

Consolidated Financial Statements

Auditor's Report to the Board of Directors of GMR Infrastructure Limited

1. We have audited the attached Consolidated Balance Sheet of GMR Infrastructure Limited ("the Company") and its subsidiaries, Joint Ventures and an associate (hereinafter together referred to as 'consolidated entities') as at March 31, 2009, the related Consolidated Profit and Loss Account and the Consolidated Cash Flow statement for the year ended on that date, which we have signed under reference to this report. These Consolidated Financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 4,558.65 Crore as at March 31, 2009, total revenues of Rs. 745.06 Crore for the year ended on that date and net cash inflows of Rs. 45.85 Crore for the year ended on that date. Further, we did not audit the financial statements of Joint Ventures whose financial statements reflect the consolidated entities' share of revenues of Rs. 506.95 Crore for the year ended March 31, 2009 and consolidated entities' share of total assets of Rs. 350.47 Crore as at March 31, 2009 and net cash inflows of Rs. 77.33 Crore for the year ended March 31, 2009. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of such subsidiaries and joint ventures, is based solely on the report of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21, 'Consolidated Financial Statements', Accounting Standard 27, 'Financial Reporting of Interests in Joint Ventures' and Accounting Standard 23, 'Accounting for Investments in Associates in Consolidated Financial Statements' as referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 and on the basis of the separate audited financial statements of the Company and its subsidiaries and Joint ventures and an associate included in the Consolidated Financial Statements.
5. On the basis of the information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of the Company and its aforesaid consolidated entities, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its consolidated entities as at March 31, 2009;
 - b. in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its consolidated entities for the year ended March 31, 2009; and
 - c. in the case of the consolidated cash flow statement, of the consolidated cash flows of the Company and its consolidated entities for the year ended March 31, 2009.

Thomas Mathew

Partner

Membership No. 50087

For and on behalf of

Price Waterhouse

Chartered Accountants

Place: Bangalore

Date: June 04, 2009

Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Particulars	Schedule Ref	March 31, 2009		March 31, 2008	
I. Sources of Funds					
1. Shareholders' Funds					
(a) Capital	1	364.13		364.13	
(b) Reserves and Surplus	2	6,107.00	6,471.13	5,753.07	6,117.20
2. Minority Interest					
			1,806.11		1,112.60
3. Loan Funds					
(a) Secured Loans	3	10,660.18		6,843.83	
(b) Unsecured Loans	4	1,363.61	12,023.79	1,133.10	7,976.93
4. Deferred Tax Liabilities (Net)					
[Refer Note 4 (xiv) of Schedule 19]			19.15		42.50
5. Foreign Currency Monetary Item Translation Difference Account [Refer Note 4 (vi) (c) of Schedule 19]					
			6.87		-
Total			20,327.05		15,249.23
II. Application of Funds					
1. Fixed Assets					
(a) Gross Block	5	11,432.60		6,691.72	
(b) Less: Depreciation		1,780.97		1,421.81	
(c) Net Block		9,651.63		5,269.91	
(d) Capital Work-in-Progress (including capital advances)		5,463.88	15,115.51	3,679.57	8,949.48
2. Expenditure during construction period, pending allocation (Net)					
	6		1,327.05		843.17
3. Investments					
	7		1,310.89		4,899.59
4. Current Assets, Loans and Advances					
(a) Inventories	8	131.88		38.03	
(b) Sundry Debtors	9	660.91		430.57	
(c) Cash and Bank Balances	10	2,466.52		894.49	
(d) Other Current Assets	11	17.75		5.84	
(e) Loans and Advances	12	1,261.23		598.97	
		4,538.29		1,967.90	
Less: Current Liabilities and Provisions					
(a) Liabilities	13	1,886.47		1,322.75	
(b) Provisions		78.22		88.16	
		1,964.69		1,410.91	
Net Current Assets			2,573.60		556.99
Total			20,327.05		15,249.23
Statement on Significant Accounting Policies and Notes to the Consolidated Accounts.	19				

The schedules referred to above form an integral part of the Consolidated Balance Sheet.

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

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087
For and on behalf of
Price Waterhouse
Chartered Accountants

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A.Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P.Sunderarajan
Company Secretary

Consolidated Profit and Loss Account for the year ended March 31, 2009

(Rs. in Crore)

Particulars	Schedule Ref	March 31, 2009	March 31, 2008
I. Income			
Sales and Operating Income	14	4,476.19	2,697.91
Less: Revenue share paid/payable to concessionaire grantors		456.97	403.13
		4,019.22	2,294.78
Other Income	15	21.37	69.75
Net Income		4,040.59	2,364.53
II. Expenditure			
Generation and Operating Expenses	16	2,282.59	1,229.74
Administration and Other Expenses	17	669.84	466.54
Interest and Finance Charges	18	368.20	168.71
Depreciation/Amortisation [Refer Note 4 (x) (a) of schedule 19]		389.83	178.51
		3,710.46	2,043.50
III. Profit Before Taxation and before Minority Interest/Share of Profits of Associate		330.13	321.03
Provision for Taxation			
- Current		70.10	35.31
- Less: MAT Credit availed		-	(9.26)
- Deferred		(23.12)	28.04
- Fringe Benefit		6.04	4.29
IV. Profit after Taxation and before Minority Interest/Share of Profits of Associate		277.11	262.65
Minority Interest		(2.34)	52.57
V. Net Profit after Minority Interest/Share of Profits of Associate		279.45	210.08
Surplus brought forward		524.21	308.61
Less: Foreign Exchange fluctuations on long term monetary liabilities relating to acquisition of depreciable fixed assets hitherto recognised in the Profit and Loss Account now adjusted to the carrying value of depreciable fixed assets [Refer Note 4 (vi) (a) of Schedule 19]		18.19	-
Add: Adjustment for Gratuity/Leave Encashment in terms of transitional adjustment of AS 15 Revised. [Refer Note 4 (xi) of Schedule 19]		-	0.51
VI. Amount available for appropriation		785.47	519.20
Appropriations:			
Transfer from Debenture Redemption Reserve		(3.75)	(5.14)
Transfer to Debenture Redemption Reserve		10.66	-
Dividend Distribution Tax		0.20	0.13
VII. Available Surplus carried to Balance Sheet		778.36	524.21
Earnings Per Share (Rs.) - Basic and Diluted [Per equity share of Rs.2 each] [Refer Note 4 (xiii) of Schedule 19]		1.53	1.23
Statement on Significant Accounting Policies and Notes to the Consolidated Accounts	19		

The Schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

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

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087
For and on behalf of
Price Waterhouse
Chartered Accountants
Place: Bangalore
Date: June 04, 2009

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A. Subba Rao
Group CFO

C.P.Sounderarajan
Company Secretary

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 1 CAPITAL	March 31, 2009	March 31, 2008
Authorised		
3,750,000,000 Equity shares of Rs. 2 each	750.00	750.00
	750.00	750.00
Issued and Subscribed		
1,820,658,088 Equity Shares of Rs. 2 each fully paid-up	364.13	364.13
Notes:		
Of the above,		
i. 528,873,615 equity shares of Rs. 2 each fully paid-up were allotted during the year ended March 31, 2006, by way of bonus shares by capitalising free reserves of the company.		
ii. 1,362,523,238 (2008: 1,333,613,610) equity shares of Rs 2 each fully paid-up are held by the holding company GMR Holdings Private Limited.		
	364.13	364.13
Less: Calls unpaid (2009: Rs. 2,750 ; 2008: Rs. 11,625)	-	-
Total	364.13	364.13

[Refer Note 4(xiii) (c) of Schedule 19 on sub-division of one equity share of the company carrying face value of Rs. 10 each into 5 equity shares of Rs. 2 each during the year ended March 2008]

(Rs. in Crore)

Schedule 2 RESERVES AND SURPLUS	March 31, 2009	March 31, 2008
Capital Reserve on Consolidation		
As at the commencement of the year	70.45	58.28
Add: Additions for the year	0.02	12.17
	70.47	70.45
Capital Reserve on Acquisition		
[Refer Note 4 (iv) (b) of Schedule 19]	3.41	-
Capital Reserve (Government Grant)		
[Refer Note 4 (iv) (a) of Schedule 19]	67.41	67.41
Securities Premium Account		
At the commencement of the year	5,070.82	1,201.78
Add: Received towards QIP of equity shares	-	3,932.67
[Refer Note 4 (iii) (a) and (b) of Schedule 19]		
Less: Utilised towards share issue expenses	0.03	63.68
Add: Amount Received against calls unpaid	0.01	0.05
	5,070.80	5,070.82
Debenture Redemption Reserve		
At the commencement of the year	20.00	25.14
Transfer to Profit and Loss account	(3.75)	(5.14)
Transfer from Profit and Loss account	10.66	-
	26.91	20.00
Foreign Currency Translation Reserve		
	89.64	0.18
Balance in Profit and Loss Account		
	778.36	524.21
Total	6,107.00	5,753.07

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 3 SECURED LOANS		March 31, 2009	March 31, 2008
Debentures			
(i)	650 (2008: 800) Secured Redeemable Non-Convertible Debentures of Rs. 1,000,000 each	65.00	80.00
	[These debentures bear interest at the rate of 11.93% per annum (10.40% up to September 30, 2008)]		
	The above debentures are secured by immovable property of the Company and further secured by deposit of margin money.		
(ii)	4,250 (2008: Nil) Secured Redeemable Non-Convertible Debentures of Rs. 1,000,000 each	425.00	–
	[These debentures bear an overall interest cost at the rate of 15.2% per annum till Sept 29, 2011 and 17.2% there after till Oct 6, 2013 (including coupon rate of 6% redemption premium) and are redeemable on Oct 6, 2013]		
	[The above debentures are secured by a subservient charge on all the movable assets of GMR Energy Limited, both present and future. Additionally secured by a subservient charge by way of equitable mortgage by constructive delivery of title deeds of the immovable properties of GMR Energy Limited]		
Term Loans			
Rupee loans			
	From Financial Institutions	1,384.07	856.83
	From Banks	6,847.26	5,024.90
	Interest accrued and due on loans	–	0.87
	From Others	111.99	78.14
Foreign Currency loans			
	From Financial Institutions	77.18	61.97
	From Banks	1,481.16	614.28
	[Out of the above, Rupee Term Loan amounting to Rs. 275 (2008: Rs. 275) is secured by pledge of 80,273,416 paid up equity shares of Rs. 2 each of GMR Infrastructure Limited, held by GMR Holdings Private Limited and further secured by a guarantee issued by GMR Holdings Private Limited, the holding company]		
	[Rupee term loans of subsidiary companies under Roads segment amounting to Rs. 2490.20 (2008 : Rs. 1,766.71) are secured by way of pari passu first charge over the respective companies moveable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of the respective companies 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 the company in respect of monies lying to the credit of trust and retention account and other accounts. These loans are further secured by pledge of shares of 184,880,055 of the respective subsidiary companies held by their holding companies]		

