-passu charge on the land of KSPL and corporate guarantee given by the Company. The loan carried an interest of 12.00% p.a. and was repayable in 6 equal instalments after the fifth year from the date of first disbursement. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
60. Secured Indian rupee term loan from a financial institution of ₹ 149.82 crore (March 31, 2016: ₹ 149.69 crore; April 01, 2015: ₹ 149.57 crore) of the Company is secured by exclusive first charge on land held by GKSEZ. The loan carries an interest rate of 12.00% p.a. and is repayable in 7 equal annual instalments commencing at the end of four years from the date of first disbursement.
61. Secured Indian rupee term loan from a financial institution of ₹ 19.26 crore (March 31, 2016: ₹ 28.75 crore and April 01, 2015: ₹ 36.93 crore) of the Company is secured by a charge on the assets of the Company. The loan carries interest rate of 14.75% p.a. linked with lender's base rate on reducing balance and is repayable in 57 monthly instalments commencing from April 2014.
62. Secured Indian rupee term loan from a financial institution of ₹ 172.38 crore (March 31, 2016: ₹ 193.59 crore and April 01, 2015: ₹ 193.16 crore) of the Company is secured by way of (a) first mortgage and charge on non-agriculture lands of SJK; (b) pledge of 2.00 crore equity shares of Re. 1 each of the Company, held by GHPL and (c) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 crore held by the Company and in case of default in repayment of loan, the lender has the right to convert the loan into equity. The loan carries an interest rate of 14.25% p.a. (March 31, 2016: 14.25% p.a.) and is repayable in 18 quarterly instalments commencing from October, 2016.
63. Secured Indian rupee term loan from a financial institution of ₹ 259.74 crore (March 31, 2016: ₹ 259.50 crore and April 01, 2015: ₹ 259.28 crore) of the Company carries interest rate of 12.15% p.a. payable on a quarterly basis. The loan is repayable in 6 equal annual instalments commencing at the end of five years from the date of first disbursement. The loan is secured by an exclusive first charge on certain immovable properties located in the State of Andhra Pradesh ('AP') owned by Namitha Real Estate Private Limited (NREPL), a subsidiary of the Company, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi.
64. Secured rupee term loans from a financial institution of ₹ Nil (March 31, 2016: ₹ 9.66 crore and April 01, 2015: ₹ Nil) of GCEL was secured by exclusive/ first charge/ hypothecation of equipments borrowed under the loan consisting of movable assets/ equipments including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are lying or stored in or about or shall be brought into or upon or be stored or be in GCEL's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the customer or in the course of transit or on high seas or on order or delivery. The loan carried an interest rate of 16% per annum. The loan amount shall be repaid in 34 monthly instalments commencing from December 2015. GCEL has been deconsolidated as at March 31, 2017. Refer note 36(f) and 36(g) regarding discontinued operations.

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

65. Secured Indian rupee loan from a financial institution of ₹ 62.49 crore (March 31, 2016: ₹ 55.42 and April 01, 2015: ₹ Nil) of SJK is secured by the way of (a) pledge on 1.70 crore equity shares of the Company; (b) pledge on 100% equity shares of GPEL; (c) pledge on 49% equity shares of GTAEPL; (d) pledge on 49% equity shares of GTTEPL; (e) pledge on 26% equity shares of GHVEPL; (f) First pari passu charge on loans and advances of the above mentioned road companies; (g) pledge on 21% equity shares of GMRHL; (h) pledge on 26% preference share capital of GMRHL; (i) charge by the way of mortgage on certain properties; and (j) charge by the way of mortgage on 82 acres of immovable property located at Maharashtra. The loan carries interest rate at lender's benchmark rate less spread of 6.00% p.a. The entire loan is repayable on bullet repayment on the date falling 36 months from the date of first disbursement i.e. September 2018.
66. Secured Indian rupee term loan from a financial institution of ₹ 149.58 crore (March 31, 2016: ₹ 149.31 crore and April 01, 2015: ₹ Nil) of KSPL is secured by pari passu first charge on land to the extent of 8,236.50 acres along with escrow of receivable from land leasing of 916 acres under Phase-I and lien on fixed deposit of ₹ 5.65 crore. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate of 10.75% p.a. plus spread of 3.00% p.a. (March 31, 2016: 11.70% p.a. plus spread of 2.75% p.a.) and is repayable in 8 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. September 2017.
67. Secured Indian rupee term loan from financial institution of ₹122.70 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GHRL is secured by first pari passu charge on immovable assets (including assignment of leasehold rights in the case of leasehold land) movable assets, revenues, book debts, bank accounts and a pledge over 30% of the equity shares of GHRL. Further the loan is secured by an irrevocable and unconditional corporate guarantee given by the GHIAL. The loan carries an interest rate of 10.80% p.a. The loan is repayable in 54 quarterly instalments commencing from January 2017.
68. Secured loan from others of ₹ 0.12 crore (March 31, 2016: 0.17 crore and April 01, 2015: ₹ 0.23 crore) of the Company is secured by certain vehicles of the Company. The loan carries an interest rate of 10.33% p.a. and is repayable in 60 equal monthly instalments commencing from April 2014.
69. Secured foreign currency loans from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 144.81 crore) of GIML was secured by way of pledge of shares of GISPL held by GIML and further secured by way of corporate guarantee given by the Company. The rate of interest was LIBOR plus 6.45%. The loan was repaid during the year ended March 31, 2016.
70. Secured foreign currency loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹104.84 crore) of MTSCCL was secured by way of first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of MTSCCL; and all rights, titles, permits and interests of MTSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carried an interest at LIBOR plus 4.50% p.a. MTSCCL had entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The entire foreign currency loan was repayable as a single instalment in May 2018. Pursuant to the MOU as detailed in note 36(c), MTSCCL has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.
71. Secured foreign currency loans from banks of ₹ Nil (March 31, 2016: ₹ 569.22 crore and April 01, 2015: ₹ 566.55 crore) of DIAL were secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further secured by the pledge of requisite shares held by the consortium of GAL and FAG (shareholders of DIAL). The loans carried an interest at 6 months LIBOR plus agreed spread of 480 bbps. However, DIAL had entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per terms of the loan agreement. The loans were repayable in 18 unequal half yearly instalments commencing from June 2016 to December 2024. During the year ended March 31, 2017, the loan was repaid in full.
72. Secured foreign currency loans from banks of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 84.10 crore) of GENBV was secured by pledge of shares of GENBV, pledge of 100% shares of PTDSU, PTDSI and PT, non-disposal undertaking from PTDSI and PT for their entire shareholding in PTBSL, non-disposal undertaking from GEL for its shareholding in GEML and non disposal undertaking of 100% shareholding of GEML in GECL and undertaking by the Group to retain 51% direct ownership and control in GEL. Further secured by way of an irrevocable and unconditional guarantee by the Company and charge over escrow of cash flows from PTDSU, PTDSI, PTBSL, and PT including dividends and cash sweeps. The rate of interest was LIBOR plus 550 bbps. The loan was repayable in 3 equal annual instalments commencing from February 2013 and ending in February 2015. The loan was repaid in full during the year ended March 31, 2016.
73. Secured foreign currency loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 104.62 crore) of ATSCCL was secured by way of first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building, both

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

present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of ATSCIL; and all rights, titles, permits and interest of ATSCIL in respect of all the assets, project documentation, including all insurance contracts and clearances. The loan carried an interest at LIBOR plus 4.50% p.a. ATSCIL had entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The entire foreign currency loan was repayable as a single instalment in December 2017. Pursuant to the MOU as detailed in note 36(c), ATSCIL has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.

74. Secured foreign currency loans from banks of ₹ 2,443.94 crore (March 31, 2016: ₹ 2,511.06 crore and April 01, 2015: ₹ 2,365.84 crore) of GCRPL are secured by a charge over all tangible and intangible assets of GCRPL and a charge over the shares of GCRPL. Further, secured by way of guarantee by the Company and a non-disposable undertaking with respect to shares held in PTGEMS by GCRPL. The loan carried interest rate of six month LIBOR plus 4.25% p.a. The term loans were repayable in 4 instalments of 5% of the loans within 24 months from the first utilisation date i.e. in October 2011, 10% within 36 months from the first utilisation date, 10% within 48 months from the first utilization date and the final instalment of 75% on the maturity date i.e. in October 2016. During the year ended March 31, 2017, GCRPL entered into an arrangement with the lenders to reschedule the loan. As per the revised arrangement, the loan carries an interest rate of six months LIBOR plus 4.25% p.a. for the first 24 months and an interest rate of six months LIBOR plus 5.25% p.a. for the remaining period and is repayable over a period of 5 years commencing from January 2017.
75. Secured foreign currency loan from a bank of ₹ Nil (March 31, 2016: ₹ 258.47 crore and April 01, 2015: ₹ 247.55 crore) of PTBSL was secured by a charge over insurance, inventory, plant and machinery, receivables of PTBSL and further secured by corporate guarantee from the Company. The loan carried an interest rate of LIBOR plus 6.07% p.a. and was repayable in 10 half yearly instalments commencing after 42 months from the first utilisation date. PTBSL has been deconsolidated as at March 31, 2017. Refer note 36(k) regarding discontinued operations.
76. Secured foreign currency loans from banks of ₹ Nil (March 31, 2016: ₹ 36.25 crore and April 01, 2015: ₹ 6.25 crore) of GUKPL was secured by mortgage of land and building existing or to be created in future owned by GUKPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender by GEL and also secured by way of acknowledgment letter from Government of Nepal through Investment Board of the Government of Nepal, as per Section 14.1 of Project Development Agreement of GUKPL's assignment/transfer of GUKPL's rights or benefits. Further secured by way of assignment of rights and benefits as per Section 14.1 of Project Development Agreement and hypothecation of entire work in progress. The bridge gap loan was for three years from the first disbursement date (i.e. December 2014 and February 2016) or till three months after financial closure whichever is earlier. The loan carried interest rate of 8.50% p.a. GUKPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
77. Secured foreign currency loan from a bank of ₹ Nil (March 31, 2016: ₹ 961.49 crore and April 01, 2015: ₹ 908.06 crore) of GIML was secured by certain fixed deposits of GIML and by way of corporate guarantee given by the Company. The rate of interest was LIBOR plus 200 bbps. During the year ended March 31, 2017, the loan has been repaid in full.
78. Secured foreign currency loans from banks of ₹ Nil (March 31, 2016: ₹ 4.38 crore and April 01, 2015: ₹ Nil) of HHPPL was secured by mortgage of fixed assets existing or to be created in future owned by HHPPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender from GEL. The loan carried interest rate at 8.50% p.a. and the tenure of the loan is for 3.5 years from the first disbursement date i.e. June 2015 or till three months after financial closure whichever is earlier. HHPPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
79. Secured foreign currency loan from a financial institution of ₹ Nil (March 31, 2016: ₹ 663.46 crore and April 01, 2015: ₹ 625.49 crore) of GCEL was secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on, all GCEL's immovable properties both present and future, all the movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, intangible goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature wherever arising including CDM benefits of GCEL both present and future, all the rights, titles, interest, benefits, claims and demands whatsoever of GCEL in the project documents (including PPA's/ MOU for sale of power, package/ construction contracts, operation and maintenance related agreements, land lease agreements, fuel supply contracts/ long term linkages, services contracts, mining lease, vesting order, coal mine development and production agreement etc.) all as amended varied or supplemented from time to time; and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCEL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCEL

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

and other rights, claims etc. and pledge of shares held by the promoters/ sponsors constituting 51% of preference and equity shares of GCEL which shall be reduced to 26% of shares on repayment of half of the loans subject to the compliance of conditions put forth by the consortium of rupee lenders, cost overrun lenders and foreign currency lender. All the securities ranked pari passu among all the rupee lenders, cost overrun and mining capex lenders, foreign currency lender aggregating to ₹ 8,977.00 crore and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) to the extent of ₹ 1,054.00 crore and the lenders participating in the Performance Guarantee of ₹ 455.00 crore and on second charge basis with lenders providing customs/ excise bank guarantee and loan equivalent risk limits of ₹ 1,163.00 crore. The loan carried an interest rate of six months USD LIBOR plus margin that ranged from 215 bbps to 410 bbps and was repayable in 68 quarterly instalments commencing from April 2017 to January 2034. GCEL has been deconsolidated as at March 31, 2017. Refer note 36(f) and 36(g) regarding discontinued operations.

80. Unsecured Indian rupee term loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 185.96 crore) of GPCL was repayable in 8 equal quarterly instalments commencing from the end of 15 months from the date of first disbursement i.e. July 2013 and carried an interest rate of 14.60% p.a. During the year ended March 31, 2016 the loan was repaid in full.
81. Unsecured Indian rupee term loan from others of ₹ 0.42 crore (March 31, 2016: ₹ 0.46 crore and April 01, 2015: ₹ 0.60 crore) of HMA CPL is interest free. The loan is repayable in 15 equal annual instalments of ₹ 0.10 crore each commencing from April 2009.
82. Unsecured Indian rupee loan from a financial institution of ₹ 122.48 crore (March 31, 2016 : Nil and April 01, 2015: ₹ Nil) of GGAL carries an interest rate of 13.00% p.a. The loan is repayable in 54 equal monthly instalments starting from July 2016.
83. Unsecured foreign currency loan from a bank of ₹ 317.34 crore (March 31, 2016: ₹ 330.51 crore and April 01, 2015: ₹ 315.30 crore) of GISPL is secured by an irrecoverable and unconditional standby letter of credit up to a limit of USD 5.00 crore guaranteed by the Company. The loan carries an interest at 6 months LIBOR plus margin of 3.07% p.a. and is repayable over a period of 5 years over 9 instalments of 1% within 12 months from the first utilisation date, 1% within 18 months from the first utilisation date, 1.25% within 24 months from the first utilisation date, 2.50% within 30 months from the first utilisation date, 7.50% within 36 months from the first utilisation date, 9.25% within 42 months from the first utilisation date, 9.50% within 48 months from the first utilisation date, 9.50% within 54 months from the first utilisation date and a final instalment of 58.50% on the maturity period of 60 months.
84. Secured Indian rupee term loans from banks and financial institutions against development fees receipts of ₹ Nil (March 31, 2016: ₹ 84.00 crore and April 01, 2015: ₹ 545.26 crore) of DIAL were secured by pari passu first charge on development fees. The loans were repayable from collection of development fees receipts and the repayment commitments are as per the loan agreement. The loans carried fixed rate of interest at 11.50% p.a. (March 31, 2016: 11.95% p.a.). During the year ended March 31, 2017, the loans were repaid in full.
85. Secured suppliers' credit of ₹ 19.30 crore (March 31, 2016: ₹ 39.38 crore and April 01, 2015: ₹ 55.67 crore) of GAPL is secured by way of hypothecation of aircrafts, guarantee issued by the Company and a bank guarantee given by GAPL. The rate of interest is six months LIBOR plus spread of 115 bbps. The interest rate is hedged at 3.66% p.a. The loan is repayable in 16 equal half yearly instalments commencing from April 2010.
86. Bills discounted of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 134.70 crore) of GEL were secured by first charge over the current assets of GEL and second charge over the entire fixed assets of GEL. The securities would be shared on a pari passu basis with existing charge holders. During the year ended March 31, 2016, a standby letter of credit has been invoked by the bank and the amount was classified under short term borrowings. Refer note 24.
87. Finance lease obligations of ₹ 0.66 crore (March 31, 2016: ₹ 0.66 crore and April 01, 2015: ₹ 0.63 crore) of GPCL are secured by underlying assets taken on finance lease arrangement. The lease term is of 5 years and it carries an interest of 10.00% p.a.
88. DIAL has entered into an information technology service agreement with WAISL to provide IT services. As per the agreement, DIAL pays or receives a variable charge to WAISL depending on actual billing and agreed subsistence level. Accordingly, DIAL has considered that the arrangement contains a lease of the IT equipments and other assets and the lease was classified as a finance lease at the inception of the agreement. During the year ended March 31, 2017, pursuant to the modification in the terms of the arrangement, the embedded lease has been terminated. Finance lease obligations as at March 31, 2016 was ₹ 178.35 crore (April 01, 2015: ₹ 266.20 crore) and the interest rate implicit in the lease ranged from 10.11% to 10.55% p.a.
89. Finance lease obligations of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 2.39 crore) of MTSCCL were secured by underlying assets taken on finance lease arrangement. The lease term was of 99 years and the effective interest rate is 13.79% p.a. Pursuant to the MOU as detailed in note 36(c), MTSCCL has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.

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

90. Finance lease obligations of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 1.00 crore) of ATSCS were secured by underlying assets taken on finance lease arrangement. The lease term was of 99 years and the effective interest rate is 13.79% p.a. Pursuant to the MOU as detailed in note 36(c), ATSCS has been deconsolidated, as at March 31, 2016. Refer note 36(c) and 36(k) regarding discontinued operations.
91. Finance lease obligation amounting to ₹ Nil (March 31, 2016: 12.36 crore and April 01, 2015: ₹ 12.32 crore) of GCEL was secured by underlying assets taken on finance lease arrangement. The lease term was of 99 years and the effective interest rate is 13.79% p.a. GCEL has been deconsolidated as at March 31, 2017. Refer note 36(f) and 36(g) regarding discontinued operations.
92. Negative grant of ₹ 66.41 crore (March 31, 2016: ₹ 66.21 crore and April 01, 2015: ₹ 64.71 crore) of GACEPL is interest free and recorded at amortised cost. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2017, an amount of ₹ 66.41 crore (March 31, 2016: ₹ 66.21 crore and April 01, 2015: ₹ 64.71 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. In accordance with the terms of the concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of negative grant to NHAI. GACEPL has paid an amount of ₹ 108.34 crore till March 31, 2017 (March 31, 2016 : ₹ 108.34 crore and April 01, 2015 ₹ 108.34 crore)
93. Securities for the facilities mentioned in note nos. 12, 37, 38, 39, 49, 52 and 53
  - (a) First charge over 30% pledge of shares of Raxa Security Services Limited and 70% shares under NDU arrangement to be kept in lender's demat account.
  - (b) Charge over 30% pledge of shares of GGAL.
  - (c) Mortgage on Andhra Pradesh land (piece and parcel of the property admeasuring 557.76 acres in aggregate of land situated at Kothavalasa, Vizianagaram District of Andhra Pradesh).
  - (d) Pledge over 30% shares of GMRHL held by the Company.
  - (e) Undertaking from the Company to hold majority stake in GMRHL.
  - (f) Pledge/charge on the advances/CCPS invested by GISPL in GCRPL in favour of lender/ lender approved correspondent bank.
  - (g) Pledge of 12% of DDFS free shares held by GAL.
  - (h) Mortgage on office space at Bandra Kurla Complex, Mumbai.
  - (i) Pledge of 30% shares of GPCL.
  - (j) NDU of 21% shareholding of GPCL.
  - (k) First charge over properties located at Rajam Mandal, Srikakulam District, Andhra Pradesh or equivalent cash margin.
94. Interest free loan from others of ₹ 315.05 crore (March 31, 2016: ₹ 315.05 crore and April 01, 2015: ₹ 315.05 crore) of GHIAL received from the State Government of Telangana (erstwhile State Government of Andhra Pradesh) is repayable in 5 equal instalments commencing from 16th anniversary of the commercial operations date of GHIAL i.e. March 2008.
95. Unsecured foreign currency loan from others of ₹ 9.37 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GALM carries an interest rate of 1.20% p.a. and is repayable in a single instalment on maturity, i.e. April 2018.
96. Unsecured Indian rupee loan from others of ₹ 0.80 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GPCL carries an interest rate of 9.00% p.a. The loan is due for repayment in March 31, 2018.
97. Unsecured Indian rupee loan from others of ₹ 75.84 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GETL carries an interest rate of 8.00% p.a. The loan is due for repayment in March 31, 2018.
98. Unsecured Indian rupee loan from others of ₹ 16.20 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GLHPPL carries an interest rate of 11.25% p.a. The loan is due for repayment in March 31, 2018.
99. Unsecured Indian rupee loan from others of ₹ 9.50 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GPIL. The loan carries interest rate of 13.75 % p.a and shall be for period of 9 years and 3 months from the date of disbursal of loan.
100. Unsecured Indian rupee loan from others of ₹ 31.38 crore (March 31, 2016: ₹ Nil and ₹ Nil) of GCRPL carries interest rate of 6 months LIBOR plus 350 bps p.a. The loan is repayable over a period of 5 years from October 2014.



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

101. The period and amount of default as on the balance sheet date with respect to abovementioned borrowings are as follows:

Particulars	Nature	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	Period of Default (No. of Days)
Indian Rupee term loans from banks and financial institutions	Payment of Interest	123.02	376.67	165.16	0-360
Foreign currency loans from banks	Payment of Interest	80.63	54.27	-	0-360
Loan from a Group Company	Payment of Interest	5.92	-	-	0-210
Bank overdraft	Payment of Interest	0.73	-	-	0-30
Foreign Currency loans from banks	Payment of Principal	32.80	-	-	0-90
Indian Rupee term loans from banks and financial institutions	Payment of Principal	2.92	0.97	100.75	0-90
<b>Total</b>		<b>246.02</b>	<b>431.83</b>	<b>265.91</b>	

## 20 Trade Payables

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Trade payables	-	19.41	12.75	1,443.76	1,274.29	1,441.27
	-	19.41	12.75	1,443.76	1,274.29	1,441.27

## 21 Financial liabilities

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Financial liabilities at fair value through profit or loss</b>						
Derivatives not designated as hedge						
Principal and interest rate swap (refer note 52)	67.24	107.43	115.82	-	16.49	11.76
Foreign exchange forward contracts (refer note 52)	-	-	-	1.57	0.21	12.84
Call spread option (refer note 52)	-	-	-	42.58	-	-
(i)	<b>67.24</b>	<b>107.43</b>	<b>115.82</b>	<b>44.15</b>	<b>16.70</b>	<b>24.60</b>
<b>Other financial liabilities at amortized cost</b>						
Security deposit from concessionaires	293.77	280.25	278.55	140.64	98.47	52.12
Security deposit from commercial property developers ('CPD')	7.59	6.39	5.73	-	-	-
Concession fee payable	195.98	170.58	157.88	-	-	-
Non-trade payable (including retention money)	5.03	84.96	136.16	938.94	1,379.36	1,614.62
Liability for voluntary retirement scheme	16.94	31.29	44.73	14.44	13.45	12.66
Financial guarantee	-	-	-	110.13	7.27	7.46
Interest Payable	-	-	-	435.76	447.64	310.42
Current maturities of long term borrowings (refer note 19)	-	-	-	1,799.76	5,105.72	4,171.84

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

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Current maturities of finance lease obligation (refer note 19)	-	-	-	0.66	100.06	89.61
(ii)	519.31	573.47	623.05	3,440.33	7,151.97	6,258.73
(iii)-(i)+(ii)	<b>586.55</b>	<b>680.90</b>	<b>738.87</b>	<b>3,484.48</b>	<b>7,168.67</b>	<b>6,283.33</b>

**22 Provisions**

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Provision for employees benefits</b>						
Provision for gratuity (refer note 41)	11.53	8.72	10.27	9.77	3.84	3.36
Provision for compensated absences	-	-	-	63.80	58.79	57.62
Provision for other employee benefits	-	-	-	11.60	27.44	23.19
(i)	<b>11.53</b>	<b>8.72</b>	<b>10.27</b>	<b>85.17</b>	<b>90.07</b>	<b>84.17</b>
<b>Other provisions</b>						
Provision for operation and maintenance (refer note 44)	227.67	135.76	60.88	33.57	53.71	52.28
Provision for asset retirement obligation / decommissioning liability (refer note 44)	7.14	40.51	19.45	-	-	-
Provision for debenture redemption premium	-	-	-	1.91	3.94	4.81
(ii)	<b>234.81</b>	<b>176.27</b>	<b>80.33</b>	<b>35.48</b>	<b>57.65</b>	<b>57.09</b>
(iii)-(i)+(ii)	<b>246.34</b>	<b>184.99</b>	<b>90.60</b>	<b>120.65</b>	<b>147.72</b>	<b>141.26</b>