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 3 (contd.)	March 31, 2009	March 31, 2008
[Rupee and Foreign currency term loans of certain subsidiary companies under Power Segment amounting to Rs. 940.14 (2008: Rs.833.06) are secured by way of joint equitable mortgage by deposit of the title deeds of the leasehold land of a subsidiary and by way of pari passu first charge over freehold land of a subsidiary. Further secured by pari-passu first charge on the respective subsidiary companies movable assets, immovable assets and other assets, both present and future. Further secured by right, title, interest, benefits, claims and demands of the respective companies in respect of the project agreements, executed/to be executed, insurance policies both present and future and all right, title, interest, benefits, claims and demands of the respective subsidiary companies in respect of monies lying to the credit of Trust and Retention Account and other accounts. These loans are further secured by personal guarantees by some of the Directors of the above subsidiary companies and by pledge of 202,890,000 shares of these subsidiary companies held by their holding companies]		
[Foreign currency term loan from banks amounting to Rs. 164.64 (2008: Nil) of a subsidiary under Power Segment are secured/to be secured by pledge of shares held in the subsidiary company held by the holding company. Further the facility is additionally secured by corporate guarantee of the company. This loan has been granted out of a deposit placed by the company with the bank as participation amount]		
[Rupee term loan from Banks amounting to Rs. 39.85 (2008: Rs. 31.82) relating to GMR Energy Limited (GEL) is secured/to be secured by equitable mortgage on the property further secured by the corporate guarantee of the company]		
[Rupee term loan from financial institutions amounting to Rs. 1.50 (2008: Rs. 28.00) relating to GMR Energy Limited (GEL) is secured by second charge on all the intangibles, and cash flows, both present and future, in the form of dividends and management/consultancy fees from subsidiary companies and a joint mortgage of the immovable properties ranking pari-passu. Further secured by second charge on the movable properties, both present and future, rights, title, interests, benefits, claims and demands in the operating cash flows, treasury income, revenues/receivables and by way of pledge of 27,225,000 Equity shares held in a subsidiary company and 32,607,413 Equity shares of the company held by the holding company]		
[Term loans of subsidiaries under Airports Segment amounting to Rs. 5,809.98 (2008: Rs. 3,611.53) are secured by mortgage of Leasehold right, title, interest and benefit in respect of Leasehold Land and first 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 Trust and Retention Account, Debt Service Reserve Account and further secured by the pledge of equity shares of such subsidiaries held by the holding company along with its subsidiaries and in case of one subsidiary, secured by pledge of certain equity shares, both present and future, held or to be held, as the case may be, by both its holding company and another shareholder].		
[Term loans of subsidiaries under Others Segment amounting to Rs. 180.32 (2008: Rs. 90) are secured by way of hypothecation of Aircraft and guarantee issued by the holding company].		
Short Term Loans		
Cash Credit, Demand Loans and Working Capital Loans from Banks	104.77	12.72

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 3 (contd.)	March 31, 2009	March 31, 2008
[Short term loans of subsidiaries under Airports Segment amounting to Rs. 96.38 (2008: Rs. Nil) are Secured by mortgage of Leasehold right, title, interest and benefit in respect of Leasehold Land and first 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 Trust and Retention Account, Debt Service Reserve Account and further secured by the pledge of equity shares of such subsidiaries held by the holding company along with its subsidiaries]		
[Short term loans of subsidiaries under Power Segment amounting to Rs. 5.58 (2008: 9.53) are secured by hypothecation of stocks and book debt, both present and future, and further secured by creation of a joint mortgage by deposit of title deeds in respect of immovable properties together with all plant and machinery attached to the earth]		
[Short Term loans of subsidiaries under Others Segment amounting to Rs. 2.80 (2008: Rs.Nil) are secured by way of hypothecation of Aircraft and guarantee issued by the holding company]		
Bills Discounted	83.45	-
[Secured against letters of credit issued by IDBI Bank Ltd]	80.30	114.12
Bank Overdraft		
[The facilities of the Company are secured by pledge of 2,850,000 fully paid-up equity shares of Rs.10 each of GMR Industries Limited, held by GMR Holdings Private Limited and by way of guarantee issued by GMR Holdings Private Limited]		
Total	10,660.18	6,843.83

(Rs. in Crore)

Schedule 4 UNSECURED LOANS	March 31, 2009	March 31, 2008
Short Term		
From Banks	930.21	698.05
Other than Short Term		
From Banks	0.06	10.00
Interest free loan from Government of Andhra Pradesh	315.05	315.05
Deposit from Concessionaires	31.29	23.00
From Others	87.00	87.00
Total	1,363.61	1,133.10

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Description	Gross Block – At Cost				Depreciation			Net Block		
	As at March 31, 2008	Additions	Additions on inclusion of Subsidiaries	Withdrawals	As at March 31, 2009	For the year	On Account of inclusion of Subsidiaries	On Withdrawals	As at March 31, 2009	As at March 31, 2008
Tangible Assets										
Land	14.09	69.24	23.49	-	106.82	-	-	-	-	14.09
Runways & Others	534.89	967.42	-	-	1,502.31	16.20	-	-	16.60	1,485.71
Buildings	1,089.89	740.91	-	-	1,830.80	71.05	-	-	126.96	1,703.84
Plant and Machinery	3,115.97	505.34	-	-	3,621.31	138.20	-	0.03	1,323.65	2,297.66
Office Equipment	368.90	114.20	0.07	0.46	482.71	35.51	0.01	0.14	47.28	435.43
Capitalised Software	4.27	5.82	0.04	-	10.13	1.37	-	-	2.13	8.00
Leasehold Improvements	101.26	3.16	-	-	104.42	2.02	-	-	2.77	101.65
Furniture and Fixtures	48.73	109.58	-	0.30	158.01	18.84	-	0.21	23.71	134.30
Vehicles	151.89	161.59	0.11	0.01	313.58	15.08	-	-	21.71	291.87
Intangible Assets										
Goodwill on Consolidation	388.52	196.12	-	-	584.64	-	-	-	-	584.64
Carriage Ways	672.41	1,836.68	-	-	2,509.09	55.42	-	-	203.95	2,305.14
Airport Concessionaire Rights	195.51	5.42	-	-	200.93	4.36	-	-	10.61	190.32
Sub Total	6,686.33	4,715.48	23.71	0.77	11,424.75	358.05	0.01	0.38	1,779.37	9,645.38
Assets Taken on Lease										
Office Equipment	5.39	-	-	-	5.39	1.47	-	-	1.59	3.80
Plant and Machinery	-	2.46	-	-	2.46	0.01	-	-	0.01	2.45
Sub Total	5.39	2.46	-	-	7.85	1.48	-	-	1.60	6.25
Grand Total	6,691.72	4,717.94	23.71	0.77	11,432.60	359.53	0.01	0.38	1,780.97	9,651.63
Capital work in progress (including capital advances)										
Previous year	4,140.61	2,554.29	-	3.18	6,691.72	181.42	-	0.26	1,421.81	5,269.91

Notes:

1. Fixed Assets includes foreign exchange fluctuations capitalised upto March 31, 2009 - Rs. 184.50 (2008: Rs. 24.37)
2. Buildings with a gross book value of Rs. 1,720.00 (2008: Rs. 1,006.70) are on leasehold land. Runways are on lease hold land.
3. Depreciation for the year includes Rs. 6.84 (2008 : Rs. 2.91) relating to certain consolidated entities in the project stage which is included in Schedule 6.
4. Carriage Ways are mainly Intangible Assets, being the right to operate and maintain the highways on Build, Operate and Transfer basis.
5. Additions/Deletions and depreciation for the year include the effect of regrouping/reclassification of assets.
6. The Capitalised Software have useful lives ranging from 6-7 years. Amortisation of these assets is based on straight line method.
7. Refer Note(vi) of Schedule 19 for details of foreign exchange fluctuations on long term monetary liabilities relating to acquisition of depreciable fixed assets capitalised during the year.
8. Fixed Assets includes Rs.216.58 (2008: Rs.8.59) pertaining to PSF (Security Component) balances.

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 6 EXPENDITURE DURING CONSTRUCTION PERIOD, PENDING ALLOCATION (Net)	March 31, 2009	March 31, 2008
Salaries, allowances and benefits to employees	189.55	160.14
Contribution to provident fund and others	5.17	5.37
Staff welfare expenses	8.40	10.94
Rent	37.14	23.87
Repairs and Maintenance		
Buildings	0.24	-
Others	19.33	43.14
Rates and taxes	13.43	7.20
Insurance	19.26	8.05
Consultancy and professional charges	358.21	262.65
Directors' Sitting Fees	0.12	0.18
Remuneration to auditors	0.65	0.69
Travelling and conveyance	84.76	81.09
Communication expenses	6.30	-
Wealth Tax	0.01	-
Income Tax	0.41	1.11
Fringe Benefit Tax	5.12	5.85
Depreciation	8.14	6.58
Interest on term loans	82.20	-
Interest on fixed loans	546.31	263.10
Interest - others	21.47	-
Bank/ other finance charges	112.39	98.91
Loss on sale of fixed assets (Net)	-	0.02
Miscellaneous expenses	95.89	108.60
Bidding and support services	0.76	-
Negative Grant [Refer Note 4 (vii) (b) of Schedule 19]	507.96	256.36
	(i) 2,123.22	1,343.85
Less: Other Income		
Interest income (gross)	2.91	3.09
[Tax deducted at source - Rs. 0.42 (2008: Rs. 0.12)]		
Income from current investments - Other than trade (gross)	18.20	27.13
Profit on sale of current investments - Other than Trade	0.04	0.17
Miscellaneous income	0.64	5.63
Rent received from sub lease of land	0.08	1.51
Gain/(Loss) on Exchange Fluctuations (Net)	(0.91)	1.65
Interest Received - Employees Loans	0.77	-
	(ii) 21.73	39.18
Total Expenditure during construction period, pending allocation (Net) - [(i) - (ii)]	2,101.49	1,304.67
Less: Apportioned over cost of Fixed Assets	759.28	434.87
Less: Charged to Profit and Loss Account	15.16	26.63
Total	1,327.05	843.17