**23 Other liabilities**

	Non-current			Current		
	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Advance received from customers and CPD's	240.58	311.22	249.20	1,025.91	1,082.43	845.95
Deferred / unearned revenue	1,811.73	1,875.56	1,888.54	94.73	127.21	144.30
Statutory dues payable	-	-	-	85.92	127.27	75.61
Development fee accrued (to the extent not utilised) (refer note 46(i))	-	-	-	-	4.15	41.17
Marketing fund liability (refer note 46(vii))	-	-	-	53.43	-	-
Other liabilities	32.10	44.09	34.59	37.10	40.54	87.54
	<b>2,084.41</b>	<b>2,230.87</b>	<b>2,172.33</b>	<b>1,297.09</b>	<b>1,381.60</b>	<b>1,194.57</b>

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

## 24 Short-term borrowings

	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
<b>Secured</b>			
Cash credit and overdraft from banks	116.55	367.17	362.62
Letters of credit / bills discounted	-	10.98	201.35
Indian rupee short term loans from banks	13.18	155.65	794.80
Indian rupee short term loans from financial institutions	-	246.02	388.76
<b>Unsecured</b>			
Cash credit and overdraft from banks	10.02	-	2.95
Foreign currency short term loans from banks	224.68	360.56	772.49
Indian rupee short term loans from banks	48.36	444.20	263.09
Indian rupee short term loans from others	311.03	-	-
	<b>723.82</b>	<b>1,584.58</b>	<b>2,786.06</b>
<b>The above amount includes</b>			
Secured borrowings	129.73	779.82	1,747.53
Unsecured borrowings	594.09	804.76	1,038.53
	<b>723.82</b>	<b>1,584.58</b>	<b>2,786.06</b>

- Cash credit from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 0.03 crore) of GHIAL was secured by way of first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future and a second ranking charge by way of mortgage of leasehold right title, interest and benefit in respect of leasehold land to an extent of 2,136.46 acres, freehold land of 8.82 acres, but not limited to documents of title to the goods. The rate of interest was 12.75% p.a.
- Cash credit from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 0.02 crore) of HDFRL was secured by way of pari passu charge on current assets including stock, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts, a pledge of 30% of shares of total equity share capital of HDFRL held by GHIAL. The rate of interest was ranging from 11.25% to 11.75% p.a.
- Cash credit from a bank of ₹ 2.87 crore (March 31, 2016: ₹ 0.95 crore, April 01, 2015: ₹ 0.18 crore) of GAPL is secured by way of a corporate guarantee from the Company and a charge over current assets of GAPL. The rate of interest is 14.35% p.a.
- Cash credit from a bank of ₹ 21.05 crore (March 31, 2016: ₹ 23.42 crore, April 01, 2015: ₹ 22.41 crore) of GATL is secured by first charge on entire current assets and cash flows including stocks, receivables, bank balances etc., first pari passu charge by way of extension of equitable mortgage of leasehold rights of land to the extent of 16.46 acres registered in the name of GAEL on which MRO facilities have been created along with all the buildings and structures, first pari passu charge by way of hypothecation of all the movable assets belonging to GATL and GAEL and including but not limited to plant and machinery, machinery spares, tools and accessories and corporate guarantee from GAEL. The rate of interest is base rate of the bank plus 3.95% p.a.
- Cash credit from a bank of ₹ Nil (March 31, 2016: ₹ 4.24 crore, April 01, 2015: ₹ 4.96 crore) of GHRL was secured by way of first pari passu charge on entire current assets and cash flows including stocks, receivables, bank balances etc. with existing term lenders and collateral first pari passu charge by way of extension of equitable mortgage of the immovable properties and assets pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land measuring 5.37 acres together with all the buildings, structures etc. on such land. The rate of interest was ranging from base rate of the lender plus 2.50% to 3.80% p.a.
- Cash credit from banks of ₹ Nil (March 31, 2016: ₹ 237.48 crore and April 01, 2015: ₹ 148.58 crore) of GWEL was secured by way of a first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, secured by pledge of shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security ranked pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working

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

capital requirements/ bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. The cash credit from banks carried interest rate ranging from 12.10% to 13.60% p.a. GWEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.

7. Cash credit from a bank of ₹ 16.33 crore (March 31, 2016: ₹ 23.62 and April 01, 2015: ₹ 14.97 crore) of RSSL is secured by way of exclusive charge on receivables of RSSL, fixed deposit of ₹ 6.00 crore and and irrevocable corporate guarantee issued by the Company. The interest rate is 12.50% p.a.
8. Unsecured cash credit from a bank of ₹ 10.02 crore (March 31, 2016: ₹ Nil, April 01, 2015: ₹ 2.95 crore) of GETL is secured by an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is ranging from 11.82% to 13.03% p.a.
9. Bank overdraft of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 93.44 crore) of GPCL was secured by way of first charge on current assets (inventories and book debts) and second charge on movable assets (other than current assets) of GPCL. The beneficial interest in the security shall rank pari passu among rupee lender and lenders participating in the bank borrowings for the working capital requirements. The rate of interest was ranging from 13.00% to 15.50% p.a.
10. Bank overdraft of ₹ 76.31 crore (March 31, 2016: ₹ 77.46 crore and April 01, 2015: ₹ 78.03 crore) of the Company is secured by a first charge on current assets of the EPC division of the Company and a lien on certain fixed deposits with banks of the Company and the rate of interest is ranging from 13.00% to 13.75% p.a.
11. Domestic letters of credit of ₹ Nil (March 31, 2016: ₹ Nil, April 01, 2015: ₹ 201.35 crore) of GCEL was sub limit to rupee term loans as per the facility agreement entered into by GCEL and were secured in the same manner and terms and conditions as that of rupee term loans of GCEL. The security details of the rupee term loan have been disclosed in note 19. These letters of credit were discounted with banks. Rate of interest of domestic letters of credit was ranging from 9.65% to 11.75% p.a. GCEL has been deconsolidated as at March 31, 2017. Refer note 36(g) regarding discontinued operations.
12. Bills discounted of ₹ Nil (March 31, 2016: 10.98 crore and April 01, 2015: ₹ Nil) of GVPGL were secured by first charge over the current assets of GVPGL and a corporate guarantee by GPCL. The rate of interest of bills discounted was 9.95% p.a. GVPGL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
13. Secured Indian rupee short term loans from banks of ₹ Nil (March 31, 2016: ₹ 9.41 crore and April 01, 2015: ₹ 262.80 crore) and financial institutions of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 232.01 crore) of KSPL were secured by way of a charge on certain fixed deposits of the Group. The rate of interest was interest rate on fixed deposit plus 1.00% p.a. or base rate whichever was higher. As at April 01, 2015 KSPL had defaulted in the payment of interest of ₹ 3.36 crore for the months February 2015 and March 2015.
14. Secured Indian rupee short term loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil, April 01, 2015: ₹ 2.94 crore) of GCAPL was secured against fixed deposits of GCAPL. The rate of interest was 10.25% p.a.
15. Secured Indian rupee short term loan from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 130.00 crore) of GEL was secured by 10% cash margin in the form of fixed deposit lien marked in favour of the bank. The rate of interest was base rate plus 1.25% p.a. and was repayable in eight equal quarterly instalments commencing from the end of 36th month from the date of first disbursement. The loan was prepaid during the year ended March 31, 2016. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
16. Refer note 19(86). A standby letter of credit had been invoked by the bank and the amount outstanding and due for payment as at March 31, 2016 was ₹ 84.69 crore. The loan carried an interest rate of 17.00% p.a. and was secured by a first charge over the current assets of GEL and a second charge over the entire fixed assets of GEL. GWEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
17. Secured Indian rupee short term loan from banks of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 140.79 crore) of GETL were secured against GPCL's bank deposits. The interest rate was ranging from 9.95% to 10.65% p.a.
18. Secured Indian rupee short term loans from banks of ₹ Nil (March 31, 2016: ₹ 5.88 crore and April 01, 2015: ₹ 189.99 crore) of GEL were secured against fixed deposits of GPCL and GVPGL and carried a rate of interest ranging from 9.75% to 12.00% p.a. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
19. Secured Indian rupee short term loans from banks of ₹ 793 crore (March 31, 2016: ₹ 55.69 crore, April 01, 2015: ₹ 68.29 crore) of DSPL are secured against fixed deposits of certain Group Companies. The rate of interest is ranging from 8.55% to 11.30% p.a.

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

20. Secured Indian rupee short term loan from a bank of ₹ 5.25 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of GAPL is secured by charge on fixed deposits of the Company. The loan carries a interest rate of 9.70 % p.a.
21. Secured Indian rupee short term loans from a financial institution of ₹ Nil (March 31, 2016: ₹ 1.02 crore and April 01, 2015: ₹ 156.75 crore) of GEL was secured against (a) exclusive charge by way of pledge on 100% equity shares of GPEL; (b) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (d) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (e) cross collateralisation with existing securities (including pledge of the Company's shares, mortgage of properties, DSRA deposits and others at the sole discretion of the financial institution) offered for the existing facilities extended to the Group by the lender under the existing loan agreements; (f) corporate guarantee of GMRHL and (g) DSRA deposit of 1 quarter principal and interest obligations on roll over basis. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter had an option to require GEL to repay the entire loan. The rate of interest was lender's benchmark rate minus 4.00% p.a. spread. The loan was repayable unequally over a period of four years, after a moratorium period of six months. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
22. Secured Indian rupee short term loans from a financial institution of ₹ Nil (March 31, 2016: ₹ 245.00 crore and April 01, 2015: ₹ Nil) of GEL was secured against (a) exclusive charge by the way of pledge on 1.70 crore equity shares of the Company held by GEPL (b) exclusive charge by way of pledge on 100% equity shares of GPEPL (c) exclusive charge by way of pledge on 49% equity shares of GTAEPL (d) exclusive charge by way of pledge on 49% equity shares of GTTEPL (e) exclusive charge by way of pledge on 26% equity shares of GHVEPL (f) First pari passu charge on loans and advances of the above mentioned road companies (g) exclusive charge by the way of mortgage of immovable properties of certain related parties (h) exclusive charge by the way of mortgage immovable properties located at Maharashtra. (i) NDU on 11% equity shares of GAHL held by the Company. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter had an option to require GEL to repay the entire loan. The rate of interest was lender's benchmark rate minus 4.00% p.a. spread. The loan was repayable unequally over a period of four years, after a moratorium period of six months. GEL had defaulted in repayment of instalment of Rs 6.83 crore as at March 31, 2016. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
23. Unsecured foreign currency short term loan from a bank of ₹ 224.68 crore (March 31, 2016: ₹ 360.56 crores, April 01, 2015: ₹ 340.52 crore) of GISPL is secured by a standby letter of credit provided by the Group, up to a limit of USD 3.50 crore and bears interest at 3 months LIBOR plus margin ranging between 1.25% to 2.00% p.a.
24. Unsecured foreign currency short term loans from a bank of ₹ Nil (March 31, 2016: ₹ Nil and April 01, 2015: ₹ 431.96 crore) of GALM was secured through corporate guarantee by GAL. The rate of interest was 1 month LIBOR plus 125 bbps.
25. Unsecured Indian rupee short term loan from a bank of ₹ 48.36 crore (March 31, 2016: ₹ 18.78, April 01, 2015: ₹ 4.59 crore) of GETL is secured by an unconditional and irrevocable corporate guarantee by the Company. The rate of interest is ranging from 10.72% to 12.82% p.a.
26. Unsecured Indian rupee short term loans from banks of ₹ Nil (March 31, 2016: ₹ 118.75 crore, April 01, 2015: ₹ 70.00 crore) of GETL carried an interest rate ranging from 10.70% to 11.40% p.a. During the year ended March 31, 2017, the loan has been repaid in full.
27. Unsecured Indian rupee short term loans from a bank of ₹ Nil (March 31, 2016: ₹ 211.70 crore, April 01, 2015: ₹ 188.50 crore) of GBHPL carried an interest rate ranging from 10.55% to 11.40% p.a. GBHPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
28. Unsecured Indian rupee short term loans from a bank of ₹ Nil (March 31, 2016: ₹ 47.47 crore and April 01, 2015: ₹ Nil) of GEL carried interest rate ranging from 10.55% to 10.95% p.a. GEL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
29. Unsecured Indian rupee short term loans from a bank of ₹ Nil (March 31, 2016: ₹ 47.50 crore, April 01, 2015: ₹ Nil) of GBEPL carried interest rate of 10.95% p.a. GBEPL has been deconsolidated as at March 31, 2017. Refer note 36(f) regarding discontinued operations.
30. Unsecured short term loans taken from others of ₹ 311.03 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) of DSPL carries interest rate ranging from 6.00% to 12.25% p.a.

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

**25. Sales / income from operations** (₹ in crore)

	March 31, 2017	March 31, 2016
<b>Sale of products</b>		
Power segment:		
Income from sale of electrical energy	2.23	1.54
	<b>2.23</b>	<b>1.54</b>
<b>Traded Goods</b>		
Power segment:		
Income from sale of electrical energy	1,024.31	841.61
Income from coal trading	459.35	249.70
	<b>1,483.66</b>	<b>1,091.31</b>
Airport segment:		
Non-aeronautical		
Duty free items	106.52	79.97
	<b>106.52</b>	<b>79.97</b>
<b>Sale of services</b>		
Airport segment:		
Aeronautical	4,638.65	3,695.14
Non-aeronautical	1,814.84	1,825.54
Cargo operations	245.61	240.29
Improvements to concession assets	3.86	2.04
Income from commercial property development	169.06	170.85
Income from management and other services	102.00	85.31
	<b>6,974.02</b>	<b>6,019.17</b>
Roads segment:		
Annuity income from expressways		
Operation and maintenance income (SCA) (Annuity)	116.04	103.73
Construction income	13.28	5.17
Toll income from expressways	267.66	274.59
Income from management and other services	11.51	48.54
	<b>408.49</b>	<b>432.03</b>
EPC segment:		
Construction revenue	380.86	174.69
	<b>380.86</b>	<b>174.69</b>
Others segment:		
Income from hospitality services	55.30	55.96
Income from management and other services	112.82	109.25
	<b>168.12</b>	<b>165.21</b>
<b>Sales / income from operations</b>	<b>9,523.90</b>	<b>7,963.92</b>

**26. Other operating income** (₹ in crore)

	March 31, 2017	March 31, 2016
Interest income on:		
Bank deposits and others	70.97	99.20
Receivables against service concession arrangements	156.61	183.21
Net gain on sale or fair valuation of investments	9.63	7.95
Others	7.52	6.68
	<b>244.73</b>	<b>297.04</b>

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

<b>27. Other income</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Interest income on bank deposits and others	166.16	200.46	
Provisions no longer required, written back	3.34	46.82	
Net gain on sale or fair valuation of investments	145.28	145.38	
Gain on fair valuation of derivative instrument	54.78	-	
Gain on account of foreign exchange fluctuations (net)	64.20	6.56	
Lease rentals	10.00	4.14	
Miscellaneous income	21.68	13.18	
	<b>465.44</b>	<b>416.54</b>	
<b>28. Cost of materials consumed</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Inventory at the beginning of the year	8.73	5.41	
Add: Purchases	178.79	36.86	
	<b>187.52</b>	<b>42.27</b>	
Less: Inventory at the end of the year	(66.52)	(8.73)	
	<b>121.00</b>	<b>33.54</b>	
<b>29. Purchase of traded goods</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Purchase of electrical energy	839.61	675.78	
Purchase of coal for trading	447.38	242.48	
Purchase of duty free items	49.89	36.18	
Purchase of other goods for trading	3.47	12.27	
	<b>1,340.35</b>	<b>966.71</b>	
<b>30. (Increase) / decrease in stock in trade</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Stock as at April 01,	9.99	7.40	
Less: Stock as at March 31,	(16.85)	(9.99)	
	<b>(6.86)</b>	<b>(2.59)</b>	
<b>31. Employee benefit expenses</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Salaries, wages and bonus	473.21	433.12	
Contribution to provident and other funds (refer note 41)	37.31	35.33	
Gratuity expenses (refer note 41)	7.00	5.79	
Staff welfare expenses	27.37	32.20	
	<b>544.89</b>	<b>506.44</b>	
<b>32. Other expenses</b>		(₹ in crore)	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>	
Consumption of stores and spares	41.55	40.38	
Electricity and water charges	139.92	172.62	
Open access charges paid	165.01	148.58	
Airport service charges / operator fees	162.22	140.60	
Repairs and maintenance	273.98	275.94	

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

(₹ in crore)

	March 31, 2017	March 31, 2016
Manpower hire charges	62.76	57.77
Legal and professional fees	284.96	214.79
Directors' sitting fees	1.64	1.90
Adjustments to the carrying amount of investments	1.25	0.33
Provision / write off of doubtful advances and trade receivables	26.22	0.69
Donation (includes corporate social responsibility expenditure)	29.91	22.66
Fixed assets written off / loss on sale of fixed assets (net)	0.38	2.49
Logo fees	0.95	1.16
Expenses of commercial property development	43.13	44.99
Miscellaneous expenses	266.73	231.75
	<b>1,500.61</b>	<b>1,356.65</b>

### 33. Depreciation and amortisation expenses

(₹ in crore)

	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment	978.78	1,102.10
Amortisation of intangible assets	80.44	94.13
Depreciation on investment properties	0.70	0.43
	<b>1,059.92</b>	<b>1,196.66</b>

### 34. Finance costs

(₹ in crore)

	March 31, 2017	March 31, 2016
Interest on debts and borrowings	1,974.26	2,134.60
Bank charges	113.56	61.89
Call spread option premium	40.70	-
	<b>2,128.52</b>	<b>2,196.49</b>

### 35. Earnings per share ('EPS')

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

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

	March 31, 2017	March 31, 2016
Profit attributable to equity holders of the parent:		
Continuing operations (₹ in crore)	(781.20)	(601.56)
Discontinued operations (₹ in crore)	206.61	(2,110.94)
<b>Profit attributable to equity holders of the parent for basic / diluted earnings per share (₹ in crore)</b>	<b>(574.59)</b>	<b>(2,712.50)</b>
Weighted average number of equity shares for basic EPS	6,017,945,475	5,645,023,712
Effect of dilution:	-	-
Weighted average number of equity shares adjusted for the effect of dilution	6,017,945,475	5,645,023,712
Earnings per share for continuing operations - Basic and Diluted (₹)	(1.30)	(1.07)



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

Earnings per share for discontinued operations - Basic and Diluted (₹)	0.34	(3.74)
Earnings per share for continuing and discontinued operations - Basic and Diluted (₹)	(0.96)	(4.81)

## Notes:

1. Refer note 17(c) pertaining to the terms / rights attached to CCPs. Considering that the Company has incurred losses during the year ended March 31, 2016, the allotment of conversion option in case of CCPs would decrease the loss per share for the year ended March 31, 2016 and accordingly has been ignored for the purpose of calculation of diluted earnings per share.
2. Considering that the Company has incurred losses during the year ended March 31, 2017 and March 31, 2016, the allotment of conversion option in case of FCCBs would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share. Management has computed diluted EPS using ₹ 18 per share as fair market value for computing the number of equity shares which would be issued on the conversion of FCCB.
3. Refer note 17(g) as regards further issue of shares during the year ended March 31, 2016.
4. Weighted average number of equity shares used for computing earning per share (basic and diluted) have been adjusted for 17,999,800 treasury shares held by GWT as detailed in note 49(i).

**36. Discontinued operations**

- a) During the year ended March 31, 2016, the Group entered into a Share Purchase Agreement ('SPA') for divestment of 117,300,000 equity shares of ₹ 10 each, representing their 51% stake in GOSHHEPL, a joint venture, for a sale consideration of ₹ 59.14 crore. During the year ended March 31, 2016, 34,477,000 shares were transferred and the Group had realized a profit of ₹ 2.31 crore on such sale of shares, which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2016.
- b) During the year ended March 31, 2016, the Group entered into a SPA for divestment of their 26% equity stake in their associate, UEPL, for a sale consideration of ₹ 32.50 crore and made a provision for loss on divestment amounting to ₹ 39.21 crore which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2016.
- c) During the year ended March 31, 2016, GEL had entered into a memorandum of understanding ('MOU') for divestment of its 100% equity stake in its subsidiaries, MTSCS and ATSCS for a consideration of ₹ 100.35 crore. The transaction has been completed during the year ended March 31, 2017 and the Group has realized a profit of ₹ 12.35 crore on such sale of shares which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017.

- d) GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015 and have operated on an intermittent basis thereafter. As a result, the consortium of lenders of GREL decided to implement SDR, under the Framework of Reserve Bank of India for Revitalizing Distressed Assets in the Economy, whereby the lenders have to collectively hold 51% or more of the equity share capital in such assets, to convert part of the debt outstanding into equity and to undertake flexible structuring of balance debt post conversion as a Corrective Action Plan for improving viability and revival of the project. Pursuant to the scheme, borrowings aggregating to ₹ 1,308.57 crore and interest accrued thereon amounting to ₹ 105.42 crore was converted into equity shares of GREL on May 12, 2016 for 55% stake in equity share capital of GREL and the Group has given a guarantee of ₹ 2,738.00 crore to the lenders against the remaining debt. Post conversion, balance external borrowings are subject to flexible structuring (5/25 scheme) for repayment of the same over a period of 20.50 years comprising of moratorium period of 1.75 years and structured quarterly repayment period of 18.75 years. Under the SDR, the bankers have to find a new promoter for GREL within the period as prescribed under the scheme.

Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders GREL ceased to be a subsidiary of the Group and the Group has accounted its investments in GREL under the equity method as per the requirements of Ind AS - 28. Further, pursuant to the loss of control over GREL, the Group has recorded a profit of ₹ 518.04 crore, which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017.

- e) GMIAL had entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives, for the rehabilitation, expansion, modernization, operation and maintenance of Male International Airport ('MIA') for a period of 25 years ('the Concession Agreement'). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the Concession Agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement and MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. The matter was under arbitration.

During the year ended March 31, 2017, the arbitration tribunal delivered its final award in favour of GMIAL, pursuant to which GMIAL received USD 27.10 crore from MACL, in view of which GMIAL has recognised income of ₹ 473.91 crore, being the difference between the claims received and the amount recorded as claims recoverable by GMIAL with regard to the aforesaid takeover and included the same as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017.

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

Further, GMIAL had executed work construction contracts with GADLIL and other service providers for rehabilitation, expansion, modernization of MIA. Pursuant to the aforesaid takeover of airport, GMIAL has terminated the contracts with GADLIL and these service providers. GMIAL has received claims of around USD 8.00 crore as at March 31, 2017 from GADLIL and other service providers towards claims for termination payments. However, no such claims relating to the termination of contracts have been recognised as at March 31, 2017 since the amounts payable are not certain and the management is confident that the claims from the EPC contractors do not require any further adjustments to the carrying value of the net assets in GMIAL as at March 31, 2017.

- f) The Group entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the Investors have acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 30.00 crore through primary issuance of equity shares of GEL. The transaction was completed on November 4, 2016 and GEL has allotted equity shares to the Investors for the said consideration of USD 30.00 crore. As per the conditions precedent to the completion of the transaction, GEL's investment in certain subsidiaries have been transferred from GEL to other subsidiaries of the Company.

Pursuant to the aforesaid transaction, GEL and its subsidiaries ceased to be subsidiaries of the Company and have been considered as joint ventures as per the requirements of Ind AS -28. Further, pursuant to the loss of control over GEL and its subsidiaries, the Group has recorded a profit of ₹ 945.17 crore, which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017.

- g) During the year ended March 31, 2017, under a Framework for Revitalizing Distressed Assets in the Economy by RBI, the lenders of GCEL have implemented the SDR on February 21, 2017 pursuant to which borrowings of GCEL aggregating to ₹ 2,992.22 crore (including interest accrued thereon of ₹ 652.22 crore) got converted into equity shares. The aforesaid conversion has resulted in loss of control by the Group over GCEL and the consortium of bankers have taken over 52.38% of the paid up equity share capital of GCEL and the bankers have to find a new promoter for GCEL within the period as prescribed under the scheme. Further, majority of the lenders have reduced interest rates for GCEL and are considering implementing the 5/25 Scheme, which grants GCEL extension of time towards repayment of outstanding debts and will result in better cash flow management for the Group.