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS	March 31, 2009	March 31, 2008
Long term - At Cost - Trade, Unquoted		
In Equity Shares of Companies		
GMR Chhattisgarh Energy Pvt Limited [(4,500 (2008 : Nil) Equity shares of Rs.10 each]	0.01	-
GMR Highways Private Limited # [Nil (2008: 25,000) Equity shares of Rs.10 each]]	-	0.03
Business India Publications Limited [5,000 (2008: 5,000) Equity shares of Rs.10 each]	0.06	0.06
Rampia Coal Mine and Energy Private Limited [5,217,430 (2008: 5,217,430) Equity Shares of Re. 1 each fully paid up]	0.50	0.50
Vemagiri Power Services Limited [5,000 (2008: 5,000) Equity shares of Rs.10 each]	0.01	0.01
Ujjivan Financial Services Private Limited [5,000 (2008: 5,000) Equity shares of Rs.10 each]	0.05	0.05
GMR Ferro Alloys & Industries Limited [407,329 (2008: 407,329) Equity Shares of Rs.10 each]	0.37	0.37
Idea Space Solutions [1,725 (2008:Nil) Equity Shares of Rs. 10 each]	-	-
In Equity Shares of Other Body Corporates		
Limak GMR MAHB, Turkey [2,575 (2008:Nil) Equity shares of Turkish Lira 1 each, Fully Paid up]	0.01	-
Homeland Mining & Energy SA Private Limited, South Africa [Nil (2008: 1) common shares representing 1 percent ownership interest]	-	11.89
In Preference Shares of Companies		
White Rose Finance Private Limited [Nil (2008: 150,000) Preference Shares of Rs.100 each]	-	1.50
Rushil Constructions (India) Private Limited [2,599,600 (2008:Nil) Preference Share of Rs. 100 each fully paid up]	26.00	-
In Debentures of Other Body Corporates		
GMR Holding (Malta) Limited, Malta [164,248,904 (2008:Nil) Compulsory Convertible debentures of USD 1 each, pending allotment][Refer Note 4(x)(e) of Schedule 19]	845.06	-
In Equity Shares of Other Body Corporates, Quoted @		
Homeland Energy Group Limited, Canada [75,792,027 (2008: Nil) Non - Assessable Common Shares representing 33.34 percent ownership interest]	123.77	-
	(i) 995.84	14.41
Current - Other than trade - unquoted		
(Purchased during the year)		
Mutual Funds *		
BSL Infrastructure Fund [4,723,346 (2008: Nil) units of Rs. 10 per unit]	3.50	-
Prudential ICICI Liquid Fund Super Institutional Daily Dividend [12,322,669 (2008: 557,297,607) units of Rs. 10 per unit]	16.00	507.33
UTI - Liquid Cash Plan Institutional - Daily Income Option [194,482 (2008: 7,883,928) units of Rs. 1,000 per unit]	19.82	971.64
UTI - Liquid Cash Plan Institutional [16,530,046 (2008: Nil) units of Rs. 10 per unit]	40.65	-
UTI Money Market Fund [27,666,334 (2008: Nil) units of Rs. 10 per unit]	68.09	-
Reliance Liquid Fund [996,783 (2008: Nil) units of Rs. 10 per unit]	1.53	-
SBI Insta Cash Fund Growth Option [28,207,337 (2008: Nil) units of Rs. 10 per unit]	55.36	-
Sold during the year		
Birla Sunlife Liquid Plus Fund [Nil (2008: 298,819,629) units of Rs. 10 per unit]	-	299.30
BSL Interval Income Fund [Nil (2008: 50,396,318) units of Rs. 10 per unit]	-	50.40

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS (contd.)	March 31, 2009	March 31, 2008
Birla Sunlife Dynamic Bond Fund [Nil (2008: 71,256,199) units of Rs. 10 per unit]	–	75.00
Birla Sunlife Infrastructure Fund [Nil (2008: 4,953,793) units of Rs. 10 per unit]	–	6.46
DSP Merrill Lynch Liquid Plus Fund [Nil (2008: 502,253) units of Rs. 1,000 per unit]	–	50.26
DWS Money Plus Fund [Nil (2008: 54,017,581) units of Rs. 10 per unit]	–	54.06
HDFC Floating Rate Income Fund [Nil (2008: 52,008,282) units of Rs. 10 per unit]	–	52.43
HSBC Liquid Plus Fund [Nil (2008: 89,733,525) units of Rs. 10 per unit]	–	89.94
LIC Liquid Fund Daily Dividend [Nil (2008: 31,452,681) units of Rs. 10 per unit]	–	31.59
Prudential ICICI Interval Fund - Quarterly Interval Plan [Nil (2008: 110,641,974) units of Rs. 10 per unit]	–	110.64
Prudential ICICI Fixed Maturity Plan [Nil (2008: 85,182,924) units of Rs. 10 per unit]	–	85.18
Prudential ICICI - Flexible Income Plan [Nil (2008: 29,175,596) units of Rs. 10 per unit]	–	30.85
ING Liquid Fund [Nil (2008: 451,333,620) units of Rs. 10 per unit]	–	549.27
ING Fixed Maturity Fund [Nil (2008: 25,000,000) units of Rs. 10 per unit]	–	25.00
ING Vysya Global Real Estate Fund [Nil (2008: 10,000,000) units of Rs. 10 per unit]	–	10.00
JM High Liquidity Fund [Nil (2008: 1,565,396) units of Rs. 10 per unit]	–	1.57
JM Money Manager Fund [Nil (2008: 50,658,756) units of Rs. 10 per unit]	–	50.68
JM Interval Fund - Quarterly Plan [Nil (2008: 50,000,000) units of Rs. 10 per unit]	–	50.00
Kotak Flexi Debt Fund [Nil (2008: 102,008,526) units of Rs. 10 per unit]	–	102.33
Kotak Liquid Fund [Nil (2008: 84,700,180) units of Rs. 10 per unit]	–	128.03
LIC Mutual Liquid Fund [Nil (2008: 83,973,128) units of Rs. 10 per unit]	–	92.20
LIC Mutual Liquid Plus Fund [Nil (2008: 29,676,826) units of Rs. 10 per unit]	–	29.68
Lotus India Liquid Plus Fund [Nil (2008: 77,270,552) units of Rs. 10 per unit]	–	77.39
Principal Floating Rate Fund [Nil (2008: 98,742,856) units of Rs. 10 per unit]	–	98.87
Reliance Fixed Horizon Fund [Nil (2008: 50,000,000) units of Rs. 10 per unit]	–	50.00
Reliance Liquidity Fund [996,784 (2008: 442,550) units of Rs. 1,000 per unit]	–	44.30
Principal Fund Fixed Maturity Plan [Nil (2008: 10,000,000) units of Rs. 10 per unit]	–	10.00

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS (contd.)	March 31, 2009	March 31, 2008
Reliance Liquid Fund - Daily Dividend Option [Nil (2008: 219,136,522) units of Rs. 10 per unit]	–	224.15
TATA Dynamic Bond Fund [Nil (2008: 98,352,594) units of Rs. 10 per unit]	–	100.00
TATA Floater Fund [Nil (2008: 78,596,175) units of Rs. 10 per unit]	–	78.88
Tata Fixed Horizon Fund [Nil (2008: 25,000,000) units of Rs. 10 per unit]	–	25.19
TATA Liquid Super High Investment Fund [Nil (2008: 453,186) units of Rs. 1000 per unit]	–	50.51
UTI Fixed Maturity Plan [Nil (2008: 125,206,873) units of Rs. 10 per unit]	–	125.20
UTI - Fixed Income Interval Fund [Nil (2008: 100,398,256) units of Rs. 10 per unit]	–	100.40
ABN Amro Flexible Short Term Plan - Quarterly Dividend [Nil (2008: 10,000,000) units of Rs. 10 per unit]	–	10.00
ABN Amro Interval Fund - Quarterly Plan H Interval Dividend [Nil (2008: 30,000,000) units of Rs. 10 per unit]	–	30.00
Standard Chartered Fixed Maturity Plan [Nil (2008: 10,270,940) units of Rs. 10 per unit]	–	10.27
SBI Liquid Fund [Nil (2008: 174,502,798) units of Rs. 10 per unit]	–	175.08
Principal Cash Management Liquid Fund [Nil (2008: 25,873,606) units of Rs. 10 per unit]	–	25.88
AIG India Liquid Fund [Nil (2008: 549,946) units of Rs. 1,000 per unit]	–	55.04
UTI Liquid Plus Fund Institutional Plan [Nil (2008: 689,125) units of Rs. 1,000 per unit]	–	68.93
Bonds *		
9.20% Central bank of India Bonds [Nil (2008: 50) Bonds of Rs.1,000,000 each]	–	5.00
8.95% Central bank of India Bonds [Nil (2008:100) Bonds of Rs. 1,000,000 each]	–	10.00
	(ii)	
	204.95	4,828.93
Other than Trade - Quoted		
Government Securities**		
6.35% Government of India 2020 [1,500,000 (2008: 1,500,000) units of Rs. 100 per unit]	14.10	13.01
6.05% Government of India 2019 [500,000 (2008: 500,000) units of Rs. 100 per unit]	4.64	4.26
5.59% Government of India 2016 [1 (2008: 1) unit of Rs. 10.00 Crore per unit]	8.83	8.83
7.38% Government of India 2015 [1 (2008: 1) unit of Rs. 10.00 Crore per unit]	10.45	10.45
7.46% Government of India 2017 [1 (2008: 5) unit of Rs. 1.00 Crore per unit]	1.04	4.91
Certificate of Deposits***		
State Bank of India [5,000 (2008: Nil) units of Rs. 100,000 per unit]	48.27	–
	(iii)	
	87.33	41.46

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS (contd.)	March 31, 2009	March 31, 2008
Equity Shares****		
Purchased during the year		
Federal Bank Limited	5.03	0.04
[218,959 (2008: 950) shares of Rs.10 each, fully paid up]		
ING Vysya Bank Limited	4.81	2.56
[384,910 (2008: 282,810) shares of Rs. 10 each, fully paid up]		
Karur Vysya Bank Limited	1.24	1.24
[80,000 (2008: 80,000) shares of Rs. 10 each]		
Kasturi Foods Limited	0.02	0.02
[15,000 (2008: 15,000) shares of Rs. 10 each]		
Brigade Enterprises Limited	4.66	–
[274,746 (2008: Nil) shares of Rs. 10 each, fully paid up]		
Gokaldas Exports Limited	0.91	–
[50,000 (2008: Nil) shares of Rs.5 each, fully paid up]		
Kalyani Steels Limited	0.55	–
[25,000 (2008: Nil) shares of Rs.10 each, fully paid up]		
Noida Toll Bridge	1.03	–
[250,000 (2008: Nil) shares of Rs. 10 each, fully paid up]		
Oil & Natural Gas Corporation Limited	0.30	–
[4,431 (2008: Nil) shares of Rs.10 each, fully paid up]		
Hindustan Petroleum Corporation Limited	0.20	–
[7,676 (2008: Nil) shares of Rs. 10 each, fully paid up]		
ITC Limited	0.13	–
[7,751 (2008: Nil) shares of Rs. 1 each, fully paid up]		
HDFC Bank Limited	0.12	–
[1,335 (2008: Nil) shares of Rs.10 each, fully paid up]		
Housing Development Finance Corporation Limited	0.28	0.50
[1,817 (2008: 2,114) shares of Rs.10 each, fully paid up]		
KEC International Limited	0.10	0.27
[5,425 (2008: 4,128) shares of Rs.10 each, fully paid up]		
Rural Electrification Corporation Limited	0.10	–
[13,952 (2008: Nil) shares of Rs. 10 each, fully paid up]		
Mcleod Russel India Limited	0.09	–
[18,019 (2008: Nil) shares of Rs. 5 each, fully paid up]		
Bharati Airtel Limited	0.08	–
[1,417 (2008: Nil) shares of Rs. 10 each, fully paid up]		
United Phosphorous Limited	0.08	–
[7,199 (2008: Nil) shares of Rs. 2 each, fully paid up]		
Mphasis BFL Limited	0.04	–
[1,577 (2008: Nil) shares of Rs. 10 each, fully paid up]		
Reliance Communications Limited	3.75	–
[75,000 (2008: Nil) shares of Rs. 5 each fully paid up]		
Reliance Industries Limited	0.37	0.65
[2,898 (2008: 2,863) shares of Rs.10 each, fully paid up]		
Siemens Limited	1.16	–
[27,546 (2008: Nil) shares of Rs 2 each fully paid up]		
Sterlite Industries Limited	1.47	–
[22,776 (2008: Nil) shares of Rs. 10 each fully paid up]		
UTV Software Communications Limited	0.77	–
[10,000 (2008: Nil) shares of Rs. 10 each fully paid up]		
NTPC Limited	1.64	–
[98,000 (2008: Nil) shares of Rs.10 each, fully paid up]		
Transformers & Rectifiers Limited	0.02	0.02
[500 (2008: 500) shares of Rs. 10 each, fully paid up]		