Pursuant to the loss of control over GCEL on account of the implementation of the SDR scheme as detailed above, the Group has recorded a profit of ₹ 871.49 crore, which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017. Further, the Group has accounted its investments in GCEL under the equity method as per the requirements of Ind AS - 28 post the conversion of loans into equity share capital by the consortium of lenders.

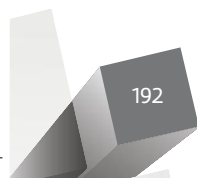
- h) Subsequent to the year ended March 31, 2017, the Group has entered in to a Memorandum of Understanding with PT Golden Energy Mines ('PTGEMS') for the sale of entire stake in PTDSU for a sale consideration of USD 6.56 crore towards purchase of share and mandatory convertible bonds issued by PTDSU, subject to fulfillment of various conditions as specified in the said agreement. Based on the aforesaid agreement, the management of the Group is of the view that the carrying value of net assets in PTDSU (after providing for impairment in the value of goodwill amounting to ₹ 100.16 crore which has been included as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016) is appropriate.

- i) GKUAEL had entered into a Concession Agreement with National Highways Authority of India ('NHAI') for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways ('NH') 79A, NH 79, NH 76 and NH 8. Pursuant to non-fulfillment of the mandatory 'Conditions Precedent' specified under the Concession Agreement within the due date, GKUAEL had issued a notice to NHAI of its intention to terminate the Concession Agreement. In response, NHAI termed the notice not maintainable both in law and in facts and the matter was under arbitration. Pursuant to the issue of notice of dispute, GKUAEL provided for the project costs of ₹ 137.47 crore incurred by the Group upto March 31, 2016.

During the year ended March 31, 2017, both the parties have settled their disputes before the arbitral tribunal after payment of penalty of ₹ 53.87 crore by GKUAEL to NHAI.

In addition, GKUAEL had awarded the EPC contract to GMR Enterprises Private Limited ('GEPL') and had given an advance of ₹ 590.00 crore. Pursuant to the issue of notice of dispute as stated above, GKUAEL terminated the contract on May 15, 2015. During the year ended March 31, 2017, GKUAEL has settled the claims of the EPC contractors for ₹ 259.00 crore. The aforesaid settlement expenses aggregating to ₹ 312.87 crore has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2017. The management of the Group is confident of recovery of the balance ₹ 331.00 crore from GEPL and accordingly has not made any further adjustments in the consolidated financial statements for the year ended March 31, 2017.

- j) Also refer note 45(i) as regards reimbursement of transmission charges in case of GWEL for the period prior to April 01, 2015, which has been included as an 'exceptional item' from discontinued operations in the consolidated financial statements of the Group for the year ended March 31, 2016



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

Profit / (loss) from discontinued operations		(₹ in crore)	
Particulars	March 31, 2017	March 31, 2016	
<b>Income</b>			
Revenue from operations:			
Sales / income from operations	1,240.92	2,421.87	
Other income	156.87	134.57	
<b>Total income</b>	<b>1,397.79</b>	<b>2,556.44</b>	
<b>Expenses</b>			
Consumption of fuel	589.86	1,524.33	
Purchase of traded goods	-	75.46	
Sub-contracting expenses	4.65	20.96	
Employee benefit expenses	75.93	98.89	
Other expenses	285.84	380.84	
Depreciation and amortisation expenses	483.53	623.75	
Finance costs	1,825.30	1,939.43	
<b>Total expenses</b>	<b>3,265.11</b>	<b>4,663.66</b>	
<b>(Loss) / profit before share of profit / (loss) of associates and joint venture exceptional items and tax from discontinuing operations</b>	<b>(1,867.32)</b>	<b>(2,107.22)</b>	
Share of (loss) / profit of associates / joint ventures (net)	(304.22)	(101.09)	
<b>(Loss) / profit before exceptional items and tax from discontinued operations</b>	<b>(2,171.54)</b>	<b>(2,208.31)</b>	
<b>Exceptional items</b>			
a) (Loss) / profit on sale / dilution of subsidiaries / joint venture/associate (Refer note 36(a), 36(b), 36(c), 36(d), 36(f), 36(g))	2,347.05	(36.90)	
b) Reimbursement of expenditure pertaining to earlier years received (Refer note 36(j))	-	51.42	
c) Provision for diminution in value of non-current assets (Refer note 36(h), 36(i))	(312.87)	(100.16)	
d) Surplus of termination claim (Refer 36(e))	473.91	-	
<b>Profit / (loss) from discontinued operations before tax expenses</b>	<b>336.55</b>	<b>(2,293.95)</b>	
<b>Tax expenses of discontinued operations</b>			
Current tax	1.11	4.04	
Adjustments to tax relating to earlier periods	-	0.90	
Deferred tax expense / (credit)	5.58	1.98	
<b>Profit / (loss) after tax from discontinued operations</b>	<b>329.86</b>	<b>(2,300.87)</b>	

## (k) Assets held for sale

The Group has following non-current assets / disposal groups recognized as held for sale as at March 31, 2017:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
PTDSU	Power segment
EDWPCPL	Power segment
GKUAEPL	Road segment
GOSEHHHPL	Road segment

The Group has following non-current assets / disposal groups recognized as held for sale as at March 31, 2016:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
GREL	Power segment
MTSCL	Power segment
ATSCL	Power segment
JEPL	Road segment
UEPL	Road segment

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

GOSEHHHPL	Road segment
EDWPCPL	Power segment

The Group has following non-current assets / disposal groups recognized as held for sale as at April 01, 2015:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
EDWPCPL	Power segment
JEPL	Road segment
UEPL	Road segment

The details of assets/disposal group classified as held for sale and liabilities associated thereto are as under:

(₹ in crore)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>Group of assets classified as held for sale</b>			
Property, plant and equipment (refer note 3)	5.42	3,845.36	0.21
Intangible assets ( including goodwill ) (refer note 6 and 7)	255.73	0.16	-
Intangible asset under development (refer note 8)	463.17	-	-
Trade receivables	-	169.85	-
Investment in GOSEHHHPL	24.63	24.63	-
Investment in UEPL	-	32.47	76.84
Investment in JEPL	-	30.70	29.33
Investment in EDWPCPL	0.01	0.01	0.01
Other assets including claims recoverable	102.13	1,416.59	1,126.30
<b>Total</b>	<b>851.09</b>	<b>5,519.77</b>	<b>1,232.69</b>
<b>Liabilities associated with group of assets classified as held for sale</b>			
Trade payables	5.70	93.11	10.32
Borrowings (refer note 1)	259.71	4,903.90	1,008.96
Other liabilities	343.18	507.19	46.94
Deferred tax liabilities	0.02	18.36	-
<b>Total</b>	<b>608.61</b>	<b>5,522.56</b>	<b>1,066.22</b>
<b>Other Comprehensive Income</b>			
Exchange differences on translation of foreign operations	0.98	(8.56)	-
	<b>0.98</b>	<b>(8.56)</b>	-

**(i) Borrowings include:**

- Secured foreign currency loan from a bank of ₹ 259.71 crore as at March 31, 2017 of PTBSL is secured by a charge over insurance, inventory, plant and machinery, receivables of PTBSL and further secured by corporate guarantee from the Company. The loan carries an interest rate of LIBOR plus 6.07% p.a. and is repayable in 10 half yearly instalments commencing after 42 months from the first utilisation date.
- Secured Indian rupee term loans from banks of ₹ 3,620.18 crore as at March 31, 2016 of GREL were secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA, other reserves and any other bank accounts of GREL, both present and future. These loans were further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto and further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future, pledge of 52.00 crore equity shares of GREL held by GEL as at April 01, 2015. The rate of interest for loans from banks was the base rate of lead bank plus 100 bbps except in case of two banks, for which the interest rates range from 12.84% to 14.25% p.a.. As detailed in note 36(d) GREL has become an associate during the year ended March 31, 2017.
- Secured Indian rupee term loans from banks of ₹ 68.32 crore as at March 31, 2016 and secured foreign currency loan from a bank of ₹ 111.01 crore as at March 31, 2017 of MTSCIL were secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on immovable property comprising of land and building both present and future acquired; movable current assets both present and

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

future; pledge of shares representing 30% of the total equity share capital of MTSCCL and all rights, titles, permits and interests of MTSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The Indian rupee term loans from banks carries interest rate in the range of base rate plus spread of 2.75% to 3.00% p.a. The secured foreign currency loan from a bank carries an interest at LIBOR plus 4.50% p.a. MTSCCL had entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. Indian rupee term loan of ₹ 64.71 crore is repayable in 28 quarterly instalments commencing from March 2014 and loan of ₹ 16.49 crore is repayable in 48 quarterly instalments commencing from June 2015. The entire foreign currency loan was repayable as a single instalment in May 2018. As detailed in note 36(c) 100% stake in MTSCCL has been divested as at March 31, 2017.

- d) Finance lease obligations of ₹ 2.39 crore as at March 31, 2016 of MTSCCL were secured by underlying assets taken on finance lease arrangement. As detailed in note 36(c) 100% stake in MTSCCL has been divested as at March 31, 2017.
- e) Secured Indian rupee term loans from banks of ₹ 18.06 as at March 31, 2016 and secured foreign currency loan from a bank of ₹ 110.77 crore as at March 31, 2016 of ATSCCL were secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of ATSCCL and all rights, titles, permits, and interests of ATSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The Indian rupee term loans from banks carries interest rate in the range base rate plus spread of 2.75% p.a. to 3.00% p.a. The secured foreign currency loan from a bank carries an interest at LIBOR plus 4.50% p.a. ATSCCL had entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. Indian rupee term loan of ₹ 9.81 crore is repayable in 28 quarterly instalments commencing from March 2014 and Indian rupee term loan of ₹ 11.64 crore is repayable in 48 quarterly instalments commencing from June 2015. The entire foreign currency loan was repayable as a single instalment in December 2017. As detailed in note 36(c) 100% stake in ATSCCL has been divested as at March 31, 2017.
- f) Finance lease obligations of ₹ Nil (March 31, 2016: ₹ 1.00 crore and April 01, 2015: ₹ Nil ) of ATSCCL were secured by underlying assets taken on finance lease arrangement. As detailed in note 36(c) 100% stake in ATSCCL has been divested as at March 31, 2017.
- g) Secured foreign currency loan from a bank of ₹ Nil (March 31, 2016: ₹ 972.17 crore and April 01, 2015: ₹ 1,008.96 crore ) of GMIAL was secured by first charge / assignment of all revenues and receivables of GMIAL from the project or otherwise, first charge of existing and future movable properties, all banks accounts including without limitation, the escrow accounts and each of the other accounts required to be created by GMIAL under any project document or contract, all intangible assets including but not limited to the goodwill, undertaking, uncalled capital and intellectual property rights, assignments of all the rights, titles, and interests of GMIAL from all contractors, insurances, licenses in, to, and under all assets of the project, all project documents, which GMIAL is a party to including contractor guarantees, liquidated damages and all other contracts relating to the project, a first charge or assignment of all the rights, titles, interests, benefits, claims and demands whatsoever of GMIAL in any letter of credit, guarantee, performance bonds, provided by EPC contractors, or any party to the project documents, lender's security package listed in the project documents, including substitution rights and termination payments due in respect of the project in specified circumstances and pledge of 51% of the equity share capital of GMIAL. The rate of interest is six months LIBOR plus 375 bbps. The loan was originally repayable in half yearly instalments commencing from June 2015. The loan has been repaid during the year ended March 31, 2017.

## 37. (a) Deferred Tax

Deferred tax (liability) / asset comprises mainly of the following:

(₹ in crore)

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
<b>Deferred tax liability:</b>						
1 Depreciation	-	1,165.34	-	971.87	-	545.83
2 Carry forward losses / unabsorbed depreciation	656.96	-	932.75	-	540.89	-
3 Intangibles ( Airport Concession rights)	69.96	-	-	-	-	-
4 Others	54.13	29.52	10.96	5.65	5.65	6.66
<b>Sub- total (A)</b>	<b>781.05</b>	<b>1,194.86</b>	<b>943.71</b>	<b>977.52</b>	<b>546.54</b>	<b>552.49</b>
Deferred tax liability (net)		413.81		33.81		5.95
<b>Deferred tax asset :</b>						
1 Depreciation	-	3.81	-	1,185.34	-	1,186.21
2 Carry forward losses / unabsorbed depreciation	2.15	-	1,169.53	-	1,124.00	-

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

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
3 Intangibles ( Airport Concession rights)	-	-	73.84	-	77.73	-
4 MAT credit entitlement	265.37	-	153.69	-	144.48	-
5 Others	12.43	4.58	57.12	36.55	28.63	2.10
<b>Sub- total (B)</b>	<b>279.95</b>	<b>8.39</b>	<b>1,454.18</b>	<b>1,221.89</b>	<b>1,374.84</b>	<b>1,188.31</b>
Deferred tax asset (net)	271.56		232.29		186.53	
<b>Total (A+B)</b>	<b>1,061.00</b>	<b>1,203.25</b>	<b>2,397.89</b>	<b>2,199.41</b>	<b>1,921.38</b>	<b>1,740.80</b>
(Deferred tax liability) /Deferred tax asset (net)	(142.25)		198.48		180.58	
Change for the year		340.73		(179.0)		
<b>Reconciliation to the consolidated statements of profit and loss from continuing operations</b>						
Charge/(credit) during the year as above		340.73		(179.0)		
Add: Foreign currency translation reserve		9.64		2.69		
Charge/(credit) during the year		350.37		(15.21)		

- i. In case of certain entities, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability. The Group has recognised deferred tax asset on unabsorbed depreciation and carried forward losses as at March 31, 2017, March 31, 2016 and April 01, 2015, only to the extent of deferred tax liability as at March 31, 2017.
- ii. In case of certain entities, as the timing differences are originating and reversing within the tax holiday period under the provisions of section 80-IA of the IT Act, deferred tax has not been recognised by these companies.

**37. (b) Income Tax**

The domestic subsidiaries of the Group are subject to income tax in India on the basis of their standalone financial statements. As per the Income Tax Act, these entities are liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT). MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

**Income tax expenses in the consolidated statement of profit and loss consist of the following:**

(₹ in crore)

	March 31, 2017	March 31, 2016
<b>Tax expenses of continuing operations</b>		
(a) Current tax	389.90	203.56
(b) Adjustments of tax relating to earlier periods	(3.24)	(6.84)
(c) MAT credit entitlement	(100.12)	(9.44)
(d) Deferred tax expense / (credit)	450.49	(5.77)
<b>Tax expenses of discontinued operations</b>		
(a) Current tax	1.11	4.04
(b) Adjustments of tax relating to earlier periods	-	0.90
(c) Deferred tax expense / (credit)	5.58	1.98
<b>Total taxes</b>	<b>743.72</b>	<b>188.43</b>
<b>Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:</b>		
Profit before taxes and share of profit/ (loss) of associates and joint ventures from continuing and discontinued operations	752.04	(2,475.93)
Applicable tax rates in India	34.61%	34.61%
<b>Computed tax charge</b>	<b>260.28</b>	<b>(856.92)</b>
<b>1. Adjustments to taxable profits for companies with taxable profits</b>		
(a) Items not deductible/income exempt from tax	(60.29)	(23.60)
(b) Adjustments on which deferred tax is not created	(52.19)	-
(c) Adjustments to current tax in respect of prior periods	(1.88)	21.43
(d) MAT adjustments	238.69	129.70
(e) Utilisation of previously unrecognised tax losses	-	(197.84)
(f) Others	(30.12)	(9.55)

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

	March 31, 2017	March 31, 2016
2. Impact on account of entities making losses / Deferred tax assets not recognised because realisation is not probable*	389.23	1,125.21
<b>Tax expense as reported</b>	<b>743.72</b>	<b>188.43</b>

\*Certain entities of the Group have incurred losses during the relevant period, which has resulted in reduction of profit / increase of losses in the consolidated financial statements. However, the tax liability has been discharged by the respective entities on a standalone basis. Further, in view of absence of reasonable certainty, the Group has not recognised deferred tax asset in such companies.

**38. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include impairment of investments, other non-current assets, Goodwill, determination of useful life of assets, estimating provisions, recoverability of deferred tax assets, commitments and contingencies, fair value measurement of financial assets and liabilities, applicability of service concession arrangements, treatment of certain investments as joint ventures / associates, applicability of embedded lease in an arrangement and estimation of payables to Government / statutory bodies.

**a) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**i. Taxes**

Deferred tax assets including MAT Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 37 for further disclosures.

**ii. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 53 (a) for further disclosures.

**iii. Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

In respect of financial guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 42 for further disclosure.

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

### iv. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 41.

### b) Significant judgements

In the process of applying the Group's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in these consolidated financial statements.

#### i. Impairment of non-current assets including investments in joint ventures and associates and goodwill

Determining whether investment are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow ('DCF') model over the estimated useful life of the power plants, concession on roads, airports etc. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business, estimation of passenger traffic and rates and favorable outcomes of litigations etc. in the airport and expressway business which are considered as reasonable by the management (refer note 6, 9 and 15).

#### ii. Determination of applicability of Appendix A of Service Concession Arrangement ('SCA'), under Ind AS - 11 'Construction contracts' in case of airport entities

DIAL and GHIAL, subsidiaries of the Company, have entered into concession agreements with Airports Authority of India ('AAI') and the Ministry of Civil Aviation ('MoCA') respectively, both being Government / statutory bodies. The concession agreements give DIAL and GHIAL exclusive rights to operate, maintain, develop, modernize and manage the respective airports on a revenue sharing model. Under the agreement, the Government / statutory bodies have granted exclusive right and authority to undertake some of their functions, being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of the respective airports and to perform services and activities at the airport constituting 'Aeronautical services' (regulated services) and 'Non-aeronautical services' (non-regulated services). Aeronautical services are regulated while there is no control over determination of prices for Non-aeronautical services. Charges for Non-aeronautical services are determined at the sole discretion of DIAL and GHIAL. The management of the Group conducted detailed analysis to determine applicability of SCA. The concession agreements of these entities, have significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from DIAL and GHIAL, the Government / statutory body and users / passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. The airport premises is being used both for providing regulated services (Aeronautical services) and for providing non-regulated services (Non-aeronautical services). Based on DIAL and GHIAL's proportion of regulated and non-regulated activities, the management has determined that over the concession period, the unregulated business activities drive the economics of the arrangement and contributes substantially to the profits of DIAL and GHIAL and accordingly, the management has concluded that SCA does not apply in its entirety to DIAL and GHIAL.

#### iii. Determination of control and accounting thereof

As detailed in the accounting policy, consolidation principles under Ind AS are different from the previous GAAP, especially with respect to assessment of control of the subsidiaries. Accordingly certain entities like GKEL and DDFS, where though the Group have majority shareholding, they have been accounted as joint ventures entities on account of certain participative rights granted to other partners / investors under the shareholding agreements. Similarly, as detailed in Note 36 (f), consequent to investment made by Tenaga in GEL with certain participative rights in the operations of GEL, GEL and its underlying subsidiaries have also been accounted as joint ventures w.e.f



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

November 04, 2016 under Ind AS. Further, as detailed in note 36(d) and 36(g), GREL and GCEL have been accounted as associates on account of the SDR and the conversion of loans into equity share capital by the consortium of lenders.

Under Ind AS, joint ventures are accounted under the equity method as per the Ind AS 28 against the proportionate line by line consolidation under previous GAAP.

Refer note 9, 15 and 36 for further disclosure.

#### iv. Other significant judgements

- Refer note 46(xiii) as regards the accounting of finance lease by DIAL for IT services provided by WAISL.
- Refer note 46(xi) as regards the revenue share payable by DIAL and GHIAL to the grantor.
- Refer note 46(xii) as regards the accounting of CCPS issued by GAL.
- Refer note 46(i) as regard the accounting of Development Fund (DF) by DIAL.
- Refer note 47(i) and note 47(ii) as regard the recovery of claims in GHVEPL and GACEPL.

### 39. Business combinations, acquisition of non-controlling interests during the year;

#### a) Acquisition of a subsidiary during the year ended March 31, 2016

##### Acquisition of RAXA Securities Services Limited (RSSL)

RSSL is a company incorporated on July 29, 2005 under the provisions of Companies Act, 1956 for provision of security and related services to commercial and industrial establishments. RSSL was held by GHPL.

On October 20, 2015, GSPHPL acquired 100% of the issued share capital of RSSL to enable the Group to enter into the provision of security and related services to commercial and industrial establishments.

The Group issued 17,977,400 equity shares as consideration for the 100% interest in RSSL. RSSL has been fair valued at ₹ 225.00 crores by an external valuer at the date of the acquisition. The acquisition of RSSL has been considered as common control transaction by the Group.

#### b) Acquisition of additional stake in a subsidiary

##### Acquisition of additional interest in DIAL

On May 25, 2015, the Group acquired an additional 10.00% interest in the voting shares of DIAL through GMR Airports Limited, a subsidiary, thereby increasing its ownership interest to 64.00%, for consideration of ₹ 507.43 crore paid to the non-controlling shareholders. The carrying value of the net assets of DIAL was ₹ 2,022.25 crore. The carrying value of the additional interest acquired at the date of acquisition was ₹ 202.22 crore and the excess consideration of ₹ 305.21 crore has been accounted as goodwill during the year ended March 31, 2016.