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS (contd.)	March 31, 2009	March 31, 2008
Sold during the year		
Webtel-SI-Energy Systems Limited [Nil (2008: 16,042) shares of Rs.10 each, fully paid up]	–	0.40
Akruthi city Limited [Nil (2008: 5,000) shares of Rs. 10 each fully paid up]	–	0.39
Development Credit Bank Limited [Nil (2008: 15,000) shares of Rs. 10 each fully paid up]	–	0.13
Edelweiss Securities Limited [Nil (2008: 8,000) shares of Rs. 10 each fully paid up]	–	0.66
ICRA Limited [Nil (2008: 10,000) shares of Rs. 10 each, fully paid up]	–	0.66
Kotak Bank Limited [Nil (2008: 5,000) shares of Rs. 10 each]	–	0.31
Ramco Industries Limited [Nil (2008: 21,221) shares of Rs 10 each fully paid up]	–	1.56
Suraj Diamonds Limited [Nil (2008: 50,000) shares of Rs. 10 each, fully paid up]	–	0.30
AIA Engineering Limited [Nil (2008: 2,442) shares of Rs.10 each, fully paid up]	–	0.37
BASF India Limited [Nil (2008:13,462) shares of Rs.10 each, fully paid up]	–	0.26
Bharath Earth Movers Limited [Nil (2008: 3,916) shares of Rs.10 each, fully paid up]	–	0.39
Container Corporation of India Limited [Nil (2008: 2,301) shares of Rs.10 each, fully paid up]	–	0.40
Coromandel Fertilisers Limited [Nil (2008: 24,952) shares of Rs. 2 each, fully paid up]	–	0.29
Crompton Greaves Limited [Nil (2008: 12,084) shares of Rs. 2 each, fully paid up]	–	0.33
Great Offshore Limited [Nil (2008: 4,666) shares of Rs.10 each, fully paid up]	–	0.30
Hindustan Dorr Oliver Limited [Nil (2008: 27,826) shares of Rs. 2 each, fully paid up]	–	0.26
ICICI Bank Limited [Nil (2008: 5,665) shares of Rs.10 each, fully paid up]	–	0.44
Larsen and Turbo Limited [Nil (2008: 2,350) shares of Rs. 2 each, fully paid up]	–	0.71
Moser Baer (I) Limited [Nil (2008: 14,153) shares of Rs.10 each, fully paid up]	–	0.22
Navin Flourine International Limited [Nil (2008: 12,369) shares of Rs.10 each, fully paid up]	–	0.27
Reliance Energy Limited [Nil (2008: 2,259) shares of Rs.10 each, fully paid up]	–	0.28
Welspun Gujarat Stahl Rohren Limited [Nil (2008: 7,354) shares of Rs. 5 each, fully paid up]	–	0.28
Gammon India Limited [Nil (2008: 9,404) shares of Rs. 2 each, fully paid up]	–	0.36
Less: Provision for diminution in the value of Investments	(6.57)	(0.47)
	(iv) 22.38	14.40

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 7 INVESTMENTS (contd.)	March 31, 2009	March 31, 2008
Other than Trade - Un Quoted		
Equity Shares		
Sai Rayalaseema Paper Mills Limited [323,210 (2008: 323,210) shares of Rs.10 each, fully paid up]	0.39	0.39
(v)	0.39	0.39
Total (i)+(ii)+(iii)+(iv)+(v)	1,310.89	4,899.59

Notes:

* Aggregate Net Asset Value of Mutual Funds and Bonds - Rs. 205.13 (2008: Rs. 4,830.42)

** Aggregate Market value of Government Securities - Rs. 39.92 (2008: Rs. 41.46)

*** Aggregate Market Value of Certificate of Deposits - Rs. 48.27 (2008: Nil)

**** Aggregate Market Value of short term quoted equity shares - Rs. 23.62 (2008: Rs. 14.40)

@ Aggregate Market Value of Long term quoted equity shares - Rs.74.41 (2008: Rs.Nil)

Considered as Subsidiary in the Current Financial year

[Investments include Rs.Nil (2008: Rs.104.34) on account of PSF (Security Component) balances]

(Rs. in Crore)

Schedule 8 INVENTORIES	March 31, 2009	March 31, 2008
(at lower of cost and net realisable value)		
Stores and spares	33.35	14.62
Raw Materials	89.48	23.41
Finished Goods - Traded Fuel Stock	9.05	-
Total	131.88	38.03

(Rs. in Crore)

Schedule 9 SUNDRY DEBTORS	March 31, 2009	March 31, 2008
(Trade, unless otherwise stated)		
Debts outstanding for a period exceeding six months:		
Unsecured - considered good	83.73	53.00
Unsecured - considered doubtful	44.07	20.95
Less Provision for doubtful debts	(44.07)	(20.95)
	83.73	53.00
Other debts:		
Unsecured - considered good*	564.84	371.68
Unsecured - considered doubtful	3.83	14.66
Less Provision for doubtful debts	(3.83)	(14.66)
	564.84	371.68
Unsecured - other than trade - considered good	12.34	5.89
Total	660.91	430.57

* includes unbilled revenue amounting to Rs. 206.39 (2008: Rs 187.32)

[Debtors include Rs. 27.61 (2008: Rs.28.83) on account of PSF (Security Component) balances]

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 10 CASH AND BANK BALANCES	March 31, 2009	March 31, 2008
Cash and Cheques on hand	1.08	0.29
Balances with scheduled banks		
On Current Account - Balance of unutilised monies raised by way of IPO	–	0.02
On Current accounts - Others*	239.92	273.63
On Deposit accounts**	1,882.50	557.14
On Unpaid Dividend Accounts	3.66	–
On Margin Money***	85.22	39.85
Balances with banks other than scheduled banks		
On Current accounts	235.68	23.56
On Deposit accounts	18.46	–
Total	2,466.52	894.49

* Balances in Current Accounts with Scheduled banks include Rs. 1.22 (2008: Rs. Nil) on account of PSF (Security Component) balances.

**1. Balances in Deposit Accounts with Scheduled banks include Rs. 78.14 (2008:Rs. 32.21) on account of PSF (Security Component) balances.

2. Balances in Deposit Accounts includes deposit of Rs.65 (2008:Rs.Nil) pledged in favour of debenture holders.

***1. Includes Rs. Nil (2008: Rs. 6.54) out of balance of unutilised monies raised by way of IPO.

2.The margin money are towards letters of credit and bank guarantees issued by the bankers on behalf of the Company.

(Rs. in Crore)

Schedule 11 OTHER CURRENT ASSETS	March 31, 2009	March 31, 2008
(Unsecured and Considered Good)		
Interest accrued but not due on deposits	16.84	5.21
Claims receivable	0.87	0.59
Grant receivable from authorities	0.04	0.04
Total	17.75	5.84

(Rs. in Crore)

Schedule 12 LOANS AND ADVANCES	March 31, 2009	March 31, 2008
(Unsecured and considered good, unless otherwise stated)		
Loans to Employees	1.44	1.25
Advance towards share application money	28.62	1.40
Loans to Others	181.98	–
Advances recoverable in cash or in kind or for value to be received		
Considered Good	486.13	294.90
Considered doubtful	6.43	0.43
Less: Provision for doubtful advances	(6.43)	(0.43)
Deposit with Government Authorities	113.23	111.30
Deposits with others *	313.30	57.77
Balances with customs, excise, etc.,	56.68	76.15
Advance tax (net of provision)	65.94	42.29
MAT Credit entitlement	13.91	13.91
Total	1,261.23	598.97

* includes Rs.164.67 (2008: Rs. Nil) deposited with a bank towards security by way of participation amount against a loan granted to a subsidiary company.

[Loans & Advances includes Rs.43.38 (2008:Rs.20.49) pertaining to PSF (Security Component) balances]

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2009

(Rs. in Crore)

Schedule 13 CURRENT LIABILITIES AND PROVISIONS	March 31, 2009	March 31, 2008
a) Liabilities		
Sundry Creditors		
Dues to micro and small enterprises [Refer Note 4 (x)(d) of schedule 19]	-	2.62
Dues to other than micro and small enterprises	848.33	786.15
	848.33	788.77
Book overdraft	9.62	48.20
Share Application Money refunds - not claimed	0.05	0.07
Advances/Deposits from customers/concessionaires	357.41	112.32
Retention Money	161.59	120.56
Negative Grant / Utilisation fee payable	306.96	-
Other liabilities	190.08	243.07
Interest accrued but not due on loans	12.43	9.76
	1,886.47	1,322.75
b) Provisions		
Dividend distribution tax	-	0.13
Provision for Wealth Tax	0.07	-
Provision for employee benefits	7.64	4.57
Provision for Debenture Redemption Premium	23.82	-
Provision for Operations and Maintenance (net of advances) [Refer Note 4 (xv) of Schedule 19]	46.69	83.46
	78.22	88.16
Total	1,964.69	1,410.91

[Liabilities includes Rs.161.77 (2008:Rs.33.26) pertaining to PSF (Security Component) balances]

Schedules forming part of the Consolidated Profit and Loss account for the year ended March 31, 2009

(Rs. in Crore)

Schedule 14 SALES AND OPERATING INCOME	March 31, 2009	March 31, 2008
Power		
Income from sale of electrical energy*	2,012.87	1,578.17
Less: Prompt Payment Rebate	46.97	36.97
Income from management and other services	169.31	-
	2,135.21	1,541.20
Roads		
Annuity income from expressways	141.38	139.62
Toll income from expressways	10.52	-
Income from variation works - Expressways	-	0.08
	151.90	139.70
Airports		
Aeronautical	581.34	323.80
Non - Aeronautical**	828.42	348.79
Cargo Operations	253.45	203.96
	1,663.21	876.55
Others		
Income from Management and Other Services	46.09	30.65
Construction Revenue	304.17	-
Interest Income (gross)	61.22	19.30
[Tax deducted at source - Rs. 8.79 (2008: Rs. 0.84)]		
Dividend Income on current investments (other than trade) (gross)	109.26	79.25
Profit on Sale of Current Investments (Other than Trade)	5.13	11.26
[Net of Loss on sale of Investments of Rs. 0.08 (2008: Rs. 19.89)]		
	525.87	140.46
Total	4,476.19	2,697.91

* Includes Rs. 138.60 (2008: Rs. Nil) from energy trading operations.