### 40 Interest in material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below :

#### 1 Details of material partly-owned subsidiaries :

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)			Proportion of equity interest held by non-controlling interests (Direct)		
		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
DIAL	India	36.00%	36.00%	46.00%	36.00%	36.00%	46.00%
GHIAL	India	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%
GPCL	India	49.00%	52.77%	52.77%	49.00%	49.00%	49.00%
GMIAL	Republic of Maldives	23.00%	23.00%	23.00%	23.00%	23.00%	23.00%

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

### 2 Accumulated balances of material non-controlling interest :

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
DIAL	1,112.47	907.85	928.03
GHIAL	289.34	128.63	126.35
GPCL	131.87	325.93	346.99
GMIAL	160.33	35.03	66.55

### 3 Profit / (loss) allocated to material non-controlling interest :

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016
DIAL	204.62	181.57
GHIAL	160.71	2.28
GPCL	(179.79)	10.61
GMIAL	121.22	(9.24)

### 4. Summarised financial position :

The summarised financial position of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	DIAL			GHIAL			GPCL			GMIAL		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	December 31, 2016	March 31, 2016	April 1, 2015
<b>Non current assets</b>												
Property, plant & equipments	7,381.27	8,039.80	8,592.39	1,709.21	1,872.52	1,907.05	35.22	76.44	118.50	-	-	0.21
Capital work in progress	123.94	63.87	50.65	20.60	22.03	5.99	-	-	-	-	-	-
Intangible assets	404.07	412.94	433.50	1.77	0.74	1.10	-	0.09	0.25	-	-	-
Investments	181.05	138.01	138.01	486.15	292.77	287.93	0.54	221.80	194.92	-	-	-
Financial assets	1.25	2.25	108.19	136.55	75.08	68.06	1.49	1.62	1.81	-	1,273.14	1,146.99
Other non current assets (including non current tax assets)	91.29	97.36	88.90	74.50	116.29	200.97	4.71	8.68	2.40	-	311.34	294.99
Deferred tax assets	-	11.27	-	167.95	99.96	102.56	-	-	-	-	-	-
<b>Total</b>	<b>8,182.87</b>	<b>8,765.50</b>	<b>9,411.64</b>	<b>2,596.73</b>	<b>2,479.39</b>	<b>2,573.66</b>	<b>41.96</b>	<b>308.63</b>	<b>317.88</b>	<b>-</b>	<b>1,584.48</b>	<b>1,442.19</b>
<b>Current assets</b>												
Inventories	7.42	7.19	7.73	7.19	10.40	12.19	1.90	1.89	14.83	-	-	-
Financial assets	3,739.72	2,380.37	1,777.36	753.98	373.03	153.36	811.34	914.77	1,371.41	736.56	7.46	42.11
Other current assets	36.99	90.96	90.27	36.07	7.15	20.38	6.61	6.67	8.45	7.89	2.73	2.66
<b>Total</b>	<b>3,784.13</b>	<b>2,478.52</b>	<b>1,875.36</b>	<b>797.24</b>	<b>390.58</b>	<b>185.93</b>	<b>819.85</b>	<b>923.33</b>	<b>1,394.69</b>	<b>744.45</b>	<b>10.19</b>	<b>44.77</b>
<b>Non current liabilities</b>												
Financial liabilities	5,560.28	5,702.42	5,869.08	2,257.49	2,351.44	2,315.01	-	-	61.27	-	246.10	-
Other non current liabilities	1,894.26	1,899.39	1,993.63	61.52	45.76	36.88	-	7.83	6.34	0.12	0.12	0.11
Deferred tax liabilities	292.04	-	-	117.58	-	-	-	0.11	-	-	-	-
<b>Total</b>	<b>7,746.58</b>	<b>7,601.81</b>	<b>7,862.71</b>	<b>2,436.59</b>	<b>2,397.20</b>	<b>2,351.89</b>	<b>-</b>	<b>7.94</b>	<b>67.61</b>	<b>0.12</b>	<b>246.22</b>	<b>0.11</b>
<b>Current liabilities</b>												
Financial liabilities	812.78	897.59	1,174.23	236.90	191.21	137.91	20.36	16.61	465.92	40.66	1,177.10	1,178.65
Provisions	19.34	15.44	14.90	7.44	5.62	5.29	7.91	7.64	4.52	-	0.06	0.06
Other current liabilities (including liabilities for current tax)	379.65	288.92	299.25	27.05	24.29	19.01	564.41	564.44	564.28	6.57	18.98	18.79

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

Particulars	DIAL			GHIAL			GPCL			GMIAL		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	December 31, 2016	March 31, 2016	April 1, 2015
<b>Total</b>	<b>1,211.77</b>	<b>1,201.95</b>	<b>1,488.38</b>	<b>271.39</b>	<b>221.12</b>	<b>162.21</b>	<b>592.68</b>	<b>588.69</b>	<b>1,034.72</b>	<b>47.23</b>	<b>1,196.14</b>	<b>1,197.50</b>
<b>Total equity :</b>	<b>3,008.65</b>	<b>2,440.26</b>	<b>1,935.91</b>	<b>685.99</b>	<b>251.65</b>	<b>245.49</b>	<b>269.13</b>	<b>635.33</b>	<b>610.24</b>	<b>697.10</b>	<b>152.31</b>	<b>289.35</b>
<b>Attributable to :</b>												
Equity holders of parents	1,896.18	1,532.41	1,007.88	396.65	123.02	119.14	137.26	309.40	263.25	536.77	117.28	222.80
Non-controlling interests	1,112.47	907.85	928.03	289.34	128.63	126.35	131.87	325.93	346.99	160.33	35.03	66.55

**5 Summarised statement of profit and loss :**

The summarised financial statement of profit and loss of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	December 31, 2016	March 31, 2016
Revenue from operations	5,624.23	5,152.00	1,105.40	616.51	-	-	-	-
Other income	306.99	161.44	102.67	41.95	70.48	113.99	699.39	5.03
Cost of material consumed	-	-	-	-	-	0.62	-	-
Revenue share paid / payable to concessionaire grantors	2,634.84	2,304.15	46.20	25.79	-	-	-	-
Employee benefits expense	129.47	125.48	59.65	58.90	3.85	3.41	6.05	6.28
Finance cost	527.25	632.24	201.06	190.75	0.59	29.87	148.81	26.82
Depreciation and amortisation	638.03	703.57	203.81	205.75	41.27	42.23	-	0.21
Other expenses	834.37	923.06	197.38	168.48	357.08	23.66	17.49	11.88
Exceptional items	40.80	-	(85.78)	-	42.42	(14.19)	-	-
<b>Profit before tax</b>	<b>1,126.46</b>	<b>624.94</b>	<b>585.75</b>	<b>8.79</b>	<b>(374.73)</b>	<b>28.39</b>	<b>527.04</b>	<b>(40.16)</b>
Tax expense	540.50	120.68	150.96	2.60	(7.82)	8.42	-	-
<b>Profit for the year</b>	<b>585.96</b>	<b>504.26</b>	<b>434.79</b>	<b>6.19</b>	<b>(366.91)</b>	<b>19.97</b>	<b>527.04</b>	<b>(40.16)</b>
Other comprehensive income	(17.57)	0.09	(0.45)	(0.03)	(0.01)	0.13	-	-
<b>Total comprehensive income</b>	<b>568.39</b>	<b>504.35</b>	<b>434.34</b>	<b>6.16</b>	<b>(366.92)</b>	<b>20.10</b>	<b>527.04</b>	<b>(40.16)</b>
% of NCI	36.00%	36.00%	37.00%	37.00%	49.00%	52.77%	23.00%	23.00%
<b>Attributable to the non-controlling interests</b>	<b>204.62</b>	<b>181.57</b>	<b>160.71</b>	<b>2.28</b>	<b>(179.79)</b>	<b>10.61</b>	<b>121.22</b>	<b>(9.24)</b>
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-

**6 Summarised cash flow information :**

The summarised cash flow information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	December 31, 2016	March 31, 2016
Cash flow from operating activities	1,856.54	1,651.74	789.42	411.14	12.90	(0.70)	1,776.62	(119.61)
Cash flow from investing activities	(1,141.10)	(267.06)	(284.89)	(246.03)	(13.66)	334.47	(419.01)	30.52
Cash flow from financing activities	(568.99)	(1,096.60)	(233.99)	(171.96)	(0.01)	(335.21)	(1,354.71)	85.81
<b>Net increase/(decrease)in cash &amp; cash equivalents</b>	<b>146.45</b>	<b>288.08</b>	<b>270.54</b>	<b>(6.85)</b>	<b>(0.77)</b>	<b>(1.44)</b>	<b>2.90</b>	<b>(3.28)</b>

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

### 41. Gratuity and other post employment benefits plans

#### a) Defined contribution plan

Contributions to provident and other funds included in capital work-in-progress (note 4), intangible assets under development (note 8), investment properties (note 5), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

Particulars	₹ in crore)	
	March 31, 2017	March 31, 2016
Contribution to provident fund	24.96	23.49
Contribution to superannuation fund	11.00	10.75
	<b>35.96</b>	<b>34.24</b>

#### b) Defined benefit plan

##### Provident fund

Contributions to provident funds by DIAL included in capital work-in-progress (note 4) and employee benefits expenses (note 31) are as under:

Particulars	₹ in crore)	
	March 31, 2017	March 31, 2016
Contribution to provident fund	5.73	5.51
	<b>5.73</b>	<b>5.51</b>

As per the requirements of Ind AS 19, benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans.

The details of the fund and plan asset position are as follows:

Particulars	₹ in crore)		
	March 31, 2017	March 31, 2016	April 01, 2015
Plan assets at the year end, at fair value	94.27	82.23	76.41
Present value of benefit obligation at year end	94.27	82.23	76.41
Net (liability) / asset recognized in the balance sheet	-	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Discount Rate	7.10%	7.80%	7.80%
Fund Rate	9.50%	9.30%	9.30%
EPFO Rate	8.60%	8.60%	8.60%
Withdrawal Rate	5.00%	5.00%	5.00%
Mortality	Indian Assured Lives "Mortality (2006-08) (modified)Ult **	Indian Assured Lives "Mortality (2006-08) (modified)Ult **	Indian Assured Lives "Mortality (2006-08) (modified)Ult **

\*As published by Insurance Regulatory and Development Authority ('IRDA') and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective April 1, 2013

#### Gratuity Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss / OCI and amounts recognised in the balance sheet for defined benefit plans/ obligations.

#### Statement of profit and loss

(i) Net employee benefit expenses:

Particulars	₹ in crore)	
	March 31, 2017	March 31, 2016
Current service cost	7.10	7.22
Net interest cost on defined benefit obligation	0.54	0.35
Net benefit expenses	<b>7.64</b>	<b>7.57</b>

(ii) Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	₹ in crore)	
	March 31, 2017	March 31, 2016
Actuarial loss / (gain) due to defined benefit obligations ('DBO') and assumptions changes	6.58	0.56
Return on plan assets less / (greater) than discount rate	(1.24)	(1.24)
Actuarial losses / (gains) due recognised in OCI	<b>5.34</b>	<b>(0.68)</b>

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

<b>Balance Sheet</b> <span style="float: right;">(₹ in crore)</span>			
<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>April 01, 2015</b>
Present value of defined benefit obligation	(46.81)	(45.48)	(42.01)
Fair value of plan assets	27.50	35.91	31.58
Plan asset / (liability)	(19.31)	(9.57)	(10.43)

<b>Changes in the present value of the defined benefit obligation are as follows:</b> <span style="float: right;">(₹ in crore)</span>		
<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Opening defined benefit obligation	45.48	42.01
Transferred to / transfer from the Group	(0.39)	(1.11)
Interest cost	2.90	3.02
Current service cost	7.10	7.22
Benefits paid	(6.81)	(6.22)
Actuarial (gains) / losses on obligation - assumptions	6.58	0.56
Discontinued operations	(8.05)	-
Closing defined benefit obligation	46.81	45.48

<b>Changes in the fair value of plan assets are as follows:</b> <span style="float: right;">(₹ in crore)</span>		
<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Opening fair value of plan assets	35.91	31.58
Transferred to / transfer from the Group	(0.19)	(0.63)
Interest income on plan assets	2.36	2.67
Contributions by employer	3.30	7.27
Benefits paid	(6.81)	(6.22)
Return on plan assets greater/ (lesser) than discount rate	1.24	1.24
Discontinued operations	(8.31)	-
Closing fair value of plan assets	27.50	35.91

The Group expects to contribute ₹ 7.80 crore (March 31, 2016 : ₹ 8.69 crore) towards gratuity fund in next year.

The major category of plan assets as a percentage of the fair value of total plan assets is as follows:

<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Investments with insurer managed funds	100.00%	100.00%

Expected benefit payments for the year ending: (₹ in crore)

<b>Particulars</b>	<b>Amount</b>
March 31, 2018	7.43
March 31, 2019	6.23
March 31, 2020	6.72
March 31, 2021	7.07
March 31, 2022	6.96
March 31, 2023 to March 31, 2027	33.72

The principal assumptions used in determining gratuity obligations:

<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>April 01, 2015</b>
Discount rate (in %)	7.10%	7.80%	7.80%
Salary Escalation (in %)	6.00%	6.00%	6.00%
Expected rate of return on assets	7.80%	7.10%	7.10%
Attrition rate (in %)	5.00%	5.00%	5.00%
Mortality Rate	Indian Assured Lives "Mortality (2006-08) (modified)Ult "	Indian Assured Lives "Mortality (2006-08) (modified)Ult "	Indian Assured Lives "Mortality (2006-08) (modified)Ult "

**Notes :**

1. The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below

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

Assumptions	Discount Rate		Future Salary Increases		Attrition Rate	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Sensitivity Level (%)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Impact on defined benefit obligation due to increase	(4.36)	(3.99)	4.17	3.82	1.67	1.42
Impact on defined benefit obligation due to decrease	4.95	4.54	(3.91)	(3.71)	(1.77)	(1.45)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

### Other defined post employment benefit

Certain entities in the group located outside India have defined unfunded post employment benefits, for its employees.

The following tables summarises the components of net benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for these defined post-employment benefits.

### Statement of profit and loss

(i) Net employee benefit expense: (₹ in crore)

Particulars	March 31, 2017	March 31, 2016
Current service cost	0.48	0.46
Interest cost on benefit obligation	0.20	0.29
Net benefit expenses	0.68	0.75

(ii) Amount recognised in Other Comprehensive Income: (₹ in crore)

Particulars	March 31, 2017	March 31, 2016
Actuarial loss / (gain) due to DBO assumptions changes	(0.05)	1.40
Return on plan assets (greater)/less than discount rate	-	-
Actuarial (gains) / losses due recognised in OCI	(0.05)	1.40

### Balance Sheet

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Present value of defined benefit obligation	(1.99)	(2.99)	(3.20)
Fair value of plan assets	-	-	-
Plan asset / (liability)	(1.99)	(2.99)	(3.20)

Changes in the present value of the defined benefit obligation are as follows: (₹ in crore)

Particulars	March 31, 2017	March 31, 2016
Opening defined benefit obligation	2.99	3.20
Interest cost	0.20	0.29
Current service cost	0.48	0.46
Benefits paid	(1.48)	(2.16)
Actuarial (gains) / losses on obligation	(0.05)	1.40
Forex gain	(0.15)	(0.20)
Closing defined benefit obligation	1.99	2.99

## 42. Commitments and contingencies

### a) Capital commitments

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances) *	394.33	1,508.59	1,968.72

\*Includes Nil (March 31, 2016 : ₹ 43.89 crore, April 01, 2015: ₹ 111.90 crore) payable towards certain coal mines allocated to the Group in terms of the Coal Mines (Special Provision) Ordinance 2014 read with Coal Mines (Special Provision) Second Ordinance, 2014 promulgated and the Coal Mines (Special Provision) Rules, 2014 framed for auction and allotment of coal blocks.

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

### b) Other commitments

- i. Entities in roads sectors have entered into various Concession agreements with concessionaires for periods ranging from 17.5 years to 25 years from achievement of date of COD / appointed date as defined in the respective Concession agreements, whereby these entities have committed to comply with certain key terms and conditions pertaining to construction of roads / highways in accordance with the timelines and milestones as defined in the respective Concession agreements, COD as per the respective Concession agreements, construction, management, payment of fees (including revenue share), operation and maintenance of roads / highways in accordance with the respective Concession agreements, performance of the obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of the concessionaire and transfer of the roads / highways projects on termination of relevant agreements or in case of defaults as defined in the respective Concession agreements and utilisation of grants received as per the requirements of the respective concession agreements.
- ii. a) Entities in airports sector have entered into various agreements with Concessionaires for periods ranging from 25 years to 35 years extendable by another 30 years in certain cases on satisfaction of certain terms and conditions of respective Concession agreements from dates as defined in the respective agreements for development, rehabilitation, expansion, modernisation, operation and maintenance of various airports in and outside India. Pursuant to these agreements, these entities have committed to comply with various terms of the respective agreements which pertains to payment of fees (including revenue share), development / expansion of Airports in accordance with the timelines and milestones as defined in the respective agreements, achievement of COD as per the respective agreements, development, management, operation and maintenance of airports in accordance with the respective agreements, performance of various obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of respective airport concessionaires, compliance with the applicable laws and permits as defined in the respective agreements, transfer of airports on termination of agreements or in case of defaults as defined in the respective agreements.  
b) As per the terms of agreements with respective authorities, DIAL, GHIAL & GIAL are required to pay 45.99%, 4% and 36.99% of the revenue for an initial term of 30, 30 and 35 years which is further extendable by 30, 30 and 20 years respectively.
- iii. One of the entities in airports sector is committed to pay every year a specified percent of previous year's gross revenue as operator fee to the airport operator for the period specified in the Airport operator agreement.
- iv. During the year ended March 31, 2017, DIAL has entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million, which is repayable in October 2026. Under this option, DIAL has purchased a call option for USD 522.60 million at a strike price of ₹ 66.85/USD and written a call option for USD 522.60 million at a strike price of ₹ 101.86/USD at October 31, 2026. As per terms of the agreements, DIAL is required to pay premium of ₹ 1,241.30 crore (starting from January 2017 to October 2026), which is payable on quarterly basis. DIAL has paid ₹ 14.96 crore towards premium till March 31, 2017 and remaining balance of ₹ 1,226.34 crore is payable as at March 31, 2017.
- v. During the year ended March 31, 2017, DIAL has entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) of USD 288.75 million, which is repayable in February 2022. Under this option, DIAL has purchased a call option for USD 80.00 million at a strike price of ₹ 68.00/USD and written a call option for USD 80 million at a strike price of ₹ 85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of ₹ 94.33 crore (starting from April 2017 to January 2022), payable on quarterly basis.
- vi. The Group has entered into agreements with the lenders wherein the promoters of the Company and the Company have committed to hold at all times at least 51% of the equity share capital of the Company / subsidiaries and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.
- vii. The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective lenders.
- viii. Refer note 43 for commitments relating to lease arrangements.
- ix. Refer note 46 (xii) for commitments arising out of convertible preference shares.
- x. Shares of the certain subsidiaries / joint ventures have been pledged as security towards loan facilities sanctioned to the Group.
- xi. Refer note 19 (7), for commitments relating to FCCB.
- xii. Refer Note 9 (b) with regards to other commitments of joint ventures and associates.

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

### c) Contingent liabilities (₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
1 Corporate guarantees	7,193.25	2,991.46	4,340.37
2 Bank guarantees outstanding / Letter of credit outstanding	1,147.75	2,979.16	2,042.38
3 Land Lease rent payable	-	-	0.50
4 Bonds issued to custom authorities	112.00	112.00	112.00
5 Fixed deposits pledged for loans taken by enterprises where key management personnel and their relatives exercise significant influence.	5.00	21.00	21.00
6 Letter of comfort provided on behalf of joint ventures	682.19	-	-
7 Claims against the Group not acknowledged as debts	613.00	663.17	675.69
8 Matters relating to income tax under dispute <sup>1</sup>	247.75	335.88	121.37
9 Matters relating to indirect taxes duty under dispute <sup>2,3</sup>	357.42	158.15	845.40
10 Arrears of cumulative dividends on preference share capital issued by subsidiary	-	76.17	55.52

#### Notes:

- A search under section 132 of the IT Act was carried out at the premises of the Company and certain entities of the Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. During the year ended March 31, 2015 and March 31, 2016, block assessments have been completed for some of the companies of the Group and appeals have been filed with the income tax department against the disallowances made in the assessment orders. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.
- The Director General of Central Excise Intelligence, New Delhi has issued a Show Cause Notice F. No. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on DIAL, proposing a demand of service tax of ₹ 59.91 crore (excluding interest and penalty) considering Advance Development Costs ('ADC') collected by DIAL from the Commercial Property Developers under the service tax category 'Renting of Immovable Property'.

DIAL has replied to the show cause notice referred to above with appropriate authority on April 17, 2015.

Subsequently, Additional Director General (Adjudication), DGCEI has passed Order No. 10/2016-ST dated May 02, 2016 confirming demand of service tax of ₹ 54.31 crore and imposed equivalent penalty in respect of this matter.

However, based on an internal assessment and legal opinions obtained by DIAL in this regard, the management is of the view that service tax is not leviable on ADC, as these are collected for development of certain infrastructure facilities for the common use and not for the exclusive use of any developer. Service tax liability on ADC, if any arises, shall be adjusted from ADC collected by DIAL from the Commercial Property Developers.

DIAL has filed appeal before CESTAT, New Delhi on August 02, 2016 against the order dated May 02, 2016; and has disclosed the demand along with penalty of ₹ 54.31 crore as contingent liability. Further, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements of the Group for the year ended March 31, 2017.
- The Commissioner of Service Tax, New Delhi had issued a demand of service tax aggregating to ₹ 275.53 crore (excluding interest and penalty) on the collection of Development Fee ('DF') from passengers in airport for the period from March, 2009 to September, 2013. Out of total demand of service tax of ₹ 275.53 crore, service tax amounting to ₹ 130.17 crore has already been paid by DIAL under protest.

Subsequently, the Commissioner of Service Tax, has passed Order No. C.No D III/ST/IV/16/Hqrs/Adjn/DIAL/153/2015/1862-ST dated July 12, 2016 confirming the demand of service tax of ₹ 262.06 crore (after giving cum duty effect) and has appropriated amount deposited by DIAL under protest towards service tax, and have further imposed a penalty of ₹ 131.89 crore in respect of this matter.

However, based on an internal assessment and legal views obtained by DIAL in this regard, the management is of the view that service tax is not leviable on DF, as the DF is a statutory levy and is meant to bridge financing gap funding for the airport project. The collection of DF from passengers is not in lieu of provision of any service to them. Further, there is no service provider and service recipient relationship between the DIAL and the passengers paying DF. Service tax liability, if any arises on DF, shall be decided by AERA, keeping in view the final pronouncement of the matter.

DIAL has filed an appeal against the order before CESTAT, New Delhi on October 10, 2016 and; has disclosed the demand along with penalty of ₹ 131.89 crore as contingent liability. Further, the management of DIAL is of the view that no adjustments are required to be made to these consolidated financial statements.



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

**(d) Others in addition to (c) above:**

- i) As at March 31, 2014, the South Delhi Municipal Corporation ('SDMC') [earlier known as Municipal Corporation of Delhi ('MCD')] had demanded property tax of ₹ 105.18 crore on the land and properties at Indira Gandhi International (IGI) Airport, New Delhi ('Delhi Airport'). DIAL had filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal Corporation (Amendment) Act, 1957 on the land and properties at the Indira Gandhi International Airport and had deposited an amount of ₹ 30.66 crore (paid in earlier years) under protest against these demands as at March 31, 2017. SDMC has brought the 'Airports & Airports properties' within the purview of property tax w.e.f the financial year 2013-14. Accordingly, from 2013-14 DIAL has started paying property tax and the same has been charged to consolidated statement of profit and loss of respective years/ periods.

The Hon'ble High Court of Delhi vide its order dated September 13, 2013, directed DIAL to make a proposal to the SDMC for settlement of property tax dues. Consequently, SDMC vide its order dated February 10, 2015, revised its demand of property tax to ₹ 60.96 crore and also levied interest of ₹ 24.99 crore for assessment years 2006-07 to 2012-13.

DIAL provided for ₹ 60.96 crore till March 31, 2017 (March 31, 2016: ₹ 60.96 crore). Further, interest of ₹ 24.99 crore had also been provided till March 31, 2017 (March 31, 2016: ₹ 24.99 crore), making the total provision of ₹ 81.87 crore (March 31, 2016: ₹ 81.87 crore) [net of self-assessment tax paid of ₹ 4.08 crore in earlier years].

However, DIAL has paid amount of ₹ 25.14 crore (after considering the amount of ₹ 30.66 crore paid under protest and ₹ 4.08 crore paid as self-assessment tax) on February 27, 2017 to SDMC as per demand letter no. Tax/ HQ/SDMC/2016/ D-1886 dated December 2, 2016 issued by SDMC under "Amnesty Scheme 2016-17" introduced by SDMC for waiver of full interest and penalty charges on payment of complete tax dues payable up to March 31, 2017. However, the matter is still pending with the Hon'ble High Court of Delhi.

Accordingly no further adjustments have been made to these consolidated financial statements of the Group.

- ii) In case of DIAL, w.e.f. June 1, 2007, the Airports Authority of India (AAI) had claimed service tax on the monthly annual fee (MAF) payable to them considering the same as rental from immovable property w.e.f. June 1, 2007. DIAL has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a renting of immovable property, which are specified taxable services under Section 65(105) of Service Tax Act. DIAL has filed a writ petition with Hon'ble High Court of Delhi and was heard on November 17, 2015 and favourable judgment has been received vide High Court order dated February 14, 2017.
- iii) The Ministry of Civil Aviation (MoCA) issued a Circular No. AV 13028/001/2009-AS dated January 8, 2010 giving fresh guidelines regarding the expenditure which could be met out of the PSF (SC) and was subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, DIAL is not debiting security expenditure to PSF (SC) escrow account. Further, vide circular No. AV 13024/43/2003-SS (AD) dated May 17, 2012, it was further directed that any such expenditure already debited was required to be credited back to PSF(SC) account. However, security expenditure amounting to ₹ 24.48 crore was already incurred prior to April 16, 2010 and was debited to PSF (SC) account.

DIAL had challenged the said circulars issued by MoCA before the Hon'ble Delhi High Court by way of a Writ Petition. The Hon'ble High Court of Delhi, vide its order dated December 21, 2012, has restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against DIAL and the matter is now listed for hearing on August 10, 2017.

Based on an internal assessment and aforesaid order of the Hon'ble High Court, the management is confident that no liability in this regard would be payable and as such no provision has been made in these consolidated financial statements.

- iv) HMA CPL has accrued customs officers' salaries stationed at air cargo terminal based on debit notes raised by the customs department on GHIAL. GHIAL had filed a writ petition under Article, 226 of the Constitution of India in the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad against the demand raised by customs department. During the year ended March 31, 2013, GHIAL had received an order from the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad (Single Judge), stating that the grounds on which the levy was made by customs department were wholly unsustainable and accordingly, HMA CPL had reversed the accrued cost of custom's authorities amounting to ₹ 14.02 crore for the period from March 23, 2008 to March 31, 2012.