** Includes Rs. 209.08 (2008: Rs. Nil) from fuel trading operations.

Schedules forming part of the Consolidated Profit and Loss account for the year ended March 31, 2009

(Rs. in Crore)

Schedule 15 OTHER INCOME	March 31, 2009	March 31, 2008
Income from current investments- other than trade (gross)	13.91	19.59
Liabilities/Provisions no longer required, written back	1.79	12.91
Gain on account of foreign exchange fluctuations (net)	-	15.80
Profit on sale of current investments [Net of loss on sale of investments of Rs. 9.97 (2008:Rs.0.89)]	0.22	14.93
Miscellaneous income	5.45	6.52
Total	21.37	69.75

(Rs. in Crore)

Schedule 16 GENERATION AND OPERATING EXPENSES	March 31, 2009	March 31, 2008
Consumption of fuel and lubricants	1,356.02	1,031.26
Purchase of Traded Goods		
Cost of Power Purchased for re-sale	129.88	-
Cost of Jet Fuel Purchased for re-sale	209.38	-
Operations and maintenance	121.41	75.51
[Net of claims relating to earlier years and warranty claims - Rs. Nil (2008 : Rs. 0.61) and includes stores and spare parts consumed Rs. 20.13 (2008 : Rs. 13.87)]		
Cost of variation works	-	0.07
Airport operator fee	27.29	18.14
Cost of material for Construction Activity	204.61	-
Cargo handling charges	17.56	14.24
Insurance	9.24	4.09
Technical consultancy fee	11.48	5.66
Salaries, allowances and benefits to employees	34.54	2.06
Contribution to provident fund and others	0.13	0.08
Electricity and water charges	53.60	23.86
Repairs and maintenance:		
Plant and machinery (net of claims)	36.66	0.35
Buildings	26.89	19.10
Others	41.11	18.56
Lease rentals [net of sub-lease rentals - Rs. 0.28 (2008: Rs 0.28)]	6.49	8.25
Others	5.35	8.51
	2,291.64	1,229.74
(Increase) / Decrease in Stock in Trade:		
Stock as at April 1,		
Traded Fuel Stock	-	-
Less: Stock as at March 31,		
Traded Fuel Stock	9.05	-
(Increase) / Decrease in Stock in Trade	(9.05)	-
Total	2,282.59	1,229.74

Schedules forming part of the Consolidated Profit and Loss account for the year ended March 31, 2009

(Rs. in Crore)

Schedule 17 ADMINISTRATION AND OTHER EXPENSES	March 31, 2009	March 31, 2008
Salaries, allowances and benefits to employees	189.57	82.60
Operation support cost paid to Airports Authority of India	115.34	108.05
Contribution to Provident and other funds	9.89	5.88
Staff welfare expenses	25.68	12.64
Rent	32.73	19.37
Repairs and maintenance		
Buildings	0.04	0.08
Others	1.87	0.76
Rates and taxes	13.92	3.65
Insurance	8.10	8.28
Consultancy and other professional charges	121.58	56.14
Directors' Sitting Fee	0.51	0.46
Electricity charges	1.41	1.62
Remuneration to auditors	1.27	1.03
Advertisement	13.53	22.46
Travelling and Conveyance	24.67	37.01
Communication expenses	9.00	3.87
Printing and Stationary	4.76	3.64
Provision for doubtful advances and debtors	17.83	17.52
Provision for diminution in value of investments	5.98	6.66
Donations	6.62	17.39
Loss on account of foreign exchange fluctuations (net)	0.20	-
Bad Debts written off	-	5.73
Loss on sale of fixed assets	0.08	0.68
Miscellaneous expenses	65.26	51.02
Total	669.84	466.54

(Rs. in Crore)

Schedule 18 INTEREST AND FINANCE CHARGES	March 31, 2009	March 31, 2008
Interest on term loans (Net)	444.44	184.70
Less: Interest income on deposits (Gross)	(96.67)	(42.22)
[Tax deducted at source - Rs. 17.78 (2008: Rs. 9.97)]		
Interest - others	5.29	3.25
Bank and other finance charges	15.14	22.98
Total	368.20	168.71

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts

1. DESCRIPTION OF BUSINESS

GMR Infrastructure Limited ('GIL' or 'the Company') and its consolidated subsidiaries, an associate and Joint Ventures (hereinafter collectively referred to as Group) are mainly engaged in generation of power, development of expressways, airport infrastructure facilities and special economic zones. GIL is a holding company with its investments mainly within the group companies. It is also involved in the development of the infrastructure and other projects as mentioned above.

Power business

Certain entities of the Group are involved in the generation of power. These are separate special purposes vehicles formed which have entered into Power Purchase Agreements with the electricity distribution companies of the respective state governments either on Memorandum of Understanding basis or on bid basis. Certain entities of the Group are involved in energy trading activities.

Airport Infrastructure Business

Certain entities of the Group are engaged in development of airport infrastructure i.e the Greenfield International Airport at Hyderabad on build, own, operate and transfer basis along with a consortium of sponsors like Airport Authority of India, State Government of Andhra Pradesh and Malaysian Airport Holdings Berhad under concessionaire agreement and the operations and modernization of Delhi Airport as a joint venture between the Group and Airports Authority of India and operations and modernisation of Sabiha Gokcen International Airport in Turkey as a joint venture with Limak and Malaysian Airport Holdings Berhad.

Development of Expressways

Certain entities of the Group are engaged in development of expressways on build, operate and transfer basis. These are special purpose vehicles which have entered into concessionaire agreements with National Highways Authority of India for carrying out these projects.

2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include accounts of GMR Infrastructure Limited ('the Company') and its subsidiaries, an associate and joint ventures. Subsidiary undertakings are those companies in which GIL, directly or indirectly, has an interest of more than one half of voting power or otherwise has power to exercise control over the operations. Subsidiaries are consolidated from the date on which effective control is transferred to the Group till the date such control ceases. The consolidated financial statements are prepared in accordance with historical cost convention and to comply in all material aspects with the applicable accounting principles in India, the accounting standards notified under Sub-section (3C) of Section 211 of the Companies Act, 1956 of India ("The Act") and other relevant provisions of the Act.

All inter-company transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated.

Investments in the Associates have been accounted in these consolidated statements as per Accounting Standard 23 on Accounting for Investments in Associates in Consolidated Financial Statements. Investments in associate companies which have been made for temporary purposes have not been considered for consolidation.

Investments in the Joint Ventures have been accounted in the consolidated statements as per Accounting Standard 27 on Financial Reporting of Interests in Joint Ventures.

The Companies considered in the consolidated financial statements in each of the years are listed below:

Name of the Company	Country of Incorporation	Relationship	Percentage of Ownership Interest (Directly and Indirectly)	
			March 31, 2009	March 31, 2008
GMR Energy Limited (GEL)	India	Subsidiary	100.00%	100.00%
GMR Power Corporation Private Limited (GPCPL)	India	Subsidiary	51.00%	51.00%
Vemagiri Power Generation Limited (VPGL)	India	Subsidiary	100.00%	100.00%
GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Subsidiary	100.00%	100.00%
Badrinath Hydro Power Generation Private Limited (BHPGL)	India	Subsidiary	100.00%	-
GMR Mining & Energy Private Limited (GMEL)	India	Subsidiary	89.00%	89.00%
GMR Kamalanga Energy Limited (GKEL)	India	Subsidiary	100.00%	100.00%
GMR Energy Trading Limited (GETL)	India	Subsidiary	51.00%	51.00%
GMR Consulting Engineers Private Limited (GCEL)	India	Subsidiary	100.00%	100.00%
GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary	100.00%	-
GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Subsidiary	100.00%	-

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Name of the Company	Country of Incorporation	Relationship	Percentage of Ownership Interest (Directly and Indirectly)	
			March 31, 2009	March 31, 2008
GMR Chhattisgarh Energy Private Limited (GCHEPL)	India	Associate	45.00%	–
GMR Londa Hydropower Private Limited (GLHPL)	India	Subsidiary	100.00%	–
Londa Hydropower Private Limited (LHPL)	India	Subsidiary	100.00%	–
Himal Hydro Power Co. Private Limited (HHPCL)	Nepal	Subsidiary	80.00%	80.00%
GMR Upper Karnali Hydropower Limited (GUKHL)	Nepal	Subsidiary	50.50%	–
GMR Energy (Mauritius) Limited (GEML)	Mauritius	Subsidiary	100.00%	100.00%
GMR Lion Energy Limited (GLEL)	Mauritius	Subsidiary	69.18%	–
GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	100.00%	–
GMR Energy (Netherlands) B.V. (GEN BV)	Netherlands	Subsidiary	100.00%	–
PT Dwikarya Sejati Utma (PT DSU)	Indonesia	Subsidiary	100.00%	–
PT Duta Sarana Internusa (PT DSI)	Indonesia	Subsidiary	100.00%	–
PT Barasentosa Lestari (PTBSL)	Indonesia	Subsidiary	100.00%	–
GMR Highways Private Limited (GHIPL)	India	Subsidiary	100.00%	50.00%
GMR Tambaram-Tindivanam Expressways Private Limited (GTTEPL)	India	Subsidiary	60.77%	60.77%
GMR Tuni-Anakapalli Expressways Private Limited (GTAEPL)	India	Subsidiary	60.77%	60.77%
GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	100.00%	100.00%
GMR Jadcherla Expressways Private Limited (GJEPL)	India	Subsidiary	100.00%	100.00%
GMR Pochanpalli Expressways Private Limited (GPEPL)	India	Subsidiary	100.00%	100.00%
GMR Ulundurpet Expressways Private Limited (GUEPL)	India	Subsidiary	100.00%	100.00%
GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary	63.00%	63.00%
Gateways For India Airports Private Limited (GFIAPL)	India	Subsidiary	86.49%	86.49%
Hyderabad Menzies Air Cargo Private Limited (HMACPL)	India	Subsidiary	32.13%	32.13%
Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary	63.00%	63.00%
GMR Hyderabad Airport Resource Management Limited (GHARML)	India	Subsidiary	63.00%	63.00%
GMR Hyderabad Aerotropolis Private Limited (GHAPL)	India	Subsidiary	63.00%	63.00%
GMR Hyderabad Aviation SEZ Limited (GHASL)*	India	Subsidiary	63.00%	–
GMR Hyderabad Multiproduct SEZ Limited (GHMSL)*	India	Subsidiary	63.00%	–
GMR Airport Handling Services Limited (GAHSL)	India	Subsidiary	63.00%	–
Delhi International Airport Private Limited (DIAL)	India	Subsidiary	50.10%	50.10%
DIAL Cargo Private Limited (DCPL)	India	Subsidiary	50.10%	50.10%
Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary	50.10%	50.10%
East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Subsidiary	40.08%	–
GVL Investments Private Limited (GVL)	India	Subsidiary	100.00%	100.00%
GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%
GMR Krishnagiri SEZ Limited (GKSEZL)	India	Subsidiary	100.00%	100.00%
Advika Real Estate Private Limited (AREPL)	India	Subsidiary	100.00%	–
Aklima Real Estates Private Limited (AKREPL)	India	Subsidiary	100.00%	–
Amartya Real Estates Private Limited (AMREPL)	India	Subsidiary	100.00%	–
Baruni Real Estates Private Limited (BREPL)	India	Subsidiary	100.00%	–
Camelia Real Estates Private Limited (CREPL)	India	Subsidiary	100.00%	–
Eila Real Estate Private Limited (EREPL)	India	Subsidiary	100.00%	–
Gerbera Estates Private Limited (GEPL)	India	Subsidiary	100.00%	–
Hiral Real Estates Private Limited (HREPL)	India	Subsidiary	100.00%	–