Subsequent to the above order, the customs department preferred an appeal against the same and on November 2, 2012, a bench of two judges of the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad passed an order for interim suspension of the said order passed by the Hon'ble Single Judge. The management, based on internal assessment / legal opinion, is confident that there is no financial impact of this interim suspension order and accordingly, no further adjustment has been made to these consolidated financial statements of the Group.

- v) DIAL and GHIAL have been utilizing Passenger Service Fees (Security Component) ('PSF (SC)') towards capital expenditure and cost of maintenance of such capital asset as per the provisions of Standard Operating Procedure ('SOP'), guidelines and clarifications issued by Ministry of Civil Aviation ('MoCA') from time to time. MoCA has issued the order vide order no. AV 13024 /03/2011-AS (Pt. I) dated February

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

18, 2014 requiring the airport operators to reverse the expenditure since inception to till date, towards procurement and maintenance of security systems / equipments and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL and GHIAL in a fiduciary capacity.

As at March 31, 2017, DIAL and GHIAL have incurred ₹ 297.25 crore and ₹ 93.83 crore (excluding related maintenance expenses and interest thereon), respectively towards capital expenditure out of the PSF (SC) escrow account as per SOPs, guidelines and clarification issued by MoCA from time to time on the subject of utilisation of PSF (SC) funds.

In the opinion of the management of DIAL and GHIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi and Hon'ble High Court of Judicature of Andhra Pradesh respectively. In case of DIAL, the Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on September 19, 2017.

Based on an internal assessment, the management is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court and pending further orders, DIAL has charged ₹ 58.41 crore from April 1, 2014 till March 31, 2017 towards the expenditure incurred on repair and maintenance of security equipment to the statement of profit and loss which includes ₹ 22.79 crore during the year ended March 31, 2017. In case of GHIAL, the Hon'ble High Court of Hyderabad, vide its Order dated March 3, 2014 followed by further clarification dated April 8, 2014 and December 24, 2014 stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against GHIAL, it shall reverse all the expenditure incurred from PSF (SC). Accordingly, GHIAL is continuing to incur the procurement and maintenance cost of security systems / equipment from PSF (SC) escrow account and during the year ended March 31, 2017 incurred an amount of ₹ 2.88 crore on maintenance of security systems / equipment from the PSF (SC) escrow account.

Based on an internal assessment, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements of the Group.

- vi) During the year ended March 31, 2011, GPCL had received a refund of customs duty of ₹ 29.57 crore which was paid earlier towards the import of the plant and machinery and which was passed on to Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') (formerly known as Tamil Nadu Electricity Board 'TNEB') as a pass through as per the terms of the PPA. During the year ended March 31, 2012, GPCL received an intimation for cancellation of the duty draw back refund received earlier. The Group does not foresee any liability in respect of the same demand as a liability, if any, is to be recovered from TAGENDCO, the ultimate beneficiary of the refund received earlier. However pending settlement of the matter, the same has been considered as a contingent liability in these consolidated financial statements of the Group.
- vii) During the year ended March 31, 2015, in respect of matter detailed in note 48(iii), TANGEDCO has claimed ₹ 285.00 crore before Tamil Nadu Electricity Regulatory Commission ('TNERC') against GPCL.
- viii) In respect of ongoing land acquisition process of KSPL, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending settlement and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2017.
- ix) During the year ended March 31, 2014, the Company along with its subsidiaries GIGL and GIOL entered into a definitive agreement ('SPA') with Malaysia Airport MSC SdnBhd ('the buyer') for sale of their 40% equity stake in jointly controlled entities Istanbul SabihaUluslararasiHavalimaniYatirimYapimVelsletmeAnonimSirketi ('ISG') and LGM HavalimaniIsletmeleriVeTurizmAnonimSirketi ('LGM') for a sale consideration of EURO 20.90 crore (Net of equity gap adjustment of Euro 1.60 crore and subject to debt and other working capital adjustments).  
Pursuant to the SPA entered with the buyer, the group had provided a guarantee of Euro 4.50 Crore towards tax claims, as specified in the SPA for a period till May 2019.
- x) Refer note 46(xii) for details of contingent liabilities on issue of non-cumulative compulsorily convertible non-participatory preference shares by GAL to Investor I and Investors II.
- xi) Refer Note 9 (a) and 9 (b) with regards to contingent liabilities of the Group on behalf of joint ventures and associates.

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

## 43. Leases

## a. Finance Lease

The Group has entered into finance lease arrangements (as lessee) in respect of certain assets for periods of 3 to 5 years and land lease for 99 years. The lease has a primary period which is non-cancellable. The agreements provide for revision of lease rental in the event of changes in taxes, if any, leviable on the lease rentals. There are no exceptional/restrictive covenants in the lease agreements.

(₹ in crore)

Particulars	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments
	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
(i) Payable not later than 1 year	0.70	0.66	114.72	98.83	114.36	88.39
(ii) Payable later than 1 year and not later than 5 years	-	-	92.42	80.44	205.23	178.54
(iii) Payable later than 5 years	-	-	194.41	12.10	196.03	12.04
Total - (i)+(ii)+(iii) = (iv)	0.70	0.66	401.55	191.37	515.62	278.97
Less: Future finance charges (v)	(0.04)	-	(210.18)	-	(233.08)	-
Present Value of Minimum Lease Payments [(iv) - (v)]	0.66	-	191.37	-	282.54	-

## b. Operating Lease

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipments and certain non-cancellable operating lease agreements towards office premises and hiring office equipments. The lease rentals paid during the year (included in Note 4, Note 8 and Note 32) and the maximum obligation on the long term non - cancellable operating lease payable are as follows:

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016
<b>Payment</b>		
Lease rentals under cancellable and non-cancellable leases	58.13	68.57

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
<b>Obligations on non-cancelable leases:</b>			
Not later than one year	52.84	66.85	67.66
Later than one year and not later than five years	96.45	195.44	171.43
Later than five years	764.09	1,015.67	994.64

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

### 44. Provisions

(₹ in crore)

Particulars	Provisions for operations & Maintenance	Provision for asset retirement obligations / decommissioning liability	Total
<b>As at April 01, 2015</b>	<b>113.16</b>	<b>19.45</b>	<b>132.61</b>
Provision made during the year	80.75	19.34	100.09
Notional interest on account of unwinding of financial liabilities	-	1.72	1.72
Amount used during the year	(4.44)	-	(4.44)
<b>As at March 31, 2016</b>	<b>189.47</b>	<b>40.51</b>	<b>229.98</b>
Provision made during the year	97.33	27.42	124.75
Notional interest on account of unwinding of financial liabilities	-	3.44	3.44
Amount reversed on account of revision in useful life of plant	-	(7.38)	(7.38)
Amount used during the year	(15.18)	-	(15.18)
Deletion on disposal / dilution of stake in subsidiaries	(10.38)	(56.85)	(67.23)
<b>As at March 31, 2017</b>	<b>261.24</b>	<b>7.14</b>	<b>268.38</b>
<b>Balances as at April 01, 2015</b>			
Current	52.28	-	52.28
Non-current	60.88	19.45	80.33
<b>Balances as at March 31, 2016</b>			
Current	53.71	-	53.71
Non-current	135.76	40.51	176.27
<b>Balances as at March 31, 2017</b>			
Current	33.57	-	33.57
Non-current	227.67	7.14	234.81

### 45. Trade receivables

- i. GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly as at March 31, 2017, GWEL has raised claim of ₹ 222.76 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2017. MSEDCL preferred an appeal with Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, receipt of substantial amount towards reimbursement of transmission charges and the legal opinion stating that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ₹ 171.34 crore relating to the period from April 01, 2015 to March 31, 2017 (including ₹ 92.30 crore for the year ended March 31, 2017) as reduction from transmission expenses and ₹ 51.42 crore as an 'exceptional item' in the consolidated financial statements for the year ended March 31, 2016, as the said recovery pertained to the period prior to April 01, 2015.

- ii. The Group has a receivable (including unbilled revenue) ₹ 599.80 crore as at March 31, 2017 (March 31, 2016: ₹ 583.59 crore and April 01, 2015: ₹ 454.19 crore) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing 'Airport Enhancement and Financing Service Agreement' with The International Air Transport Association for recovery of dues from Air India and Air India being a government enterprise / undertaking, the Group considers its dues from Air India as good and fully recoverable.
- iii. As at March 31, 2017, GPCL has receivables from TAGENDCO aggregating to ₹ 114.12 crore (March 31, 2016: ₹ 132.25 crore; April 01, 2015: ₹ 320.83 crore). Based on an internal assessment, collections by the Group from TAGENDCO during the year ended March 31, 2017 and March 31, 2016 and various discussions that the Group had with TAGENDCO, the management of the Group is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.

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

- iv. GWEL has entered into long term power purchase agreements and committed to sell upto 200MW each to MSEDCL and Dadra and Nagar Haveli Vidyuth Bhavan ('DNH'). Pursuant to a favorable Order from CERC with regard to claim for additional tariff for change in law, GWEL has submitted supplementary invoices amounting to ₹ 159.71 crore to the said parties as at March 31, 2017.
- v. GKEL has entered into various long-term PPAs with GRIDCO Limited and other state DISCOMs. In case of certain long-term PPAs of GKEL, CERC has issued favorable orders with regard to GKEL's additional tariff in terms of 2009-14 tariff regulations, change of law impact on various cost elements, pursuant to which GKEL has submitted bills and recognised revenue of ₹ 738.83 crore. The said bills have been acknowledged by the customers and presently under their verification.

### 46. Matters related to certain airport sector entities:

#### i. DF Order

AERA DF Order No. 28/2011-12, 30/ 2012-13 and AERA tariff order No. 03/2012-13 on determination of Aeronautical Tariff; issued on November 14, 2011, December 28, 2012 and April 24, 2012 respectively.

DIAL has accrued DF amounting to ₹ 350.00 crore during the year 2012-2013 earmarked for construction of Air Traffic Control (ATC) tower, which is currently under progress as at March 31, 2017. DF amounting to ₹ 350 crore (March 31, 2016: ₹ 345.85 crore and April 01, 2015: ₹ 308.83 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2017 and balance DF amounting to ₹ Nil (March 31, 2016: ₹ 4.15 crore and April 01, 2015: ₹ 41.17 crore), pending utilization, has been disclosed under other current liabilities.

The total expenditure incurred on construction of ATC tower is ₹ 393.07 crore till March 31, 2017 which exceeds the earmarked DF of ₹ 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

Pending discussion with AAI for the excess amount, DIAL has included the additional amount of ₹ 43.07 crore (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil) under Capital Work in Progress (CWIP) as at March 31, 2017.

While calculating such additional DF amount:

- a) In accordance with the earlier Standard Operating Procedure (SOP) approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, DIAL was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate / amount of DF and manner of collection and administration cost incurred thereupon had already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; DIAL has capitalized DF collection charges aggregating to ₹ 28.37 crore till March 31, 2017 (March 2016 : ₹ 27.07 crore and April 01, 2015: ₹ 22.06 crore).
- b) AERA has passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from ₹ 200 to ₹ 100 and from ₹ 1,300 to ₹ 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cut-off date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI six months' time after cutoff date (i.e April 30, 2016) to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF. However, the same has not yet been finalized. This over / under recovery will be accounted for on final reconciliation of ADF pending with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.
- ii. In case of GHIAL, the Airport Economic Regulatory Authority ('AERA'), passed an Aeronautical tariff order No. 38 dated February 24, 2014, in respect of control period from April 1, 2011 to March 31, 2016. GHIAL had filed an appeal, challenging the disallowance of pre control period losses, foreign exchange loss on ECB and other issues for determination of its tariff with the AERA Appellate Tribunal (AERAAT) against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad for the State of Telangana and for the State of Andhra Pradesh, which is yet to be heard.  
  
GHIAL filed an application with AERA for determination of Aeronautical Tariff in respect of Second Control period from April 1, 2016 to March 31, 2021 including True up for shortfall of receipt vis a vis entitlement for the first control period. Pending determination of Aeronautical Tariff, AERA vide its order No. 19 dated March 31, 2017 has allowed to continue to charge the Aeronautical tariff as prevailed on March 31, 2017 for a period of 6 months w.e.f. April 1, 2017 or till determination of tariff for the aforesaid period whichever is earlier.
- iii. GATL has been incurring losses including cash losses and has accumulated losses of ₹ 363.92 crore as at March 31, 2017. Though the networth of GATL is fully eroded, the losses have reduced and are ₹ 39.11 crore for the year ended March 31, 2017 respectively vis-a-vis losses of ₹ 73.32 crore for the year ended March 31, 2016. Further, the management of the Group expects that there will be a significant increase in the operations of GATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly,

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

the management of the Group believes that the carrying value of net assets of GATL as at March 31, 2017 is appropriate.

- iv. As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by Ministry of Civil Aviation ('MoCA') on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land amounting to ₹ 69.91 crore was debited to the Passenger Service Fee (Security Component) Fund [PSF(SC) Fund] with intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF(SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advise the AERA for considering the cost of land / construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, residential quarters continue to be accounted in the PSF(SC) Fund and no adjustments have been made to the consolidated financial statements of the Group for the year ended March 31, 2017.

- v. In case of DIAL, the Airport Economic Regulatory Authority ('AERA') vide its powers conferred by Section 13(1)(a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014.

DIAL had filed a writ petition before the Hon'ble High Court of Delhi seeking extension of existing tariff as allowed vide AERA order No. 03/2012-13 till disposal of DIAL's appeal pending before Airports Economic Regulatory Authority Appellate Tribunal ('AERAAT'). Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No. 03/2012-13 issued on April 24, 2012 shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

Subsequently, AERA released the tariff order No. 40/2015-16 dated December 08, 2015 for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings pending before AERAAT. As per AERA order for second control period, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period).

DIAL has filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 with AERAAT on January 11, 2016. In view of above legal proceedings, the AERA order for second control period could not be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period shall be adjusted from the aggregate revenue.

Earlier, AERA has filed a Special Leave Petition ("SLP") dated April 24, 2015 in the Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble High Court of Delhi dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and Hon'ble Supreme Court has disposed off Special Leave Petition on May 12, 2016 with directions to AERAAT to dispose of the Tariff Appeals within three months from receipt of this order.

In February, 2017, Air India filed an SLP for expeditious disposal of Tariff matters and the Supreme Court directed AERAAT to dispose off the Tariff appeals within 2 months i.e. by April 2017. In compliance of the aforesaid Supreme Court order Tribunal has decided to hear Tariff appeals on priority. The tariff appeal filed against the AERA order no. 03/2012-13 are being heard and would be concluded in due course.

In the opinion of the management, in view of the profits earned over the last five financial years, DIAL's business plans and cash flow projections for the next one year, DIAL expects to earn sufficient cash profits and does not foresee any difficulty in continuing its business / operations and meeting its financial obligations.

- vi. DIAL has received advance development costs of ₹ 660.06 crore (March 31, 2016: ₹ 653.13 crore and April 01, 2015: ₹ 653.13 crore) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, DIAL has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2017, DIAL has incurred development expenditure of ₹ 469.72 crore (March 31, 2016: ₹ 426.61 crore and April 01, 2015 ₹ 381.62 crore) which has been adjusted against the aforesaid advance and balance amount of ₹ 190.34 crore (March 31, 2016: ₹ 226.52 crore and April 01, 2015: ₹ 271.51 crore) is disclosed under other liabilities.
- vii. DIAL is collecting 'Marketing Fund' at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by

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

DIAL. The financial statements of such marketing fund are being audited by one of the Joint Statutory auditors of DIAL. As at March 31, 2017, DIAL has billed ₹ 92.48 crore towards such Marketing Fund and has incurred expenditure amounting to ₹ 39.05 crore (net of income on temporary investments) till March 31, 2017 from the amount so collected. The balance amount of ₹ 53.43 crore pending utilization as at March 31, 2017 (March 31, 2016: ₹ Nil and April 01, 2015: ₹ Nil; as marketing fund billing and utilization was not forming part of marketing fund) against such sales promotion activities is included under 'Other current liabilities' as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose.

- viii. a) The consolidated financial statements of the Group do not include accounts for PSF (SC) of DIAL and GHIAL as the same are maintained separately in the fiduciary capacity by these entities on behalf of GoI and are governed by SOP issued vide letter number AV/13024/047/2003-SS/AD dated January 19, 2009 issued by MoCA, GoI.
- b) The consolidated financial statements of the Group do not include billing to Airlines for DF by DIAL, as the management of the Group believes that DIAL's responsibility is restricted only to the billing on behalf of AAI in accordance with the provisions of AAI (Major Airports) Development Fee Rules, 2011 and DF SOP.
- ix. The Comptroller and Auditor General of India ('CAG') had conducted the performance audit of Public Private Partnership ('PPP') project of AAI at Delhi Airport for the period 2006 to 2012. CAG had presented its report before the Rajya Sabha on August 17, 2012 wherein they had made certain observations on DIAL. The Public Accounts Committee ('PAC'), constituted by the Parliament of India, has examined the CAG report and submitted its observations and recommendations to Lok Sabha vide its ninety fourth report in February 2014. The management of the Group is of the view that the observations in the CAG report and the PAC report do not have any financial impact on these consolidated financial statements of the Group.
- x. AERA had passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority had decided to adjust DF of ₹ 3,241.37 crore out of allowed DF of ₹ 3,415.35 crore based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of ₹ 173.98 crore on utilization basis as and when it is incurred. However, DIAL availed loans of ₹ 3,415.35 crore based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2017. Accordingly, the differential interest i.e. paid by DIAL on DF loans and considered on actual spent amounting to ₹ 48.06 crore (March 31, 2016: ₹ 47.90 crore) is required to be absorbed by DIAL. Accordingly, during the year ended March 31, 2017 interest expense of ₹ 0.16 crore (March 31, 2016: ₹ 47.90 crore) has been provided in the books of accounts.
- Further, DIAL had incurred a sum of ₹ 17.29 crore towards interest from December 2011 to February 2012 which was not allowed by AERA and accordingly interest expense of ₹ 17.29 crore had also been provided in the books of accounts during previous year ended March 31, 2016.
- xi. In case of DIAL and GHIAL, as per the Operations, Management and Development Agreement ('OMDA') / concession agreement, DIAL and GHIAL are liable to pay a certain percentage of the revenue as Monthly Annual Fee ('MAF') / Concession Fee ('CF') to Airport Authority of India / Ministry of Civil Aviation respectively. The management is of the view that certain income / credits arising on adoption of Ind AS were not contemplated by the parties to the agreements at the time of entering the agreements and income / credit do not represent receipts from business operations from any external sources and therefore should not be included as revenue for the purpose of calculating MAF / CF. Accordingly, DIAL and GHIAL based on a legal opinion, has provided for MAF / CF on the basis of revenue adjusted for such incomes/ credits. Detail of such incomes / credits are as under:

(₹ in crore)

Particulars	GHIAL	DIAL
Construction income from Commercial Property Developers	-	43.13
Deposits taken from Commercial Property Developers accounted at amortised cost	-	25.91
Discounting on fair valuation of deposits taken from concessionaires	2.36	37.75
Interest income on security deposits given carried at amortised cost	-	0.14
Unrealised foreign exchange difference on borrowings	-	96.34
Income arising from fair valuation of financial guarantee	0.62	-
Interest free loan given to subsidiaries accounted at amortised cost	3.78	-
Income from government grant	2.08	-
Amortisation of deferred income	0.69	-
Provision for impairment in investments in subsidiary written back	85.78	-
Gain on account of fair valuation of interest rate swap	40.19	6.17

- xii. Preference Shares issued by subsidiaries:

Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as 'investor agreements'), GAL, a subsidiary of the Company, had issued 3,731,468 Class A Compulsorily Convertible Preference Shares ('CCPS A') of ₹ 1,000 each at a premium of ₹ 2,885.27 each and ₹ 3,080.90 each aggregating to ₹ 663.31 crore and ₹ 441.35

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

crore respectively, to certain Private Equity Investors ('Investors'). Further, GAL had allotted bonus shares of 11,046,532 class B Compulsorily Convertible Preference Shares ('CCPS B') to the Company utilising the securities premium account.

As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement. The call option was to be exercised by the Company on or before April 6, 2015. If the call option was not exercised by the Company before April 6, 2015, each CCPS A was convertible into 82.821 equity shares of GAL with simultaneous conversion of CCPS B held by the Company into equity shares of GAL as per Articles and Memorandum of Association of GAL.

The Company vide its letter dated April 1, 2015, had exercised the call option to buy the CCPS A, subject to obtaining the requisite regulatory approvals. However, Investors sought conversion of CCPS A and has initiated arbitration proceedings against GAL and the Company. The investors filed their statement of claim and the Company along with GAL have filed their statement of defence / reply respectively.

In view of ongoing arbitration and considering the uncertainty regarding the conversion / settlement of CCPS A, the Group has recorded CCPS A received from PE investors at the face value as at March 31, 2017. Further, no adjustments have been made for the call option exercised by GIL to acquire CCPS A and the CCPS B issued to the Company continues to be carried at cost of ₹ Nil in the consolidated financial statement of the Group.

- xiii. DIAL had entered in to an IT service arrangement with WAISL, a joint venture of the Group, to provide IT services at the Airport on its behalf. As per the agreement, DIAL pays or receives a true up amount to WAISL depending upon the actual billing and subsistence level agreed. WAISL cannot offer such services to any other customer and it is not economically feasible for WAISL to offer the level of services using any other equipment. DIAL concluded that the arrangement contains a lease of the IT equipment and other assets. The lease was classified as a finance lease at inception of the arrangement and payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on incremental borrowing rate of interest.

However, during the year ended March 31, 2017, there is modification in the terms of arrangement and as per the modified terms; this arrangement no longer contains an embedded lease. Accordingly, DIAL has derecognised the assets and liabilities recognised under finance lease. Refer note 3 for further disclosure

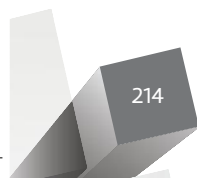
### 47. Matters related to certain road sector entities:

- i. GACEPL, a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 302.35 crore as at March 31, 2017. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant which was due during the years ended March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the carrying value of net assets in GACEPL as at March 31, 2017 is appropriate.
- ii. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim of ₹ 462.49 crore for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). Subsequently, NHAI rejected the aforementioned claims and the management of GHVEPL is in the process of initiating the arbitration.

Based on an internal assessment, the management of the Group has made a provision for impairment of ₹ 385.70 crore towards the carrying value of carriageways of GHVEPL, which has been disclosed as an 'exceptional item' in the consolidated financial statements for the year ended March 31, 2017. The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons and based on valuation assessment carried out by an external expert during the year ended March 31, 2017 which is significantly dependent on the fructification of the aforesaid claims believes that the carrying value of net assets of GHVEPL as at March 31, 2017, is appropriate.

### 48. Matters related to certain power sector entities:

- i. The Group through its subsidiary GCRPL has investments of ₹ 3,249.19 crore in PTGEMS, a joint venture of the Group as at March 31, 2017. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The Group has a Coal Supply Agreement ('CSA') with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount. The Group has not significantly commenced the offtake of the coal under the CSA, however the management of the Group is of the view that the same will not have an impact on their total entitlement of offtake of coal under the CSA. Though, the coal prices had significantly declined during the year ended March 31, 2016, there has been an increase in coal prices thereafter. Further, during the year ended March 31, 2017, Group has restructured its loan facility with the lenders whereby the loan is repayable over a period of 5 years commencing January 2017. Based on these factors and valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group believes that the carrying value of investments in PTGEMS as at March 31, 2017 is appropriate.





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

- ii. In view of lower supplies / availability of natural gas to the power generating companies in India, GEL, GVPGL and GREL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GVPGL and GREL emerged as successful bidders in the auction process organized by the Ministry of Power and operated on an intermittent basis from August 2015 and October 2015 respectively till September 2016. The Group been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply. During the year ended March 31, 2017, GEL has entered into a Memorandum of Undertaking with an external party for sale of its 220 MW gas based power plant for a consideration of USD 6.30 crore and is in the process of entering into a definitive agreement and conclude the sale.

GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015 and have operated on an intermittent basis thereafter. As a result, the consortium of lenders of GREL decided to implement SDR as detailed in note 36(d). The lenders and the management are exploring various option for revival / sale of the project.

The Group and the Association of Power Producers continue to monitor the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that GoI would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Group carried out valuation assessment of these gas based companies during the year ended March 31, 2017 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The management of the Group will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise. Based on the aforementioned reasons, business plans and a valuation assessment by an external expert, the management is of the view that the carrying value of the investments including advances made by the Group in these aforesaid entities as at March 31, 2017 is appropriate.

- iii. GPCL, a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to ₹ 481.68 crore and recognised ₹ 79.55 crore as income in the books of account.

TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order from APTEL, TAGENDCO deposited ₹ 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The Hon'ble Supreme Court vide its Order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties in so far as the quantum of amount is concerned. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014. The matter was heard by TNERC and has been reserved for Order. Further, TAGENDCO has filed the petition in the Hon'ble Supreme Court against APTEL order which is pending before the Hon'ble Supreme Court.

GPCL was availing tax holiday under Section 80IA of the Income Tax Act, 1961 ('IT Act') in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL offered the claims upto March 31, 2014 as income in its tax returns and claimed the deduction as available under Section 80IA of the IT Act.

In accordance with the above, the amount received towards the above mentioned claims after the date of Order is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised such balance claim in the books of account.

- iv. GCEL has declared commercial operations of Unit I and coal mine on November 1, 2015 and Unit II on March 31, 2016 of its 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh. GCEL does not have any PPAs currently and has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 2,032.78 crore as at March 31, 2017. GCEL is taking steps to tie up the power supply through power supply agreements on a long / medium term basis with various customers including State Electricity Boards and is hopeful of tying up significant part of generation capacity in the ensuing financial year.

GCEL has experienced certain delays and incurred cost overruns in the completion of the project including receipt of additional claims from the EPC contractors. The claims of the key EPC contractor, Doosan Power Systems India Private Limited ('DPS') is under arbitration in the Singapore International Arbitration Centre (SIAC). Based on the legal opinion, the management is confident that it has strong defence for the claims raised by the EPC contractor and believes that the claims are not tenable in law and accordingly no financial implications are expected out of the said arbitration.

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

GCEL has also obtained provisional Mega Power status certificate from the Ministry of Power, GoI, and accordingly has availed an exemption of customs and excise duty against bank guarantees of ₹ 955.68 crore and pledge of deposits of ₹ 50.94 crore. The grant of final mega power status of GCEL was dependent on its achieving tie up for supply of power for 85% of its installed capacity through the long term power purchase agreements within stipulated time which has been extended to 120 months from the date of import, as per the recent amendment to Mega Power Policy 2009 by the Government of India. The management of GCEL is certain of fulfilling the conditions relating to Mega Power status in the foreseeable future, pending which cost of customs and excise duty has not been included in the cost of the project.

During the year ended March 31, 2017, under a Framework for Revitalising Distressed Assets in the Economy by RBI, the lenders of GCEL have implemented the Strategic Debt Restructuring Scheme on February 21, 2017 pursuant to which certain borrowings of GCEL got converted into equity shares and the bankers have taken over 52.38% of the paid up equity share capital of GCEL as detailed in note 36(g).

GCEL was allotted two coal mines at Ganeshpur and Talabira to meet its fuel requirements. During the quarter ended June 30, 2017, GCEL has filed writ petition with Delhi High Court for surrendering both the coal blocks allotted during the year ended March 31, 2015. The management is of the opinion that in view of the recent decisions by the Delhi High Court in similar cases, no adjustments are needed to the consolidated financial statements of the Group.

GCEL had entered into Bulk Power Purchase Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL'), per which GCEL was granted Long Term Access (LTA) of 386MW in Western Region and 430MW in Northern Region. GCEL has written letters to PGCIL for surrendering these transmission lines. GCEL based on an internal assessment is of the view that the factors adversely impacting the supply of power by GCEL is "Force Majeure" as per BPTA and accordingly, believes that this will not have financial implications on the Group.

The Group has obtained a valuation report from an external expert during the year ended March 31, 2017 estimating the future cash flows of GCEL on discounted cash flow basis. The valuation is dependent on the achievement of certain key assumptions considered by the management around GCEL's future revenues, profitability of operations and servicing of its debts which are dependent on tying up of GCEL entire generation capacity for profitable rates through long term and medium term PPAs in a power scarce market, achievement of higher PLF, projected sales mix of PPA and merchant power, fuel linkage tie ups and refinancing of existing loans with lower interest rates with banks, achievement of mega power status and successful gains from the government announced initiatives of tolling linkage and continued financial support by the Company.

The Group is monitoring these assumptions closely on a periodic basis and based on business plans and valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group is of the view that the carrying value of the investments in GCEL is appropriate.

- v. GBHPL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India, while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. However, based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group is of the view that the carrying value of investments of GBHPL by GEL as at March 31, 2017 is appropriate.
- vi. During the year ended March 31, 2016, based on an internal assessment of its investments in certain power entities, the Group has made an impairment provision of ₹ 64.15 crore towards the carrying value of the net assets in such entities, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016.
- vii. GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of ₹ 911.01 crore as at March 31, 2017 which has resulted in substantial erosion of GWEL's net worth. GWEL has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and has tied up entire power supplies capacity with customers and has completed the refinancing of its term and other loans with the lenders which has resulted in the reduction in the rate of interest and extended repayment period. Though the net worth of GWEL is fully eroded, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment by an external expert, the management of the Group believes that the carrying value of the investments in GWEL by GEL as at March 31, 2017 is appropriate.
- viii. GKEL is engaged in development and operation of 3\*350 MW under Phase I and 1\*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. GKEL has accumulated losses of ₹ 1,767.55 Crore as at March 31, 2017, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. However, pursuant to the Reserve Bank of India's framework for revitalizing distressed assets in the economy (including strategic debt restructuring scheme), the consortium of bankers have amended the rupee term loan agreement on June 29, 2015 and accordingly loan is to be repaid in 66 quarterly structured instalments from October 1, 2017. During the year ended March 31, 2016, GKEL received favourable orders with regard to its petition for 'Tariff Determination' in case of PPA with GRIDCO Limited and for 'Tariff Revision' in case of PPAs with Haryana DISCOMS through PTC India Limited from Central Electricity Regulatory Commission ('CERC'). In view of these matters, business plans, valuation assessment by an external expert, the management is of the view that the carrying value of the investments in GKEL by GEL as at March 31, 2017 is appropriate.

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

**49. Matters related to certain other sector entities:**

- i. The Company has given an interest free loan of ₹ 115.00 crore to Welfare Trust of GMR Infra Employees ('GWT') during the year ended March 31, 2011 for the purpose of employee benefit scheme. Based on the confirmation received from GWT, the trust has utilized the proceeds of the loan received from the Company in the following manner:

(₹ in crore)

Equity shares of GIL	101.55
Equity shares of GAL	11.28
Others	2.17
<b>Total</b>	<b>115.00</b>

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying 'The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014' ('SEBI Regulations') whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. SEBI published Frequently Asked Question ('FAQ') on SEBI Regulations and clarified that appropriation of shares towards ESPS / ESOP / SAR / General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next three years so that no unappropriated inventory remains thereafter. The shareholders have approved the revised terms and conditions of the scheme by passing a special resolution in the annual general meeting of the Company held on September 23, 2015 and the Company will ensure compliance with other applicable provisions of the new regulations within the permissible time period. The Group has consolidated the financial statements of GWT in the consolidated financial statements of the Group under requirement of Ind AS.

- ii. KSPL is in the process of acquiring land for implementing a Multi Product Special Economic Zone within the meaning of Special Economic Zone Act 2005 and it has obtained an initial Notification from the Ministry of Commerce, Government of India vide Notification No. 635(E) dated April 23, 2007 for an extent of 1,035.67 hectares. The formal approval for the same was initially given for 3 years from June 2006. Subsequently, the said formal approval was extended till August 2016. KSPL has obtained further notification from Government of India vide Notification No. 342(E) dated February 06, 2013 for an extent of 1,013.64 hectares and the formal approval was given initially for 3 years from February 2012, which on application by KSPL was extended further upto February 2016. KSPL's proposal for merger of both approvals is approved by Ministry of Commerce in December 2015 and extension of formal approval is no longer required. KSPL upon completion of acquisition of the desired land will apply for an appropriate Notification, pending the same the entire land that is acquired till date by KSPL is treated as land acquired for the purpose of implementation of Special Economic Zone awaiting notification.

Land acquisition for SEZ Project comprises direct purchases, land acquired from Andhra Pradesh Industrial Infrastructure Corporation ('APIIC') and land awarded by Government of Andhra Pradesh (GOAP) through notification. The land acquired through awards by GOAP includes, payment towards structures, standing crops, solatium and interest from the date of notification till the date of award. All the above costs are treated as part of land acquisition cost.

In respect of ongoing land acquisition process, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending, the final impact if any on financial statements of KSPL towards the ongoing project execution is not determinable as on the date of the consolidated financial statements.

Further to the acquisition of land for development of SEZs, KSPL has initiated various rehabilitation and resettlement initiatives to relocate the inhabitants residing in the land acquired. The amount of expenditure incurred by KSPL towards rehabilitation and resettlement initiatives amounting to ₹ 68.60 crore (March 31, 2016: ₹ 66.84 crore) is treated as part of land acquisition cost. However, no provision has been made towards additional cost, in the consolidated financial statements, as the negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is still going on.

During the year, KSPL has incurred a sum of ₹ 190.23 crore (March 31, 2016 ₹ 479.77 crore) towards expenditure incurred in respect of ongoing SEZ project under execution by KSPL. This expenditure is directly connected with land acquisitions which is the primary asset of the project.

The expenditure during the previous year in respect of the project includes ₹ 314.89 crore towards non-prejudicial additional compensation for land owners and farmers announced by special land acquisition to hasten the proposed project activities, which was in addition to the statutory compensation already paid. An amount of ₹ 122.44 crore has been paid by KSPL.

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

### 50. Related party transactions

a. Names of the related parties and description of relationship:

Sl. No.	Relationship	Name of the parties
(i)	Holding company	GMR Enterprises Private Limited (GEPL) (w.e.f August 11, 2016) <sup>1</sup> GMR Holdings Private Limited (GHPL) (till August 10, 2016) <sup>1</sup>
(ii)	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or Joint Ventures or associates.	AAI Asia Pacific Flight Training Sdn Bhd ('APFTSB') Arcelormittal India Limited (AIL) Bharat Petroleum Corporation Limited (BPCL) Brindaban Man Pradhang Bird World Wide Flight Services India Private Limited (BWWFSIPL) Cambata Aviation Private Limited (CAPL) Cargo Service Center India Private Limited (CSCIPL) Celebi Ground Handling Delhi Private Limited (CELEBI GHDPL) Celebi Hava Servisis A.S. (CHSAS) Devyani International Limited (DIL) Frankfurt AG Frankfurt Airport Services Worldwide (FAG) GoAP Government of Telangana (GoT) Greenwich Investments Limited (GRIL) Investment and Infrastructure fund (IIF) ILFS Renewable Energy Limited (upto 30.09.2016) ILFS Environmental Infrastructure and Services Limited (w.e.f. from 01.10.2016) Indian Oil Corporation Limited (IOCL) KIHPL Lanco Group Limited (LGL) Laqshya Event IP Private Limited (LEIPL) Limak Insaat San. Ve Ticaret A.S. (LISVT) Laqshya Media Private Limited (LMPL) M/S G.S.Atwal & Co. Malaysia Airport Holding Berhad (MAHB) Malaysia Airport (Labuan) Private Limited (MALPL) Malaysia Airports Consultancy Services SDN Bhd (MACS) Malaysian Aerospace Engineering Sdn. Bhd. (MAE) Malaysian Airline System Bhd. (MAS) MAHB(Mauritius) Private Limited (MAMPL) Megawide Construction Corporation (MCC) Menzies Aviation Cargo (Hyderabad) Limited, Mauritius (MACHL) Menzies Aviation India Private Limited (MAIPL) Menzies Aviation PLC (UK) (MAPUK) Macquarie SBI Infrastructure Investments PTE Limited (MSIF) NAPC Limited (NAPC) Navabharat Power Private Limited (NBPPL) Nepal Electricity Authority (NEA) Odeon Limited (OL)

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

Sl. No.	Relationship	Name of the parties
		Oriental Structures Engineers Private Limited (OSEPL)
		Oriental Tollways Private Limited (OTPL)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		PT Sinar Mas Cakrawala
		Punj Lyod Limited
		Reliance Industries Limited (RIL)
		Rushil Construction (India) Private Limited
		Sterlite Energy Limited (SEL)
		Power And Energy International (Mauritius) Limited
		Tenaga Parking Services (India) Pvt. Ltd. (TPSIPL)
		Times Innovative Media Limited (TIML)
		Travel Foods Services (Delhi) Private Limited (TFSDPL)
		Tottenham Finance Limited (TFL)
		Veda Infra-Holdings (India) Private Limited (VIHIPL)
		Wipro Limited (WL)
		WTGGE
		Yalvorin Limited (YL)
(iii)	Enterprises where key management personnel and their relatives exercise significant influence	CISL
		GMR Varalakshmi Foundation (GVF)
		GMR Varalakshmi DAV Public School (GVDPS)
		GMR Family Fund Trust (GFFT)
		GMR Infra Ventures LLP (GIVLLP)
		GEOKNO India Private Limited (GEOKNO) <sup>6</sup>
		Kakinada Refinery & Petrochemicals Private Limited (KRPPPL)
		Kirti Timber Private Limited (KTPL)
		GMR Institute of Technology (GIT)
		GMR School of Business (GSB)
		GMR Varalakshmi Care Hospital (GVCH)
		Jetsetgo Aviation Services Private Limited (JASPL)
		Polygon
		GMR Business and Consulting LLP ('GBC')
(iv)	Fellow subsidiary companies (where transactions have taken place)	GMR Projects Private Limited (GPPL) (till August 10, 2016) <sup>1</sup>
		GMR Bannerghatta Properties Private Limited (GBPPL)
		GMR Holding Malta Limited (GHML)
		GMR Holding (Mauritius) Limited (GMRL)
		GMR Airport (Global) Limited (GAGL) <sup>10</sup>
		GMR Sports Private Limited (GSPL)
		Ravi Verma Realty Private Limited (RRPL)
		Grandhi Enterprises Private Limited (GREPL) <sup>5</sup>

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

Sl. No.	Relationship	Name of the parties
(v)	Joint ventures / associates	GMR Energy Limited(GEL) <sup>2</sup>
		GMR Vemagiri Power Generation Limited (GVPGL) <sup>2</sup>
		GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) <sup>2</sup>
		GMR Kamalanga Energy Limited (GKEL)
		Himtal Hydro Power Company Private Limited (HHPPL) <sup>2</sup>
		GMR Energy (Mauritius) Limited (GEML) <sup>2</sup>
		GMR Lion Energy Limited (GLEL) <sup>2</sup>
		GMR Upper Karnali Hydropower Limited (GUKPL) <sup>2</sup>
		GMR Consulting Services Private Limited (GCSPL) <sup>2</sup>
		GMR Bajoli Holi Hydropower Private Limited (GBHHPL) <sup>2</sup>
		Rampia Coal Mine and Energy Private Limited (RCMEPL)
		GMR Chhattisgarh Energy Limited (GCEL) <sup>3</sup>
		GMR Rajahmundry Energy Limited (GREL) <sup>3</sup>
		GMR Warora Energy Limited [GWEL (formerly known as 'EMCO Energy Limited'(EMCO))] <sup>2</sup>
		GMR Maharashtra Energy Limited (GMAEL) <sup>2</sup>
		GMR Bundelkhand Energy Private Limited (GBEPL) <sup>2</sup>
		GMR Rajam Solar Power Pvt. Limited [GRSPPL (formerly known as GMR Uttar Pradesh Energy Pvt Ltd(GUPEPL))] <sup>2</sup>
		GMR Gujarat Solar Power Private Limited (GGSPPL) <sup>2</sup>
		Karnali Transmission Company Private Limited (KTCPL) <sup>2</sup>
		Marsyangdi Transmission Company Private Limited (MTCPL) <sup>2</sup>
		GMR Indo-Nepal Energy Links Limited (GINELL) <sup>2</sup>
		GMR Indo-Nepal Power Corridors Limited (GINPCL) <sup>2</sup>
		PT Golden Energy Mines Tbk (PTGEMS)
		PT Roundhill Capital Indonesia (RCI)
		PT Borneo Indobara (BIB)
		PT Kuansing Inti Makmur (KIM)
		PT Karya Cemerlang Persada (KCP)
		PT Bungo Bara Utama (BBU)
		PT Bara Harmonis Batang Asam (BHBA)
		PT Berkat Nusantara Permai (BNP)
		PT Tanjung Belit Bara Utama (TBBU)
		PT Trisula Kencana Sakti (TKS)
		GEMS Trading Resources Pte Limited (GEMSCR)
		PT Bumi Anugerah Semesta (BAS)
		PT Gems Energy Indonesia (PTGEI) <sup>8</sup>
		Shanghai Jingguang Energy Co. Ltd <sup>8</sup>
		Asia Pacific Flight Training Academy Limited (APFT)
		Laqshya Hyderabad Airport Media Private Limited (Laqshya)
		Delhi Aviation Services Private Limited (DASPL)
		Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
		Delhi Duty Free Services Private Limited (DDFS)
		Delhi Aviation Fuel Facility Private Limited (DAFF)
		Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)

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

Sl. No.	Relationship	Name of the parties
		Wipro Airport IT Services Limited (WAISL)
		TIM Delhi Airport Advertising Private Limited (TIM)
		GMR Megawide Cebu Airport Corporation (GMCAC)
		Megawide - GISPL Construction Joint Venture (MGCJV) <sup>7</sup>
		Limak GMR Construction JV (CJV)
		EDWPCPL <sup>4</sup>
		JEPL <sup>4</sup>
		UEPL <sup>4</sup>
		GOSEHHPL <sup>9</sup>
(vi)	Key management personnel and their relatives	Mr. G.M. Rao (Executive Chairman)
		Mrs. G Varalakshmi (Relative)
		Mr. G.B.S. Raju (Director)
		Mr. Grandhi Kiran Kumar (Managing Director)
		Mr. O.B. Raju (Director) (Resigned w.e.f September 23, 2015)
		Mr. Srinivas Bommidala (Director)
		Mrs. B. Ramadevi (Relative)
		Mr. B.V. Nageswara Rao (Director)
		Mr. C.P. Sounderarajan (Company Secretary) (Resigned w.e.f. August 12, 2015)
		Mr. Adishavaram Cherukupalli (Company Secretary) (Appointed w.e.f August 13, 2015)
		Mr. K V V Rao (Resigned w.e.f September 23, 2015)
		Mr. Jayesh Desai (Appointed on November 13, 2015 and resigned w.e.f. February 13, 2017)
		Mr. R S S L N Bhaskarudu (Independent Director)
		Mr. N C Sarabeswaran (Independent Director)
		Mr. S Sandilya (Independent Director)
		Mr. S Rajagopal (Independent Director)
		Mr. C.R. Muralidharan (Independent Director)
		Mrs. V. Siva Kameswari (Independent Director)
		Mr. V. Shanthanaraman (Independent Director) (Retired on September 14, 2016)
		Dr. Prakash G Apte (Independent Director) (Retired on September 14, 2016)
		Mr. Madhva Bhimacharya Terdal (Group CFO)

## Notes

- During the year ended March 31, 2017, GHPL and GPPL were amalgamated with GEPL pursuant to approval of scheme of amalgamation and arrangements by Hon'ble High Court of Madras vide its order NO. 8471/16 dated July 06, 2016 and made effective from August 10, 2016.
- Ceased to be a subsidiary and became a joint venture w.e.f November 4, 2016. Refer Note 36 (f)
- Ceased to be a subsidiary on account of Strategic Debt Restructuring (SDR) and became an associates entity on the date of SDR. Refer note 36 (d) and 36 (g)
- Ceased to be an associate during the year ended March 31, 2017.
- Ceased to be an enterprise where key managerial personnel or their relatives exercise significant influence and became a fellow subsidiary during the year ended March 31, 2017
- Ceased to be a fellow subsidiary and became an enterprise where key managerial personnel or their relatives exercise significant influence during the year ended March 31, 2017
- Enterprises where significant influence exists incorporated during the year ended March 31, 2016.
- Subsidiary of PTGEMS incorporated during the year ended March 31, 2016.
- Ceased to be a joint venture and became an associate during the year ended March 31, 2016.
- Ceased to be a subsidiary and became a fellow subsidiary during the year ended March 31, 2017.