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Name of the Company	Country of Incorporation	Relationship	Percentage of Ownership Interest (Directly and Indirectly)	
			March 31, 2009	March 31, 2008
Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	–
Idika Real Estate Private Limited (IREPL)	India	Subsidiary	100.00%	–
Krishnapriya Real Estates Private Limited (KREPL)	India	Subsidiary	100.00%	–
Nadira Real Estate Private Limited (NREPL)	India	Subsidiary	100.00%	–
Purnachandra Real Estates Private Limited (PREPL)	India	Subsidiary	100.00%	–
Shreyadita Real Estate Private Limited (SHREPL)	India	Subsidiary	100.00%	–
Sreepa Real Estates Private Limited (SREPL)	India	Subsidiary	100.00%	–
GMR Oil and Natural Gas Private Limited (GONGPL)	India	Subsidiary	100.00%	–
GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%
GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%
GMR Infrastructure Overseas Sociedad Limitada (Spain) (GIOSL)	Spain	Subsidiary	100.00%	100.00%
GMR Infrastructure (UK) Limited (GIUKL)	United Kingdom	Subsidiary	100.00%	–
GMR International Limited, Malta (GILM)	Malta	Subsidiary	100.00%	–
Istanbul Sabiha Gokcen Uluslararası Havalimani Yatırım Yapım Ve İşletme Anonim Şirketi (ISG)	Turkey	Joint Venture	40.00%	40.00%
Istanbul Sabiha Gokcen Uluslararası Havalimani Yer Hizmetleri Anonim Şirketi (SGH)	Turkey	Joint Venture	29.00%	–
Limak GMR Construction JV (LGCJV)	Turkey	Joint Venture	50.00%	–
GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	–
GMR Energy (Global) Limited (GEGE)	Isle of Man	Subsidiary	100.00%	–
GMR Infra (Singapore) PTE Limited (GISPL)	Singapore	Subsidiary	100.00%	–

* As at December 31, 2008

3 SIGNIFICANT ACCOUNTING POLICIES - GROUP CORPORATE POLICIES

i. REVENUE RECOGNITION

In case of power generating companies, revenue from sale of energy is recognised on accrual basis in accordance with the provisions of the Power Purchase Agreement (PPA) and includes unbilled revenue accrued upto the end of the accounting year and in other cases revenue is recognised in accordance with billings made to consumers based on the units of energy delivered.

Claims for delayed payment charges and any other claims, which the company is entitled to under the Power Purchase Agreement, on grounds of prudence, are accounted for in the year of acceptance. The PPA provides for payment of fixed tariff based on cumulative availability of plant and also the fuel cost at a predetermined station heat rate.

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

Insurance claims are accounted on finalization and acceptance.

In case of companies involved in construction and maintenance of roads, toll revenue from operation is recognized on receipt basis and in annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the Concessionaire Agreement entered into with National Highways Authority of India ('NHAI'). Claims raised on NHAI under Concessionaire Agreement, on grounds of prudence, are accounted for in the year of acceptance.

In case of airport infrastructure companies, revenue is recognised on 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 Cargo Operations is recognized at the point of departure for exports and at the point when goods are cleared in case of imports.

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. Construction Costs are recognised as expenses in the year in which they are incurred. Provision is made for all losses incurred to the Balance Sheet date plus any further losses that are foreseen in bringing contracts to completion.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Dividend income on investments is accounted for when the right to receive the payment is established. Interest on Investments and bank deposits are booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Expenditure including pre-operative and other incidental expenses incurred by the Company on behalf of the projects that are in the process of commissioning, being recoverable from the respective special purpose vehicles/subsidiaries created or to be created by the Company for carrying out these projects, are not charged to the Profit and Loss Account and are treated as advances to special purpose vehicles/ subsidiaries.

ii. ANNUAL FEE/CONCESSION FEE

In case of airport infrastructure companies, the annual fee computed as a percentage of revenues, pursuant to the terms and conditions of the Operations, Maintenance and Development Agreement (OMDA) is recognised as a charge in the Profit and Loss Account.

iii. OPERATIONS AND MAINTENANCE

Power generating companies have entered into a Long Term Service Agreement (LTSA) for maintenance of the main plant, Operations and Maintenance Agreement for regular and major maintenance and Long Term Assured Parts Supply Agreement (LTAPSA) for supply of parts for planned and unplanned maintenance over the term of the agreement. Amounts payable under the agreements are charged to the Profit and Loss Account based on actual factored fired hours of the Gas Turbines during the period on the basis of average factored hour cost including Customs Duty applicable at the current prevailing rate. Periodical minimum payments are accounted as and when due.

Operations and Maintenance Agreements have been entered by certain subsidiary companies for operations, regular and major maintenance of the Carriageways. Amounts payable under such agreements are charged to the Profit and Loss Account on accrual basis.

iv. FIXED ASSETS

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its working condition. Assets under installation or under construction as at the balance sheet date are shown as Capital Work in Progress.

Assets under construction and the related advances as at the Balance Sheet date are shown as Capital Work in Progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for its intended use or sale. Other borrowing costs not attributable to the acquisition of any capital asset or investments are recognised as expenses in the period in which they are incurred.

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

Intangible Assets

- a. In case of airport infrastructure companies, amounts in the nature of upfront fee and other costs paid to Airports Authority of India (AAI) pursuant to the terms and conditions of the OMDA are recognised as Intangible assets and the carrying amounts of such assets are reviewed at each balance sheet date to assess whether they are carried in excess of their recoverable amount.
- b. Carriage ways representing commercial rights in relation to toll roads to collect toll fee and in the case of annuity based projects has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the toll roads on build, operate and transfer basis. It includes all direct material, labor and sub-contracting costs, inward freight, duties, taxes and any directly attributable expenditure on making the Commercial right ready for its intended use.

v. DEPRECIATION

Tangible Assets

The Group provides depreciation on fixed assets, other than those specifically stated below, on straight line method at the rates specified under Schedule XIV to the Companies Act, 1956 except for assets costing less than Rs. 5,000, which are fully depreciated in the year of acquisition. Leasehold improvements are amortised over the period of the lease or estimated useful life whichever is shorter. Depreciation on adjustments to the historical cost of the assets on account of foreign exchange fluctuations is provided prospectively over the residual useful life of the asset.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term or at the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Overseas subsidiaries and Joint venture companies provide depreciation based on estimated useful life of the assets as determined by such subsidiaries/joint ventures.

Intangible Assets

Intangible assets representing upfront fees and other payments made to Airports Authority of India pursuant to the terms and conditions of OMDA are amortized over the period of the respective Concessionaire Agreements.

In the case of Carriage ways, depreciation of toll roads and amortisation of land use rights in relation to toll roads are calculated to write off their cost on an units-of-usage basis whereby depreciation and amortisation are provided based on the proportion of actual traffic volume for a particular period over the total projected traffic volume throughout the periods within which the company is granted the rights to operate those roads. Additional allowance of depreciation and amortisation will be provided to account for such reduction in traffic volume. It is the company's policy to review regularly the total projected traffic volume throughout the operating periods of respective toll roads. Based on Independent professional traffic study performed, appropriate adjustments will be made should there be a material change in the projected traffic volume.

Intangible Assets representing Carriage Ways from annuity based projects are amortized over the period of the respective Concessionaire Agreements on a straight line basis.

vi. INVESTMENTS

Long term investments are carried at cost less provision made to recognize any decline, other than temporary, in the value of such investments. Current investments are valued at cost or market value whichever is lower. Cost of acquisition is inclusive of expenditure incidental to acquisition. Income from investments is recognised in the year in which it is accrued and stated at gross.

Gains/losses, on investment in futures, both equity and index, being the difference between the contracted rate and the rate on the settlement or sale date, whichever is earlier, are recognised in the Profit and Loss Account on settlement/sale. The open contracts as at the year-end are marked-to-market and the resultant loss, if any, is charged to the Profit and Loss Account.

(vii) INVENTORIES

Inventories are valued at lower of cost or net realisable value. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

viii. RETIREMENT BENEFITS

a. Defined Contribution Plans

Contributions paid/payable to defined contribution plans comprising of provident fund and pension fund are charged on accrual basis.

The Company also has a defined contribution superannuation plan (under a scheme of Life Insurance Corporation of India) covering all its employees and contributions in respect of such scheme are charged on accrual basis in the Profit and Loss Account. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

b. Defined Benefit Plan

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India and contributions in respect of such scheme are recognised in the Profit and Loss Account. The liability as at the Balance Sheet date is provided for based on the actuarial valuation in accordance with the requirements of revised AS 15 as at the end of the year.

c. Other Long term employee benefits

Other Long term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation carried out in accordance with revised AS 15 as at the end of the year.

d. Short term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on the expected obligation on an undiscounted basis.

ix. FOREIGN CURRENCY TRANSACTIONS

All foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant gain /loss is recognized in the financial statements. The original cost of fixed assets acquired through foreign currency borrowings at the end of each financial year is adjusted for any change in liability arising out of expressing the outstanding foreign currency loan at the rate of exchange prevailing at the date of balance sheet.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Long term foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange differences are accumulated in a foreign currency monetary item translation difference account and amortized over the balance period of such long term asset/liability but not beyond March 31, 2011.

In case of forward exchange contracts or any financial instruments not intended for trading or speculation, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of the contract.

In respect of non-integral foreign operations, the assets and liabilities, both monetary and non-monetary are translated at the closing rates and the income and expenses are translated at the dates of the transaction and all the resulting exchange differences are accumulated in foreign exchange fluctuation reserve until the disposal of the investment.

x. EARNINGS PER SHARE

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise of the net profit after tax less dividend (including dividend distribution tax) on preference shares. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of shares and potentially dilutive shares are adjusted for bonus shares issued.

xi. GOVERNMENT GRANTS

Government grants in the nature of capital subsidy are treated as Capital Reserve.

xii. TAXES ON INCOME

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

Minimum Alternate tax (MAT) paid in accordance to the tax laws, which give rise to the future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

4. NOTES TO THE CONSOLIDATED ACCOUNTS

(i) a. Contingent Liabilities

(Rs. in Crore)

Particulars	As at March 31, 2009	As at March 31, 2008
Corporate guarantees	7,100.10	62.50
Claims against companies not acknowledged as debts	0.01	-
Matters relating to income tax under dispute	0.03	3.24
Matters relating to water cess under dispute	-	1.68
Matters relating to custom duty under dispute	90.45	4.60

b. In case of DIAL, the Airports Authority of India, w.e.f. June 1, 2007 has claimed service tax on the annual fee payable to them considering the same as rental income from immoveable property. DIAL has disputed the grounds of the levy as well as liability arising out of it under provisions of the Operation, Management and Development Agreement (OMDA). As the matter is under dispute and pending with Hon'ble High Court of Delhi, the impact of the same, if any has not been considered.

c. In case of DIAL, the Company has received a provisional demand of Rs. 233.11 Crore from Airports Authority of India (AAI) on account of reimbursement of voluntary retirement compensation, payable upon expiry of the operational support period on May 2, 2009. Pending acceptance and determination of the claim, the same has not been considered in the financial statements. Any payment towards the settlement of the claim will be recognised as an intangible asset and amortised over the period of Airport concession rights.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

(ii) Capital Commitments

(Rs. in Crore)

Particulars	As at March 31, 2009	As at March 31, 2008
Estimated value of contracts remaining to be executed on capital amount, not provided for (net of advances)	8,666.16	5,528.93

iii. Equity Shares

- Pursuant to the decision of the shareholders of the Company at the Extra Ordinary General Meeting held on November 26, 2007, 165,238,088 equity shares of face value of Rs. 2 each have been allotted to Qualified Institutional Buyers at a premium of Rs. 238 per share on December 12, 2007 and received an amount of Rs. 3,965.71 Crore. The net proceeds after the issue expenses will be utilized towards capital expenditure for various projects under development (either directly or through our subsidiaries, joint ventures or affiliates), general corporate purposes including working capital and strategic initiatives and acquisitions in India and abroad. Pending utilization for the purposes described above the balance of funds has been invested in Fixed Deposits and Mutual funds.
- Pursuant to the decision of the shareholders of the Company at the Extra Ordinary General Meeting held on February 28, 2006, 38,136,980 equity shares of face value of Rs. 10 each have been allotted by way of Initial Public Offer (IPO) on August 17, 2006 and August 24, 2006. The details of funds received and their utilisation up to March 31, 2009 are given below:

(Rs. in Crore)

Particulars	March 31, 2009	March 31, 2008
Funds received		
Equity Share Capital	38.14	38.14
Share Premium (Refer Note (a) below)	756.78	756.78
Interest on delayed payment of call money	0.06	0.06
Less: Calls unpaid	–	0.02
Total	794.98	794.96
Utilisation of Funds		
Investment in Subsidiary Companies (including Share Application Money, pending allotment) – Refer Note (b) below	519.50	509.95
Repayment of Unsecured Loans	55.00	55.00
Payment to GMR Holdings Private Limited and GMR Operations Private Limited for acquisition of equity shares of GVL Investments Private Limited	155.86	155.86
Expenses incurred towards the IPO	64.62	64.59
Deposit with Bombay Stock Exchange (BSE)	–	3.00
Margin Money towards Bank Guarantee issued to BSE	–	6.54
Total Utilisation	794.98	794.94
Balance of unutilised monies out of IPO, details of which are given below:		
Amount lying in current accounts	–	0.02
Total	–	0.02

Notes:

- In case of 5,669,425 equity shares allotted to the retail investors' category, a discount of five percent on the issue price was given in accordance with the terms of the Company's prospectus dated August 7, 2006.
- Represent investment made directly by the company, through its subsidiary companies and by way of repayment of loans taken for the purpose of investment in subsidiary companies.

iv. Reserves and Surplus

- GHIAL has received a grant of Rs. 107.00 Crore from Government of Andhra Pradesh towards Advance Development Fund Grant, as per the State Support Agreement. This is in the nature of financial support for the project, and the Group's share amounting to Rs. 67.41 Crore has been included in Schedule 2- Reserves and Surplus.
- GAPL purchased the aircraft division of GMR Industries Ltd under slump sale on October 01, 2008 for a purchase consideration of Rs. 29.00 Crore on a going concern basis and the transaction was concluded during the year. Accordingly, an amount of Rs. 3.41 Crore being the excess of net value of the assets acquired (based on a valuation report) over the purchase consideration has been recognized as capital reserve.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

v. Secured Loans

In case of GTTEPL and GTAEPL, the Secured Loans as at March 31, 2009 are in the nature of advances received towards the assignment of future Annuity/Receivables under the Concession Agreement with National Highway Authority of India and are further secured by way of mortgage of all the present and future immovable fixed assets of the company and by way of hypothecation over the movable fixed assets.

vi. Foreign Currency Transactions

The Ministry of Corporate Affairs, Government of India has vide its Notification No GSR 225(E) dated March 31, 2009 has announced Companies Accounting Standards (Amendment) Rules 2009 prescribing changes to Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates'.

The Group has, pursuant to the adoption of such principles of Companies (Accounting Standards) Amendment Rules 2009, exercised the option of recognising the exchange differences arising on reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable fixed assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of a depreciable asset as below:

- a. Exchange differences amounting to Rs.20.40 Crore hitherto recognized as income in the Profit and Loss Account in respect of the financial year ended March 31, 2008, has now been adjusted to the cost of assets by carrying out a corresponding adjustment of Rs. 18.19 Crore against the opening balance of Profit and Loss Account and Rs.2.21 Crore against the opening balance of Minority Interest.
- b. An amount of Rs. 180.53 Crore being the exchange loss arising in the financial year ended March 31, 2009 has now been added to the cost of the depreciable assets. Such exchange fluctuation differences were previously recognized in the Profit and Loss Account.
- c. An amount of Rs. 9.28 Crore, being the exchange gain on other long term monetary assets arising in the financial year ended March 31, 2009 has now been accumulated in a Foreign Currency Monetary Item Translation Difference Account and is amortised over the balance period of such long term monetary asset in the Profit and Loss Account. The unamortised balance as at March 31, 2009 amounts to Rs. 6.87 Crore. Such exchange fluctuation differences were previously recognised in the Profit and Loss Account. This change in accounting policy has resulted in a decrease in the current year's Profit by Rs. 6.87 Crore.

vii. Expenditure during construction period, pending allocation (Net)

- a. In respect of Companies in construction stage, no Profit and Loss Account has been drawn up. All expenditure incurred (net of income earned) during the construction stage are grouped and disclosed under 'Expenditure during construction period, pending allocation (Net)' in Schedule 6.
- b. In accordance with the terms of the concession agreements entered into with National Highways Authority of India (NHAI) by GACEPL, GJEPL and GUEPL, dated November 16, 2005, February 20, 2006 and April 19, 2006 respectively, the Companies have an obligation to pay an amount of Rs. 507.96 Crore by way of Negative Grant to NHAI and accordingly paid an aggregate amount of Rs. 256.36 Crore till March 31, 2009 towards Negative Grant to NHAI. The entire value of negative grant is shown under Expenditure incurred During Construction Period Pending Allocation (Net) in Schedule 6. The balance amount payable over the concession period has been included in Schedule 13.

viii. Sundry Debtors

- a. In case of GPCPL, claims/counterclaims arising out of the Power Purchase Agreement and Land Lease Agreement in respect of the dues recoverable from Tamil Nadu Electricity Board (TNEB) on account of Sale of Energy including reimbursement towards Interest on Working Capital and Minimum Alternate Tax and payment of land lease rentals to TNEB respectively are pending settlement/reconciliation. The management is confident of recovering these amounts.
- b. In case of GEL, the Government of Karnataka vide its Order No.EN 540 NCE 2008 dated January 1, 2009 (Order) invoked Section 11 of the Electricity Act, 2003 and directed the company to supply power to the State Grid for the period January 1, 2009 to May 31, 2009 at a specified rate. The company had an existing contract with a buyer till 31st January, 2009 at a selling rate higher than such specified rate and, as such, filed a petition before the Hon'ble High Court of Karnataka challenging the Order. Revenue recognition in respect of power supplied for the month of January 2009 has been made in the books as per the original contracted rate, based on a legal opinion obtained by the trading entity and pending disposal of the matter at an appropriate court of law. The differential revenue, as such recognized in the books, amounts to Rs. 44.04 Crore.

In the interim, as per the directions of the Hon'ble High Court of Karnataka, Karnataka Electricity Regulatory Commission, being the appropriate authority for determination of tariff, has recommended a higher bandwidth of tariff than the specified rate in the Order. However, revenue recognition for the months of February and March, 2009, has been made, on a prudent basis, as per the rate specified in the Order. Accordingly, the differential amount of Rs. 45.12 Crore not been recognized in the books as revenue.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

ix. Operating Income

In case of airport infrastructure companies, the passenger service fee charged from the departing passengers have two components viz Facilitation Component and Security Component. In accordance with the various government orders issued from time to time, the passenger service fee collections are held by the Company in fiduciary capacity on behalf of Government of India and are deposited in an escrow account utilized for meeting the security related expenses.