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

b. Summary of transactions with the related parties are as follows:

(₹ in crore)

Nature of transaction	March 31, 2017	March 31, 2016
<b>Purchase of investment in equity shares -</b>		
- Holding company		
GEPL	-	225.00
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates.		
MAMPL	-	508.33
<b>Investment in equity shares</b>		
- Joint ventures / associates		
TFS	2.40	-
GKEL	40.00	-
<b>Sale of investments in equity shares</b>		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates		
OSEPL	-	17.38
- Fellow subsidiaries		
GHML (March 2016 : Amounting to ₹ 3,924)	-	0.00
GHMRL	9.09	-
<b>Share warrants forfeited</b>		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP	-	141.75
<b>Allotment of shares in right issue from share application money</b>		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC	-	889.57
<b>Equity share application money allotted</b>		
- Joint ventures / associates		
GMCAC	-	10.66
<b>Loans / advances repaid by</b>		
- Joint ventures / associates		
GOSEHHHPL	5.78	-
UEPL	3.85	-
JEPL	4.50	-
Laqshya	1.75	0.30
GVPGL	27.61	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	-	8.64
<b>Loans / advances given to</b>		
- Joint ventures / associates		
GKEL	-	13.24
UEPL	-	2.39
RCMEPL	-	0.05
<b>Loans / advances taken from</b>		



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

Nature of transaction	March 31, 2017	March 31, 2016
<b>- Holding company</b>		
GEPL	310.65	-
<b>- Joint ventures / associates</b>		
GEL	95.00	-
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
KTPL	142.50	-
KRPPL	4.29	-
<b>Loans repaid to</b>		
<b>- Holding company</b>		
GEPL	136.50	-
<b>- Joint ventures / associates</b>		
GEL	18.33	-
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
MAIPL	0.05	0.13
<b>Conversion of share application money into loans</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
MAHB	-	26.11
<b>Sale of fixed assets</b>		
<b>- Joint ventures / associates</b>		
APFT (March 31, 2016 : Amounting to ₹ 22,201)	-	0.00
<b>Purchase of fixed assets / services</b>		
<b>- Holding company</b>		
GEPL	-	1.78
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GEOKNO	-	0.03
<b>Deposit received</b>		
<b>- Joint ventures / associates</b>		
DAFF	10.64	-
Laqshya	0.02	-
TFS	-	0.64
DDFS	0.67	-
DASPL	-	0.07
CDCTM	-	9.63
GBHHPL	0.05	-
<b>Deposit repaid</b>		
<b>- Joint ventures / associates</b>		
DDFS	0.30	0.30
<b>- Holding company</b>		
GEPL	-	0.02

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

Nature of transaction	March 31, 2017	March 31, 2016
<b>Deposits given</b>		
<b>- Key management personnel and their relatives</b>		
Mr. Madhva Bhimacharya Terdal	0.15	-
Mrs. G Varalakshmi	0.06	-
Mrs. B. Ramadevi	0.03	-
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GFFT	-	16.36
<b>Deposit refund received</b>		
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GFFT	1.25	16.35
CISL	-	8.59
<b>Refund of capital advances</b>		
<b>- Holding company</b>		
GEPL	-	50.00
<b>Write-off of capital advances</b>		
<b>- Holding company</b>		
GEPL	259.00	-
<b>Equity dividend paid by subsidiaries / Joint ventures / associates</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
MACHL	1.10	6.15
<b>Preference dividend paid by subsidiaries</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
MACHL	0.54	2.16
<b>Sub-contracting expenses</b>		
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GEOKNO	0.47	4.22
<b>Revenue from operations</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	3.12	3.00
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GVF	0.57	0.62
GIT	0.22	-
GSB	0.08	0.08
GVCH	-	0.03
GEOKNO	0.27	-
<b>- Fellow subsidiaries</b>		
GSPL	0.30	0.32
<b>- Joint ventures / associates</b>		

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

Nature of transaction	March 31, 2017	March 31, 2016
UEPL	11.51	44.72
GOSEHHHPL	-	3.42
DDFS	333.98	312.33
Laqshya	33.67	23.50
GKEL	255.73	145.37
TIM	142.24	118.41
DAFF	17.15	15.98
CDCTM	151.97	137.35
TFS	16.39	18.86
DASPL	6.78	6.48
GCEL	4.78	-
GCSPL	0.44	-
GREL	0.54	-
GEL	0.13	-
GWEL	5.65	-
GVPGL	0.77	-
GBHHPL	0.59	-
APFT	1.36	1.11
<b>Fees received for services rendered</b>		
<b>- Joint ventures / associates</b>		
GMCAC	3.14	3.90
GGSPPL	0.25	-
GBHHPL	0.08	-
GKEL	-	0.76
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
JASPL	1.10	-
<b>Fee paid for services received</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	0.05	0.03
GoT	3.29	3.12
<b>- Joint ventures / associates</b>		
Laqshya	0.23	0.28
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
JASPL	0.85	-
GEOKNO	0.33	-
GFFT	0.10	-
<b>Finance income</b>		
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GVF	0.01	0.01
<b>- Joint ventures / associates</b>		
UEPL	2.39	2.41

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

Nature of transaction	March 31, 2017	March 31, 2016
GOSEHHHPL	0.48	0.48
JEPL	0.68	1.05
DAFF	8.69	6.01
CDCTM	5.22	7.96
DASPL	1.22	3.79
TFS	1.12	0.34
DDFS	12.91	13.04
APFT	0.21	0.23
GEL	3.38	-
GVPGL	0.58	-
GWEL	0.34	-
GGSPPL	0.01	-
GCEL	0.36	-
GREL	0.92	-
GKEL	32.72	38.40
GMCAC	-	0.35
Laqshya	0.77	0.85
TIM	1.62	1.62
<b>- Holding company</b>		
GEPL	1.00	1.00
<b>Airport service charges / operator fees</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
FAG	151.05	128.68
<b>Revenue share paid / payable to concessionaire grantors</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	2,634.84	2,304.15
<b>Lease income</b>		
<b>- Joint ventures / associates</b>		
GREL	0.18	-
<b>Rent</b>		
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GFFT	7.14	4.40
<b>- Fellow subsidiaries</b>		
GREPL	1.29	1.25
<b>- Joint ventures / associates</b>		
GOSEHHHPL	-	0.03
<b>- Key management personnel and their relatives</b>		
Mrs. B. Ramadevi	0.16	0.22
Mrs. G.Varalakshmi	0.15	0.16
Mr. G.B.S.Raju	0.35	0.61

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

Nature of transaction	March 31, 2017	March 31, 2016
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	-	0.03
<b>Purchase of traded goods</b>		
<b>- Joint ventures / associates</b>		
GWEL	245.66	-
GKEL	133.62	448.92
GCEL	45.74	-
<b>Managerial remuneration to</b>		
<b>- Key management personnel and their relatives</b>		
Mr. G.M. Rao	4.57	4.07
Mr. G.B.S.Raju	0.96	1.42
Mr. Srinivas Bommidala	5.70	4.95
Mr. B.V. Nageswara Rao	-	0.18
Mr. Grandhi Kiran Kumar	3.99	3.42
Mr. O Bangaru Raju	2.78	2.51
Mr. C.P. Sounderarajan	-	0.35
Mr. Adishesavataram Cherukupalli	0.84	0.47
Mr. Madhava Bhimacharya Terdal	1.96	1.65
Mr. K V V Rao	0.12	2.06
<b>Directors' sitting fees</b>		
Dr. Prakash G. Apte	0.02	0.05
Mr. R.S.S.L.N. Bhaskarudu	0.28	0.32
Mr. N.C. Sarabeswaran	0.20	0.30
Mr. S. Sandilya	0.02	0.03
Mr. Grandhi Kiran Kumar	0.01	0.01
Mr. Srinivas Bommidala	0.01	0.01
Mr. G.M. Rao	0.01	0.01
Mr. G.B.S.Raju	0.01	-
Mr. S. Rajagopal	0.10	0.12
Mr. V. Santhana Raman	0.03	0.08
Mr. C.R. Muralidharan	0.02	0.03
Mrs. V. Siva Kameswari	0.10	0.05
<b>Logo fees</b>		
<b>- Holding company</b>		
GEPL	5.40	3.03
<b>Legal and professional fees</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
FAG	0.07	0.28
AAI	0.12	-
MACS	2.27	3.03
MAPUK	7.21	6.99

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

Nature of transaction	March 31, 2017	March 31, 2016
<b>Other expenses</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
TPSIPL	3.45	2.68
MAPUK	0.59	0.65
MAIPL	-	0.01
<b>- Joint ventures / associates</b>		
WAISL	2.95	19.78
DAFF	0.03	0.01
GGSPPL	0.01	-
GWEL	0.09	-
GEL	0.49	-
GOSEHHPL (March 31, 2016 : Amounting to ₹ 29,767)	-	0.00
<b>- Fellow subsidiaries</b>		
GSPL	0.50	2.00
<b>- Holding company</b>		
GEPL	-	0.02
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GFFT	2.23	0.33
GEOKNO	0.36	-
GVF	0.01	-
<b>Purchase of fuel</b>		
<b>- Joint ventures / associates</b>		
BIB	-	7.97
<b>Marketing fund billed</b>		
<b>- Joint ventures / associates</b>		
DDFS	10.35	9.83
TFS	0.67	0.68
<b>Marketing fund utilised</b>		
<b>- Joint ventures / associates</b>		
DDFS	1.72	2.19
TFS	0.03	-
<b>ATC development fund utilization</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	-	10.00
<b>Reimbursement of expenses incurred on behalf of the Group</b>		
<b>- Holding company</b>		
GEPL	-	1.35
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
MAIPL	0.22	0.20
MAPUK	0.08	0.08

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

Nature of transaction	March 31, 2017	March 31, 2016
<b>- Joint ventures / associates</b>		
TFS	0.07	0.05
DDFS	-	0.01
GKEL	0.87	-
GBHHPL	0.09	-
GMCAC	-	0.03
<b>- Fellow subsidiaries</b>		
GSPL	0.01	0.01
<b>Expenses incurred by the Group on behalf of / expenses recovered by the Group</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	19.72	18.15
<b>- Joint ventures / associates</b>		
DASPL	12.67	10.55
DDFS	2.96	3.16
CDCTM	16.22	15.49
TIM	3.84	3.85
TFS	3.92	4.39
Laqshya	1.17	0.90
APFT	0.21	0.21
GEL	0.95	-
GVPGL	0.48	-
GWEL	3.55	-
GCSPL	0.15	-
GBHHPL	0.83	-
GGSPPL	0.11	-
GCEL	0.68	-
GREL	3.81	-
GOSEHHHPL	-	0.27
UEPL	-	0.03
GKEL	13.83	23.31
GMCAC	0.07	-
<b>- Fellow subsidiaries</b>		
GBPPL (March 31, 2017 : Amounting to ₹ 24,751)	0.00	-
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>		
GEOKNO	0.54	0.33
GVF	0.07	0.06
GFFT	-	0.02
<b>- Holding company</b>		
GEPL (March 31, 2017 : Amounting to ₹ 10,070)	0.00	-
<b>Expenses recoverable written off</b>		
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>		
AAI	0.99	-

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

Nature of transaction	March 31, 2017	March 31, 2016
<b>Donation</b>		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	15.87	17.31
<b>Finance cost</b>		
- Holding company		
GEPL	7.79	-
- Joint ventures / associates		
TIM	0.86	0.77
DDFS	9.85	8.75
GVPGL	0.25	-
CDCTM	1.96	2.20
TFS	0.16	0.27
DAFF	2.79	1.87
Laqshya	0.01	0.01
APFT	0.01	0.03
GCSPL	0.03	-
GEL	2.01	-
GWEL	0.54	-
GBEPL	0.89	-
GBHPL	1.27	-
DASPL	1.12	1.00
WAISL	-	24.73
- Enterprises where key management personnel and their relatives exercise significant influence		
KRPPL	0.24	-
KTPL	0.05	-
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates		
AAI	9.03	7.70
GVF	0.01	0.01
MAIPL	0.05	0.07
MAHB	-	0.92
<b>Reversal of finance cost</b>		
- Joint ventures / associates		
WAISL	7.01	-
<b>Provisions no longer required, written back</b>		
- Joint ventures / associates		
RCMEPL	-	0.15
<b>Arrears of cumulative dividends on preference share capital issued by a subsidiary</b>		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates		
OL	-	20.65



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

## c. Summary of balances with the related parties are as follows:

(₹ in crore)

Nature of balances outstanding	March 31, 2017	March 31, 2016	April 01, 2015
Balance payable / (receivable)			
<b>- Holding company</b>			
GEPL	(209.57)	(637.69)	(685.11)
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>			
AAI	131.44	96.40	96.03
FAG	79.99	68.35	55.01
MACS	0.04	10.79	7.29
MAHB	-	27.03	-
MAIPL	0.44	0.47	0.60
MAPUK	4.40	0.80	0.60
GoT	318.42	318.25	315.13
TPSIPL	0.84	0.73	0.82
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>			
GFFT	(26.05)	(35.78)	(30.42)
GVF	0.75	2.63	(6.87)
GEOKNO	(0.70)	(0.23)	(0.42)
JASPL	0.45	-	-
GIT	(0.02)	-	-
GSB	(0.01)	-	-
GVCH	(0.00)	-	-
KRPPL	4.51	-	-
KTPL	142.54	-	-
Polygon	(22.90)	(22.90)	(22.90)
<b>- Fellow subsidiaries</b>			
GSPL	-	-	0.15
GREPL	0.34	0.30	0.13
GBPPL	0.00	(1.18)	(1.17)
RRPL	-	0.01	0.01
GHMRL	(9.44)	-	-
GAGL	(0.71)	-	-
<b>- Joint ventures / associates</b>			
PTGEMS	10.59	15.92	42.75
GEMSCR	-	-	21.44
BIB	-	-	0.83
GMCAC	(17.61)	(16.17)	(4.91)
CJV	-	(1.13)	(0.84)
MGCJV	(3.85)	(1.73)	(2.31)
Laqshya	(10.18)	(6.90)	(11.10)
APFT	(2.34)	(2.06)	(0.66)
DASPL	12.86	11.85	12.65

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

Nature of balances outstanding	March 31, 2017	March 31, 2016	April 01, 2015
TFS	0.13	(3.47)	(6.47)
DAFF	137.25	132.56	136.66
CDCTM	94.50	99.58	97.36
WAISL	(6.27)	173.73	262.51
DDFS	182.92	186.75	186.62
GCSPL	(1.13)	-	-
GVPGL	(13.73)	-	-
GMAEL	(0.02)	-	-
GCEL	18.68	-	-
GGSPPL	(0.05)	-	-
GBEPL	18.07	-	-
GBHHPL	(1.61)	-	-
GWEL	226.91	-	-
GBHPL	(40.53)	-	-
GREL	5.47	-	-
GEL	81.62	-	-
GKEL	(86.81)	(335.12)	(365.27)
TIM	(1.77)	7.75	10.50
UEPL	(24.03)	(53.66)	(24.87)
JEPL	(1.75)	(6.59)	(4.50)
GOSEHHHPL	(14.30)	(21.23)	(20.19)
<b>- Key management personnel and their relatives</b>			
Mr. G.M. Rao	1.97	0.94	2.03
Mrs. G.Varalakshmi	(0.14)	(0.08)	(0.09)
Mrs. B. Ramadevi	(0.04)	0.03	-
Mr. G.B.S.Raju	0.04	0.55	0.04
Mr. Madhva Bhimacharya Terdal	(0.15)	-	-
Mr. R.S.S.L.N. Bhaskarudu	0.01	-	-
Mr. N.C. Sarabeswaran	0.01	-	-
Mr. S. Rajagopal	0.01	-	-
Mr. C.R. Muralidharan	0.01	-	-
Mrs. V. Siva Kameswari	0.01	-	-
Mr. Grandhi Kiran Kumar	1.15	-	-
Outstanding corporate guarantees			
<b>- Joint ventures / associates</b>			
GEL	918.62	-	-
GWEL	883.25	-	-
GCEL	622.54	-	-
GREL	2,352.61	-	-
GMCAC	-	-	652.25
GVPGL	175.00	-	-
GKEL	357.77	1,000.00	600.00
JEPL	-	-	27.92
GOSEHHHPL	109.88	110.34	1,080.00
UEPL	-	-	237.15
<b>Outstanding bank guarantees</b>			
<b>- Fellow subsidiaries</b>			
GEOKNO	1.30	2.48	2.48
<b>- Joint ventures / associates</b>			
GKEL	-	-	22.85
RCMEPL	-	-	22.18

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

Nature of balances outstanding	March 31, 2017	March 31, 2016	April 01, 2015
UEPL	-	-	17.50
JEPL	-	-	12.50
<b>Outstanding pledge of fixed deposits</b>			
<b>- Fellow subsidiaries</b>			
GREPL	5.00	21.00	21.00
<b>Share application money pending allotment</b>			
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>			
GBC	-	-	889.57
<b>- Joint ventures / associates</b>			
GMCAC	-	-	10.66
<b>Money received against share warrants</b>			
<b>- Enterprises where key management personnel and their relatives exercise significant influence</b>			
GIVLLP	-	-	141.75
<b>Arrears of cumulative dividends on preference share capital issued by a subsidiary</b>			
<b>- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates</b>			
OL	-	76.17	55.52

**Notes:**

- The Group has provided securities by way of pledge of investments for loans taken by certain companies.
- Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GEPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group.
- Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Group as a whole

**51. Segment information**

- Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment, resource allocation and for which information is available discretely. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.
- The segment reporting of the Group has been prepared in accordance with Ind AS 108.
- For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.
- The reportable segments of the Group comprise of the following:

Segment	Description of activity
Airports	Development and operation of airports
Power	Generation of power and provision of related services and exploration and mining activities
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solution in the infrastructure sector
Others	Urban Infrastructure and other residual activities

- Geographical segments are categorised as 'India' and 'Outside India' and are based on the domicile of the customers.

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

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	
<b>Revenue</b>																
Revenue from continuing operations	1,485.89	1,092.85	565.94	615.24	7,102.24	6,120.08	380.86	174.69	233.70	258.09	-	-	-	-	9,768.63	8,260.96
Inter Segment Revenue	0.98	-	-	11.92	47.57	16.95	3.67	617.26	853.16	(677.73)	(873.78)	-	-	-	-	-
<b>Total revenue from continuing operations</b>	<b>1,486.87</b>	<b>1,092.85</b>	<b>565.94</b>	<b>615.24</b>	<b>7,149.81</b>	<b>6,137.03</b>	<b>392.78</b>	<b>178.36</b>	<b>850.96</b>	<b>1,111.25</b>	<b>(873.78)</b>	-	-	-	<b>9,768.63</b>	<b>8,260.96</b>
Segment result before share of (profit) / loss of associate and joint ventures, exceptional items and tax from continuing operations	(105.69)	(110.02)	247.54	286.26	2,454.08	1,693.40	(98.77)	(57.85)	(37.83)	(34.68)	-	-	-	-	2,459.33	1,771.11
Share of loss / (profit) of associates and joint ventures (net)	(226.12)	(93.09)	-	-	140.64	104.99	16.08	4.15	1.00	0.12	-	-	-	-	(68.40)	16.17
Loss on impairment of assets in subsidiaries	-	(64.15)	(385.70)	-	-	-	-	-	-	-	-	-	-	-	(385.70)	(64.15)
<b>Unallocated income/(expense)</b>																
Finance cost												(2,128.52)	(2,196.49)	(2,128.52)	(2,196.49)	
Finance income												166.16	200.46	166.16	200.46	
<b>Segment profit/(loss) before tax for the year</b>															<b>42.87</b>	<b>(266.90)</b>
Tax expenses												(737.03)	(181.51)	(737.03)	(181.51)	
Profit / (loss) after tax from discontinued operations															329.86	(2,300.87)
<b>Segment profit/(loss) for the year</b>	<b>(331.81)</b>	<b>(267.26)</b>	<b>(138.16)</b>	<b>286.26</b>	<b>2,594.72</b>	<b>1,798.39</b>	<b>(82.69)</b>	<b>(53.70)</b>	<b>(36.83)</b>	<b>(34.56)</b>	-	-	<b>(2,699.39)</b>	<b>(2,177.54)</b>	<b>(364.30)</b>	<b>(2,749.28)</b>
<b>Segment assets:</b>																
Short term loans	8,098.66	25,832.17	3,684.98	5,098.88	16,460.55	15,374.50	747.82	616.50	6,437.25	5,672.39	-	-	-	-	35,429.26	52,594.44
Interest accrued on fixed deposits												119.21	266.47	119.21	266.47	
Interest accrued on long term investments												28.80	53.21	28.80	53.21	
Derivatives not designated as hedges												6.73	80.90	6.73	80.90	
Deferred Tax Asset (Net)												271.56	232.29	271.56	232.29	
Income tax assets (net)												305.63	309.17	305.63	309.17	
Assets Classified as Held for Sale												851.09	5,519.77	851.09	5,519.77	
Long term Loans and advances												416.70	113.97	416.70	113.97	
<b>Total Assets</b>	<b>8,098.66</b>	<b>25,838.59</b>	<b>3,684.98</b>	<b>5,098.88</b>	<b>16,460.55</b>	<b>15,374.50</b>	<b>747.82</b>	<b>616.50</b>	<b>6,437.25</b>	<b>5,672.39</b>	-	-	<b>1,999.72</b>	<b>6,582.20</b>	<b>37,428.98</b>	<b>59,176.64</b>

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

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
<b>Segment liabilities:</b>	1,617.54	2,714.77	572.25	328.42	3,606.04	3,477.86	643.64	453.02	364.20	325.62	-	-	-	-	6,803.67	7,299.69
Non-current financial liabilities (Borrowings).	-	-	-	-	-	-	-	-	-	-	-	-	18,959.72	32,663.94	18,959.72	32,663.94
Current maturities of Long Term Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	1,800.42	5,205.78	1,800.42	5,205.78
Current financial liabilities (Borrowings)	-	-	-	-	-	-	-	-	-	-	-	-	723.82	1,584.58	723.82	1,584.58
Interest payable.	-	-	-	-	-	-	-	-	-	-	-	-	435.76	447.64	435.76	447.64
Liabilities for current tax (net)	-	-	-	-	-	-	-	-	-	-	-	-	98.70	42.97	98.70	42.97
Deferred Tax Liabilities (Net)	-	-	-	-	-	-	-	-	-	-	-	-	413.81	33.81	413.81	33.81
Provision for debenture redemption premium	-	-	-	-	-	-	-	-	-	-	-	-	1.91	3.94	1.91	3.94
Financial Guarantee	-	-	-	-	-	-	-	-	-	-	-	-	110.13	7.27	110.13	7.27
Derivatives not designated as hedges.	-	-	-	-	-	-	-	-	-	-	-	-	111.39	124.13	111.39	124.13
Liabilities directly associated with assets classified as held for disposal	-	-	-	-	-	-	-	-	-	-	-	-	608.61	5,522.56	608.61	5,522.56
<b>Total Liabilities</b>	<b>1,617.54</b>	<b>2,714.77</b>	<b>572.25</b>	<b>328.42</b>	<b>3,606.04</b>	<b>3,477.86</b>	<b>643.64</b>	<b>453.02</b>	<b>364.20</b>	<b>325.62</b>	<b>-</b>	<b>-</b>	<b>23,264.27</b>	<b>45,626.62</b>	<b>30,067.94</b>	<b>52,926.31</b>
<b>Other Disclosures:</b>																
Investments in associates and joint ventures	8,592.06	3,964.94	-	-	754.71	687.58	14.60	33.06	3.46	2.46	-	-	-	-	9,364.83	4,688.04
Depreciation and amortisation for discontinued operations	43.47	109.52	61.36	56.41	898.74	963.03	14.03	13.57	42.32	54.13	-	-	-	-	1,059.92	1,196.66
Material Non cash items including impairment, other than depreciation and amortisation	6.03	68.65	385.70	-	4.46	5.38	17.42	0.17	4.44	1.93	-	-	-	-	418.05	76.13
<b>Adjustments and eliminations</b>																
Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.																
Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.																

(₹ in crore)

Particulars	Revenue from external customers		Non-current operating assets*	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Continuing Operations:				
India	9,309.28	8,011.26	16,317.86	35,864.25
Outside India	459.35	249.70	-	803.88
<b>Total</b>	<b>9,768.63</b>	<b>8,260.96</b>	<b>16,317.86</b>	<b>36,668.13</b>

\*Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets, capital work in progress, goodwill and intangible under development.

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

### 52. Hedging activities and derivatives

#### Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts, principal and interest rate swaps, cross currency swap and call spread option to manage some of its transaction exposures. These derivative instruments are not designated as cash flow/fair value hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

(₹ in crore)

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Principal and interest rate swap	-	67.24	6.42	123.92	1.88	127.58
Foreign exchange forward contracts	-	1.57	-	0.21	-	12.84
Call spread option	-	42.58	-	-	-	-
Cross currency swap	-	-	-	-	29.40	-
<b>Total</b>	<b>-</b>	<b>111.39</b>	<b>6.42</b>	<b>124.13</b>	<b>31.28</b>	<b>140.42</b>
<b>Classified as :</b>						
Non- current	-	67.24	6.42	107.43	31.28	115.82
Current	-	44.15	-	16.70	-	24.60

Also refer note 42(b)(iv) and 42(b)(v)

### 53. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

#### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2017, March 31, 2016 and April 01, 2015.

#### As at March 31, 2017

(₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
<b>Financial assets</b>					
(i) Investments (other than investments in associates and joint ventures)	2,974.53	-	82.87	3,057.40	3,057.40
(ii) Loans	-	-	607.65	607.65	607.65
(iii) Trade receivables	-	-	1,778.97	1,778.97	1,778.97
(iv) Cash and cash equivalents	-	-	1,458.76	1,458.76	1,458.76
(v) Bank balances other than cash and cash equivalents	-	-	812.76	812.76	812.76
(vi) Other financial assets	-	-	1,932.43	1,932.43	1,932.43
<b>Total</b>	<b>2,974.53</b>	<b>-</b>	<b>6,673.44</b>	<b>9,647.97</b>	<b>9,647.97</b>

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

(₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
<b>Financial liabilities</b>					
(i) Borrowings	-	-	21,483.96	21,483.96	21,483.96
(ii) Trade payables	-	-	1,443.76	1,443.76	1,443.76
(iii) Foreign exchange forward contracts	-	1.57	-	1.57	1.57
(iv) Principal and interest rate swap	-	67.24	-	67.24	67.24
(v) Call spread option	-	42.58	-	42.58	42.58
(vi) Other financial liabilities	-	-	2,049.09	2,049.09	2,049.09
(vii) Financial guarantee contracts	-	-	110.13	110.13	110.13
<b>Total</b>	<b>-</b>	<b>111.39</b>	<b>25,086.94</b>	<b>25,198.33</b>	<b>25,198.33</b>

## As at March 31, 2016

(₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
<b>Financial assets</b>					
(i) Investments (other than investments in associates and joint ventures)	1,786.41	-	70.72	1,857.13	1,857.13
(ii) Loans	-	-	446.88	446.88	446.88
(iii) Trade receivables	-	-	1,573.77	1,573.77	1,573.77
(iv) Cash and cash equivalents	-	-	1,192.62	1,192.62	1,192.62
(v) Bank balances other than cash and cash equivalents	-	-	2,619.92	2,619.92	2,619.92
(vi) Principal and interest rate swap	-	6.42	-	6.42	6.42
(vii) Other financial assets	-	-	1,973.59	1,973.59	1,973.59
<b>Total</b>	<b>1,786.41</b>	<b>6.42</b>	<b>7,877.50</b>	<b>9,670.33</b>	<b>9,670.33</b>
<b>Financial liabilities</b>					
(i) Borrowings	-	-	39,444.30	39,444.30	39,444.30
(ii) Trade payables	-	-	1,293.70	1,293.70	1,293.70
(iii) Foreign exchange forward contracts	-	0.21	-	0.21	0.21
(iv) Principal and interest rate swap	-	123.92	-	123.92	123.92
(v) Other financial liabilities	-	-	2,512.39	2,512.39	2,512.39
(vi) Financial guarantee contracts	-	-	7.27	7.27	7.27
<b>Total</b>	<b>-</b>	<b>124.13</b>	<b>43,257.66</b>	<b>43,381.79</b>	<b>43,381.79</b>

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

As at April 01, 2015						(₹ in crore)
Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	"total Fair value	
<b>Financial assets</b>						
(i) Investments (other than investments in associates and joint ventures)	1,012.39	-	61.44	1,073.83	1,073.83	
(ii) Loans	-	-	485.31	485.31	485.31	
(iii) Trade receivables	-	-	1,443.61	1,443.61	1,443.61	
(iv) Cash and cash equivalents	-	-	1,472.37	1,472.37	1,472.37	
(v) Bank balances other than cash and cash equivalents	-	-	4,030.30	4,030.30	4,030.30	
(vi) Principal and interest rate swap	-	1.88	-	1.88	1.88	
(vii) Cross currency swap	-	29.40	-	29.40	29.40	
(viii) Other financial assets	-	-	1,994.68	1,994.68	1,994.68	
<b>Total</b>	<b>1,012.39</b>	<b>31.28</b>	<b>9,487.71</b>	<b>10,531.38</b>	<b>10,531.38</b>	
<b>Financial liabilities</b>						
(i) Borrowings	-	-	42,410.73	42,410.73	42,410.73	
(ii) Trade payables	-	-	1,454.02	1,454.02	1,454.02	
(iii) Foreign exchange forward contracts	-	12.84	-	12.84	12.84	
(iv) Principal and interest rate swap	-	127.58	-	127.58	127.58	
(v) Other financial liabilities	-	-	2,612.87	2,612.87	2,612.87	
(vi) Financial guarantee contracts	-	-	7.46	7.46	7.46	
<b>Total</b>	<b>-</b>	<b>140.42</b>	<b>46,485.08</b>	<b>46,625.50</b>	<b>46,625.50</b>	

- (i) Investments in mutual fund, overseas fund by foreign subsidiaries, commercial paper, other fund and derivative instruments are mandatorily classified as fair value through consolidated statement of profit and loss.

### (b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



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

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
<b>March 31, 2017</b>				
<b>Financial assets</b>				
Investments (other than investments in associates and joint ventures)	3,057.40	2,974.53	-	82.87
<b>Financial liabilities</b>				
Principal and interest rate swap	67.24	-	67.24	-
Call spread option	42.58	-	42.58	-
Foreign exchange forward contracts	1.57	-	1.57	-
<b>March 31, 2016</b>				
<b>Financial assets</b>				
Investments (other than investments in associates and joint ventures)	1,857.13	1,786.41	-	70.72
Principal and interest rate swap	6.42	-	6.42	-
<b>Financial liabilities</b>				
Principal and interest rate swap	123.92	-	123.92	-
Foreign exchange forward contracts	0.21	-	0.21	-
<b>April 01, 2015</b>				
<b>Financial assets</b>				
Investments (other than investments in associates and joint ventures)	1,073.83	1,012.39	-	61.44
Principal and interest rate swap	1.88	-	1.88	-
Cross currency swap	29.40	-	29.40	-
<b>Financial liabilities</b>				
Principal and interest rate swap	127.58	-	127.58	-
Foreign exchange forward contracts	12.84	-	12.84	-

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) Derivative contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.
- (iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.
- (iv) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (v) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2017, March 31, 2016 and April 01, 2015.

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

### (c) Financial risk management objectives and policies

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

### Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### (a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in crore)

Particulars	Increase/decrease in basis points	Effect on profit before tax
<b>March 31, 2017</b>		
INR	+50	59.90
INR	-50	(59.90)
<b>March 31, 2016</b>		
INR	+50	155.38
INR	-50	(155.38)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

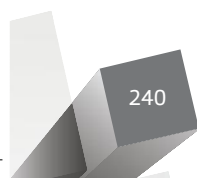
#### (b) Market risk- Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Group has entered into certain derivative contracts which are not designated as hedge. Refer note 52 for details.

##### i. Foreign currency exposure

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2017, March 31, 2016 and April 01, 2015. The Group's exposure to foreign currency changes for all other currencies is not material.



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

(Amount in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Cash and bank balances	5.69	21.71	27.74
Trade receivables	4.60	1.53	0.34
Property plant and equipment, capital work in progress, other intangibles, goodwill and intangible under development	12.08	11.53	12.25
Investments	57.11	58.03	62.46
Loans and Other assets	0.78	20.60	21.15
Trade payables	(4.25)	(5.46)	(6.97)
Borrowings	(108.46)	(165.75)	(149.33)
Other financial and other liabilities	(16.32)	(21.82)	(10.94)
Net assets/(liabilities) in USD	(48.77)	(79.63)	(43.30)
Net assets/(liabilities) in Rupees	(3,198.60)	(5,316.50)	(2,729.73)

**ii. Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016
	Impact on profit before tax	
<b>USD Sensitivity</b>		
INR/USD- Increase by 5%	(179.50)	(277.00)
INR/USD- Decrease by 5%	179.50	277.00

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Group.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 19,012.80 crore, ₹ 14,358.37 crore, ₹ 15,229.55 crore as at March 31, 2017, March 31, 2016 and April 01, 2015 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Group does not hold collateral as security.

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2017, March 31, 2016 and April 01, 2015.

With respect to trade receivables / unbilled revenue, the Group has constituted the terms to review the receivables on a periodic basis and to take necessary mitigations, wherever required. The Group creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

### Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through convertible debentures, non-convertible debentures, bonds and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

The Group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors etc.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Group's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

(₹ in crore)

Particulars	0-1 year	1 to 5 years	> 5 years	Total
<b>March 31, 2017</b>				
Borrowings (other than convertible preference shares)	2,593.33	9,300.56	9,796.24	21,690.13
Other financial liabilities	1,537.66	358.88	2,474.01	4,370.55
Trade payables	1,443.76	-	-	1,443.76
<b>Total</b>	<b>5,574.75</b>	<b>9,659.44</b>	<b>12,270.25</b>	<b>27,504.44</b>
<b>March 31, 2016</b>				
Borrowings (other than convertible preference shares)	6,934.06	11,880.83	19,748.41	38,563.31
Other financial liabilities	1,951.01	459.84	2,382.95	4,793.80
Trade payables	1,274.29	25.05	-	1,299.34
<b>Total</b>	<b>10,159.36</b>	<b>12,365.72</b>	<b>22,131.36</b>	<b>44,656.45</b>
<b>April 01, 2015</b>				
Borrowings (other than convertible preference shares)	7,050.57	15,108.20	18,563.37	40,722.15
Other financial liabilities	2,016.02	520.52	2,358.16	4,894.70
Trade payables	1,441.27	18.75	-	1,460.02
<b>Total</b>	<b>10,507.86</b>	<b>15,647.47</b>	<b>20,921.53</b>	<b>47,076.87</b>

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in Note 42.

### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures of the Group include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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

**54. Capital management**

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long-term and short-term bank borrowings and issue of non-convertible / convertible debt securities and strategic partnership with investors.

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

(₹ in crore)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings other than convertible preference shares (refer notes 19 and 24)	21,479.69	38,194.87	40,267.45
<b>Total debt (i)</b>	<b>21,479.69</b>	<b>38,194.87</b>	<b>40,267.45</b>
<b>Capital components</b>			
Equity share capital	603.59	603.59	436.13
Other equity	5,043.90	4,387.26	5,610.49
Non-controlling interests	1,713.55	1,259.48	1,486.25
Convertible preference shares (refer note 19)	4.27	1,249.43	2,143.28
<b>Total Capital (ii)</b>	<b>7,365.31</b>	<b>7,499.76</b>	<b>9,676.15</b>
<b>Capital and borrowings ( iii = i + ii )</b>	<b>28,845.00</b>	<b>45,694.63</b>	<b>49,943.60</b>
<b>Gearing ratio (%) ( i / iii )</b>	<b>74.47%</b>	<b>83.59%</b>	<b>80.63%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

**55. Disclosure in terms of Ind AS 11 - Construction contracts**

Particulars	March 31, 2017 ₹ in crore	March 31, 2016 ₹ in crore	April 01, 2015 ₹ in crore
Contract revenue recognised during the year	379.23	174.34	112.34
Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	2,312.34	1,933.12	2,252.61
Amount of customer advances outstanding	381.72	270.97	75.82
Retention money due from customers for contracts in progress	10.89	3.17	47.16
Gross amount due from customers for contract works as an asset (unbilled portion) (net of provision for doubtful debt receivable)	315.78	124.03	84.88

**56 First Time Adoption of Ind AS**

These consolidated financial statements, for the year ended March 31, 2017, are the first, the Group have prepared in accordance with Ind AS. For the periods upto the year ended March 31, 2016, the Group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Amendment thereof ('Indian GAAP' or previous GAAP').

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

Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for the year ended March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at April 01, 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its previous GAAP consolidated financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

### **Exemptions applied:**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following material exemptions:

#### **Exemptions:**

##### **Estimates**

The estimates as at April 01, 2015 and as at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP apart from the Impairment of financial assets based on Expected Credit Loss (ECL) model where application of Indian GAAP did not require estimation and corrections of deemed costs of PPE as detailed in note 56(3).

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions as at April 01, 2015 the date of transition to Ind AS, and as of March 31, 2016.

##### **De-recognition of financial assets and liabilities**

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

##### **Classification and measurement of financial assets**

The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

##### **Deemed cost-Previous GAAP carrying amount: (Property, plant and equipment, Intangible Assets, Capital work in progress, Intangible assets under development and Investment properties)**

The Group has elected to avail exemption under Ind AS 101 to use previous GAAP carrying value as deemed cost at the date of transition for all items of Property, plant and equipment, Intangible Assets, Capital work in progress, Intangible assets under development and Investment properties as per the balance sheet prepared in accordance with previous GAAP.

##### **Equity accounting of joint ventures and changes in scope of consolidation**

In accordance with Ind AS 28, 'Investments in Associates and Joint Ventures', the Group has accounted for its joint ventures using the equity method unlike proportionate line by line method under the previous GAAP. In addition, certain entities consolidated as subsidiaries under the previous GAAP have been consolidated as joint ventures and accounted for using the equity method under Ind AS.

##### **Long Term Foreign Currency Monetary Items: (Long term foreign currency borrowings)**

As per Paragraph D13AA of Ind AS 101 a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

The Group has elected to continue to the aforementioned accounting as per the previous GAAP.

##### **Cumulative translation differences**

Ind AS 21 'The effects of changes in Foreign Exchange Rates' requires an entity to recognize the translation differences relating to foreign operations in other comprehensive income (and accumulate them in a separate component of equity) and on disposal of such foreign operation, to reclassify the cumulative translation difference for that foreign operation from equity to profit or loss as part of the gain or loss on disposal. Ind AS 101 allows an entity to elect not to apply the requirements of Ind AS 21 retrospectively and to deem the cumulative translation differences for all foreign operations to be zero as at the date of transition. The Group has elected to avail the above exemption.



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

**Business combinations**

Ind AS 101 provides the option to apply Ind AS 103 prospectively. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

**Government loans**

Pursuant to Ind AS 101.B10, in case of Loan from Government, the Group have chosen to apply the requirements of Ind AS 109 'Financial Instruments', and Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance', prospectively to government loans existing at the date of transition to Ind AS.

**Reconciliation of total equity between previous GAAP and Ind AS.**

(₹ in crore)

Particulars	Notes	March 31, 2016	April 01, 2015
<b>Equity as reported under previous GAAP, including non controlling interest</b>		7,588.61	9,659.73
Debt component of compound financial instruments	56 (1a) & (1b)	(588.07)	(1,590.80)
Impact on account of preference share accounted as financial liability	56 (1a) & (1b)	(860.33)	(617.88)
Impact due to acquisition of entity under common control	56 (2)	(197.09)	(197.09)
Impact on accounting of treasury shares on consolidation of staff welfare trust	56 (5)	(101.54)	(101.54)
Other adjustments		408.75	380.45
<b>Equity as per Ind AS</b>		<b>6,250.33</b>	<b>7,532.87</b>

**Total Comprehensive Income / (Loss) reconciliation for the year ended March 31, 2016**

(₹ in crore)

Particulars	Notes	March 31, 2016
<b>Profit / (loss) after tax and before minority interest under previous GAAP</b>		(2,004.36)
<b>Add / (less): Ind AS Adjustments;</b>		
Impact on account of preference shares accounted as financial liability	56 (1a) & (1b)	(242.45)
Impact on account of accounting of debenture redemption premium and security issue expenses previously adjusted against the securities premium account	56 (6)	(248.00)
Others		(254.47)
<b>Profit/ (loss) after tax for the year as per Ind AS</b>		<b>(2,749.28)</b>
Other comprehensive income / (expenses) (net of tax)	56 (16)	32.71
<b>Total Comprehensive Income / (Loss) for the year under Ind AS</b>		<b>(2,716.57)</b>

**Notes to the reconciliations between previous GAAP and Ind AS****1 Convertible preference shares**

- a The Group has issued convertible preference shares. The preference shares carry fixed cumulative dividend which is non-discretionary. Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit.  
Under Ind AS, convertible preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised using the effective interest method.
- b GEL has issued convertible preference shares. Under previous GAAP, the preference shares were classified as equity. Under Ind AS, these preference shares have been accounted as a financial liability using amortised costs. Interest on liability component is recognised using the effective interest method.

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

### 2 Common control transaction under business combination

RSSL, a subsidiary of the Group, was acquired during the year ended March 31, 2016 and was accordingly consolidated on a line by line basis in the consolidated financial statements for the year then ended. However, under Ind AS 103, RSSL being a fellow subsidiary of the Group prior to acquisition of stake by the Group in RSSL, the transaction falls under the purview of common control transactions.

Accordingly, the Group has consolidated RSSL as on the transition date and the excess consideration on acquisition has been adjusted against capital reserve in the consolidated financial statements for the year ended March 31, 2017.

### 3 Correction of deemed costs of PPE

- a In respect of gas based power plant at Rajahmundry held by GREL, pending securing supply of requisite natural gas, the Group had put on hold active construction work of the plant from the period July 2012 to June 2015. The management of the Group was of the view that the indirect expenditure attributable to the construction of the project and borrowing costs incurred during the period of uncertainty around securing gas supplies qualifies for capitalisation under paragraphs 9.3 and 9.4 of Accounting Standard ('AS') -10 and paragraphs 18 and 19 of AS -16 under the previous GAAP. GREL had approached the Ministry of Corporate Affairs ('MCA') and sought clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation. MCA vide its General Circular No. 35/2014 dated August 27, 2014 on capitalisation under AS-10 and capitalisation of borrowing cost during extended delay in commercial production has clarified that only such expenditure which increases the worth of the assets can be capitalised to the cost of the fixed assets as prescribed by AS 10 and AS 16. Further the circular stated that costs incurred during the extended delay in commencement of commercial production after the plant is otherwise ready does not increase the worth of fixed assets and therefore such costs cannot be capitalised. The Group approached MCA seeking further clarification on the applicability of the said Circular to its Rajahmundry plant. The statutory auditor had qualified their audit report stating that the aforesaid capitalisation of such expenses was not in compliance with the relevant accounting standards.

In view of the non-receipt of the requisite clarifications, during the year ended March 31, 2017, the Group has restated the consolidated statement of profit and loss for the year ended March 31, 2016 by ₹ 103.38 crore being the indirect costs and borrowing costs incurred during the year ended March 31, 2016 and has adjusted ₹ 1,104.92 crore with the consolidated equity being the aforesaid expenses incurred prior to April 01, 2015 in accordance with the requirements of Ind AS - 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

- b GCEL had not capitalised Unit 1 of its power plant from the declared date of commercial operation, which is June 01, 2015. During the year ended March 31, 2015, GCEL was allotted two coal mines to meet its fuel requirements. The management was of the view that these coal mines have become integral part of the power plant and Unit 1 of the power plant is linked to one of the coal mines for the purpose of its operations and it will commence production once the coal mine becomes operational. The said mine had started extraction from August 01, 2015, however the coal extracted was not sufficient to consider the coal mine operational to run Unit 1 of its power plant on a continuous basis. Post ramp-up of coal production, GCEL has started commercial generation of power from Unit 1 of the power plant from November 01, 2015 and has declared COD of Unit 1 along with one of its mines w.e.f. October 31, 2015. In view of the same, cost of Unit 1 of the power plant and one of its coal mines is considered as project costs and accordingly the Group had capitalised indirect expenditure and borrowing costs incurred during the period June 01, 2015 to October 31, 2015 and also had not charged depreciation w.e.f. June 01, 2015 in the consolidated financial statements for the year ended March 31, 2016. The statutory auditor had qualified their audit report stating that the aforesaid capitalisation of such expenses was not in compliance with the relevant accounting standards.

However, during the year ended March 31, 2017, in accordance with the requirements of Ind AS - 8, the Group has restated the consolidated statement of profit and loss for the year ended March 31, 2016 by ₹ 243.43 crore being the indirect costs and borrowing costs incurred during the year ended March 31, 2016 and ₹ 106.72 crore being the depreciation and amortization expenses for the said year.

### 4 Unconsolidated subsidiaries and joint ventures

In accordance with Ind AS 28, 'Investments in Associates and Joint Ventures', the Group has accounted for its joint ventures using the equity method unlike proportionate line by line method under the previous GAAP. In addition, certain entities consolidated as subsidiaries under the previous GAAP have been consolidated as joint ventures and accounted for using the equity method under Ind AS.

### 5 Treasury shares

The Group has created a Staff welfare Trust ('SWT') for providing staff welfare to its employees. The Group treats SWT as its extension and shares held by SWT are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity.

### 6 Financial Instruments

- a In accordance with Ind AS 109 'Financial Instruments', investments in quoted equity instruments (other than in subsidiaries, associates and joint ventures) have been recognised at fair value at each reporting date.
- b In accordance with Ind AS 109 , premium payable on redemption, transaction costs on issue of bonds, debentures and borrowings are required to be considered as effective finance costs and recognised in the consolidated statement of profit and loss using the effective interest rate.



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

Consequently, premium on redemption and transaction costs adjusted against securities premium account or amortised using a different approach under the previous GAAP have been reversed and are now recognised through the consolidated statement of profit and loss using effective interest rate.

- c In accordance with Ind AS 109 investments in mutual funds are recognised at fair value through the consolidated statement of profit and loss at each reporting period.
- d In accordance with Ind AS 109, all derivative financial instruments are recognised at fair value as at each reporting date through the consolidated statement of profit and loss

### **7 Security deposit**

Under previous GAAP, interest free security deposit received from concessionaire and commercial property developer and interest free security deposit given for lease (that are refundable in cash on completion of its term) were recorded at their transaction value. The Group has fair valued these financial liabilities/assets i.e. security deposits taken/given under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as deferred revenue/ prepaid rent.

### **8 Advance development cost from Commercial property developers**

Under previous GAAP, the advance development cost received from commercial property developers was recorded at transaction value. Further, per management, entire amount received or receivable was to be utilised for development of common infrastructure and accordingly, no refund of unutilised advances was expected. Under Ind AS, the advance development cost received from commercial property developers and the related expense is considered as revenue and expenses in the consolidated statement of profit and loss.

### **9 Marketing fund**

Under previous GAAP, the Group was doing fund accounting for the marketing fees collected from concessionaires and maintained separate books of accounts for the fund balance. Under Ind AS, Marketing is considered as a specific service being provided by certain entities of the Group and accordingly, all the billing and utilisation have been accounted as income and expenses of the Group. On the date of transition, the marketing fund liability existing on such date has been reversed with a corresponding adjustment to retained earnings.

### **10 Leases**

As per Ind AS 17, 'Leases', the Group has assessed long term arrangements, fulfilment of which is dependant on use of specified assets and where the Group has the right to control the use of such assets for being in the nature of a lease.

This resulted in certain arrangements being treated as a lease and classified as finance lease. The impact on total equity and profit and loss is on account of timing difference in recognition of expenses under the lease accounting model as compared to those recognised under the previous GAAP.

### **11 Reversal of proposed dividend**

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', dividend recommended by the Board of Directors is recognised only once approved by the shareholders as compared to the previous GAAP where it was considered as an adjusting event."

### **12 Non-controlling interests**

Under the previous GAAP, non-controlling interest was not considered as part of total equity and was presented separately. In the consolidated statement of profit and loss, share of non-controlling interest for the year was shown as a deduction from Group's profit or loss.

Under Ind AS, non-controlling interests are considered as a part of total equity and its share in profit or loss for the year and total comprehensive income is shown as an allocation instead of as a deduction from profit or loss for the year.

Further, under Ind AS, profit or loss and each component of other comprehensive income is attributed to the owners of the Company and to non-controlling interests even if this results in the non-controlling interests having a deficit balance. Under the previous GAAP, the excess of such losses attributable to non-controlling interests over its interest in the equity of subsidiary was attributed to the owners of the Company.

### **13 Deferred Taxes**

In accordance with Ind AS 12, 'Income Taxes', the Group on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach. The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re measurement changes.

### **14 Applicability of SCA in annuity road projects**

Under the previous GAAP, the Group had capitalised expenditures incurred towards construction of roads as carriageways under Intangible assets. Under Ind AS, in case of annuity based carriageways, the Group recognises financial assets to the extent that it has an unconditional right to

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

receive cash or another financial asset from or at the direction of the grantor as per the requirements of Appendix A to Ind AS 11.

### 15 Expected credit loss

The provision is made against trade receivables based on "expected credit loss" model as per Ind AS 109. Under previous GAAP the provision was made when the receivable turned doubtful based on the assessment on case to case basis."

### 16 Other comprehensive income

Under Ind AS, all items of income and expense recognised during the year are included in the profit or loss for the year, unless Ind AS requires or permits otherwise. Items that are not recognised in profit or loss but are shown in the consolidated statement of profit and loss and other comprehensive income include re-measurements gains or losses on defined benefit plans and foreign currency translation differences of foreign subsidiaries.

The concept of other comprehensive income did not exist under the previous GAAP.

### 17 Statement of cash flows

Under the previous GAAP, joint ventures were consolidated using line by line proportionate method whereas under Ind AS joint ventures have been accounted for using the equity method. As a result, proportionate cash flows for operating, investing and financing activities including cash and cash equivalents of joint ventures included in the consolidated cash flow under the previous GAAP do not form part of consolidated cash flow under Ind AS.

### 18 Previous year figures

The figures of the previous periods have been regrouped/reclassified, where necessary, to conform with the current year's classification.

### 57. Events after the reporting period

Subsequent to the year ended March 31, 2017, as detailed in note 36 (h), the Group has entered into a Memorandum of Understanding with PTGEMS for the sale of entire stake in PTDSU, a subsidiary of the Company.

### 58. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from 1 April 2017.

#### Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Group is currently evaluating the requirements of the amendment and has not yet determined the impact on the consolidated financial statements.

59. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the consolidated financial statements have been rounded off or truncated as deemed appropriate by the management of the Group.

60. The comparatives given in the consolidated financial statements have been compiled after making necessary Ind AS adjustments to the respective audited consolidated financial statements under previous GAAP to give a true and fair view in accordance with Ind AS.

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W / E300004  
Chartered Accountants

per Sandeep Karnani  
Partner  
Membership number: 061207

For and on behalf of the Board of Directors of  
GMR Infrastructure Limited

G M Rao  
Executive Chairman  
DIN: 00574243

Madhva Bhimacharya Terdal  
Group CFO

Place: New Delhi  
Date: June 01, 2017

Grandhi Kiran Kumar  
Managing Director  
DIN: 00061669

Adishavataaram Cherukupalli  
Company Secretary

Place: New Delhi  
Date: June 01, 2017