A summary of the passenger service fee balances are given below:

(Rs. in Crore)				
Description	March 31, 2009		March 31, 2008	
Passenger Service fee (Security Component)	195.99		151.44	
Interest and other income	12.61	208.60	11.99	163.43
Less: Expenses		164.64		79.30
Net Income		43.96		84.13
Surplus brought forward		161.20		77.07
Total		205.16		161.20
Fixed Assets(Net)		216.58		8.59
Investments		-		104.34
Receivables		27.61		28.83
Other Assets		43.38		20.49
Cash and Bank balance in Escrow Account		79.36		32.21
		366.93		194.46
Less: Other Liabilities		161.77		33.26
Total		205.16		161.20

x. Others

- Depreciation / Amortization for the year includes Rs. 37.14 Crore towards amortization of Utilisation fee payable by an overseas joint venture entity.
- Pursuant to the expiry of the power purchase agreement with Karnataka Power Transmission Corporation Limited on June 8, 2008, GEL is currently generating and exporting power to consumers based on short term power supply agreements. The company is also exploring various alternate business opportunities for the power plant.
- GHAL has declared commercial operations on March 23, 2008 and accordingly, the Runways, Buildings, Plant and Machinery etc have been capitalised as on that date. Out of the total 'Expenditure during construction period, pending allocation (Net)' as at that date amounting to Rs. 436.90 Crore, an amount of Rs. 410.29 Crore directly identifiable to the cost of construction has been apportioned over the cost of the fixed assets and the remaining amount of Rs. 26.61 Crore has been charged to the Profit and Loss Account under the relevant heads of account (included in Schedule 16) during the year ended on March 31, 2008.
- There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2009. This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.
- The Company, through its step-down subsidiary, GMR Energy Global Limited, has entered into necessary arrangements to acquire 50% equity stake in Intergen NV by means of Compulsory Convertible Debentures (CCD). The Company has also given a corporate guarantee up to a maximum of USD 1.38 billion to the lenders on behalf of a fellow subsidiary to enable it to raise debt for financing the aforesaid acquisition. Intergen NV is a global energy company, which operates 8086 MW capacity across five countries in four continents and is further developing 4686 MW. The financial results of Intergen NV have not been considered in the consolidated results of the Company pending conversion of such CCDs.
- In case of HMACPL, during the year, there were delays in filing of statutory forms under Foreign Exchange Management Act, 1999 to Reserve Bank of India with respect to inward remittance of foreign currency towards Share Capital application monies, intimation of allotment of shares to a Non-resident shareholder. Further, the amount for which the shares were not allotted is yet to be refunded.
- HMACPL, had declared preference dividend on January 16, 2009 amounting to Rs.1.62 Crore, equity dividends on October 14, 2008 and January 16, 2009 amounting to Rs.1.02 Crore and Rs.1.02 Crore respectively. The Company deposited the unpaid dividend to

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

“Unpaid Dividend Account”. However, there have been delays in remittance of preference dividend amounting to Rs.0.002 Crore and Equity Dividend amounting to Rs.1.04 Crore to the Holding Company (GHIAL) which is not in conformity with the requirements of Section 207 of the Companies Act, 1956. Since Foreign Direct Investment has not been taken on record by Reserve Bank of India, Preference Dividend of Rs. 1.62 Crore and Equity Dividend of Rs. 1.00 Crore have not been remitted to a Non-resident shareholder.

xi. Effective April 1, 2007, the Company has adopted the Accounting Standard 15 (Revised) on “Employee Benefits” issued by the Institute of Chartered Accountants of India. Pursuant to the adoption, the transitional obligation of the Company amounting to Rs. 0.51 Crore has been adjusted against the opening balance of the revenue reserves during the financial year ended March 31, 2008.

Defined benefit plan

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognized in the Balance Sheet and Profit and Loss Account.

Particulars	(Rs. in Crore)	
	Year Ended March 31,	
	2009	2008
Projected Benefit Obligation at the beginning of the year	2.87	2.41
Current Service cost	1.74	1.18
Interest Cost	0.20	0.19
Actuarial Loss / (Gain)	(0.53)	(0.62)
Benefits Paid	(0.05)	0.28
Projected Benefit Obligation at the end of the year	4.24	2.87
Amounts Recognized in the Balance Sheet		
Projected Benefit Obligation at the end of the year	4.25	2.87
Fair Value of Plan assets at the end of the year	5.58	3.30
Funded Status of Plan - (Asset) / Liability	(1.33)	(0.42)
(Asset) / Liability recognized in the Balance Sheet	(1.33)	(0.42)
Cost for the Year		
Current Service Cost	1.74	1.18
Interest Cost	0.20	0.19
Expected Return on Plan Assets	(0.34)	(0.13)
Net Actuarial (Gain)/Loss recognized in the year	(0.53)	(0.62)
Net Cost	1.07	0.63
Assumptions		
Discount Rate	7%	8%
Estimated Rate of Return on Plan Assets	8%	8%
Expected Rate of salary increase	6%	6%
Attrition Rate	5%	5%

Leave encashment liability provided based on actuarial valuation amounting to Rs. 4.58 Crore (2008: Rs.2.73 Crore) as at March 31, 2009.

xii. Leases

a. Finance Lease

The group has also entered into two finance lease arrangements with regard to a computer server and a steam turbine generator for a period of 4 years and 5 years respectively. The lease has a primary period, which is fixed and non-cancelable. The company has an option to renew the lease for a further period of 1 year. 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.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

(Rs. in Crore)

Particulars	Minimum Lease	Present Value of	Minimum Lease	Present Value of
	Payment	Minimum Lease	Payment	Minimum Lease
	As at	As at	As at	As at
	March 31, 2009	March 31, 2009	March 31, 2008	March 31, 2008
(i) Payable not later than 1 year	1.66	1.56	1.31	1.24
(ii) Payable later than 1 year and not later than 5 years	3.34	2.67	3.28	2.69
(iii) Later than 5 years	–	–	–	–
Total – (i)+(ii)+(iii) = (iv)	5.00	4.23	4.59	3.93
Less: Future finance charges (v)	0.77	–	0.66	–
Present Value of Minimum Lease Payments [(iv) – (v)]	4.23	–	3.93	–

b. Operating Leases

The Group has entered into certain cancelable operating lease agreements mainly for office premises and certain non-cancelable operating lease agreements. The lease rentals charged during the year (included in Schedule 6, 16 and 17) and the maximum obligation on the long term non-cancelable operating lease payable as per the agreement are as follows:

(Rs. in Crore)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Lease rentals under cancelable leases	34.47	28.50
Lease rentals under non-cancelable leases	3.07	3.49
Obligations on non-cancelable leases		
Not later than one year	5.38	–
Later than one year and not later than five years	21.68	–

xiii. Earnings Per Share (EPS)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Nominal Value of Equity Shares (Rs. per Share) [Refer Note – (c) below]	2	2
Total number of Equity Shares outstanding at the beginning of the year	1,820,658,088	1,655,420,000
Add: Issue of Equity Shares through (QIP)	–	165,238,088
Total number of Equity Shares outstanding at the end of the year	1,820,658,088	1,820,658,088
Weighted average number of Equity Shares outstanding at the end of the year	1,820,649,979	1,705,071,192
Net Profit after tax (Rs. in Crore)	279.45	210.08
EPS – Basic and Diluted (Rs.)	1.53	1.23

Notes:

- As at March 31, 2009, Rs. 2,750 (2008: Rs. 11,625) was receivable towards Equity Shares and for the computation of weighted average number of Equity Shares outstanding at the end of the year, these have been considered as partly paid-up shares.
- Since the company did not have any dilutive securities, the basic and diluted earnings per share are the same.
- Pursuant to the approval for the subdivision of the equity shares of the Company in the Annual General Meeting held on August 30, 2007, each equity share carrying a face value Rs. 10 each has been subdivided into 5 equity shares of Rs. 2 each on October 8, 2007, being the record date. Accordingly, the weighted average number of shares for both the current and corresponding previous periods has been adjusted to reflect such subdivision while calculating the earnings per share.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

xiv. Deferred Tax

Deferred Tax (Asset) / Liability comprises mainly of the following as at March 31,

(Rs. in Crore)

Sl. No.	Particulars	2009		2008	
		Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability
1	Depreciation	-	245.21	-	83.30
2	Preliminary Expenses	-	-	0.32	-
3	Other 43B disallowances	0.29	-	0.13	-
4	Carry forward losses	110.44	-	40.35	-
5	Carry forward depreciation	104.74	-	-	-
6	Others	10.59	-	-	-
	Total	226.06	245.21	40.80	83.30
	Deferred Tax (Asset) / Liability (Net)		19.15		42.50

- In case of GEL and VPGL, deferred tax asset to the extent not reversing within the tax holiday period of the Company has not been recognised on the grounds of prudence in view of the management's assessment of future profitability of these companies.
- In case of GPCPL, GTAEPL and GTTEPL, as the timing differences are originating and reversing within the tax holiday period of the Company under the provisions of section 80-IA of the Income Tax Act, 1961, deferred tax has not been recognised by these Companies.
- In case of PT BSL, deferred tax asset has not been recognised on the grounds of prudence in view of the management's assessment of future profitability.
- GHIAL has recognized deferred tax asset on unabsorbed depreciation and carried forward losses as at March 31, 2009, on the basis of prudence, only to the extent of deferred tax liability on depreciation as at March 31, 2009, after considering the timing differences originating on or before the balance sheet date and not reversing within the tax holiday period. Accordingly, there is no impact on the Profit and Loss Account for the current year.

xv. Provisions

(Rs. in Crore)

Particulars	As at	Provision made	Amount used	As at
	April 01, 2008	during the year	during the year	March 31, 2009
Provision for operations and maintenance	83.46	12.42	49.19	46.69
	(77.84)	(10.10)	(4.48)	(83.46)

Note: Previous year figures are mentioned in brackets.

xvi. Information on Joint Ventures as per Accounting Standard – 27

Name	Country of Incorporation	Percentage of Ownership interest (Directly and Indirectly) as at March 31, 2009	Percentage of Ownership interest (Directly and Indirectly) as at March 31, 2008
Istanbul Sahiba Gokcen Uluslararası Havalimani Yatirim Yapim Ve Isletme Anoni Sirketi (ISG)	Turkey	40%	40%
Istanbul Sahiba Gokcen Uluslararası Havalimani Yer Hizmetleri Anonim Sirketi (SGH)	Turkey	29%	-
Limak GMR Construction JV (LGCJV)	Turkey	50%	-

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

The Company's aggregate share of each of the assets, liabilities, income and expenses etc (each after elimination of, the effect of transactions between the Company and the joint ventures) related to its interests in the above joint ventures, based on the audited financial statements are as follows:

(Rs. in Crore)		
Particulars	March 31,2009	March 31,2008
I. Assets		
1. Fixed Assets	23.67	0.34
2. Capital Work-in-Progress	420.00	-
3. Expenditure During Construction Period, pending allocation (Net)	80.42	1.55
4. Deferred Tax (Net)	6.92	-
5. Current Assets, Loans and Advances		
a) Inventories	30.49	-
b) Sundry Debtors	97.51	-
c) Cash and Bank Balances	101.06	21.16
d) Other Current Assets	0.25	-
e) Loans and Advances	229.62	0.32
II. Liabilities		
1. Secured Loans	545.86	-
2. Unsecured Loans	0.06	-
3. Deferred Tax (Net)	-	0.02
4. Current Liabilities and Provisions		
- Liabilities	289.63	0.40
III. Income		
1. Sales	592.27	-
2. Other Income	0.08	-
IV. Expenses		
1. Operating Expenses	443.71	-
2. Administration and other expenses	62.58	-
3. Depreciation	41.93	-
4. Interest and Finance Charges	(0.79)	-
5. Provision for Taxation (including Deferred Taxation)	15.77	-
V. Other Matters		
1. Capital Commitments	208.58	
2. Operating Lease rentals under Cancelable leases	1.97	
3. Reserves as at April 1,	-	-
Add: Group Share of Profits for the year	29.16	-
Reserves as at March 31,	29.16	-

xvii. Segment Reporting:

- The segment report of GIL and its consolidated subsidiaries and associate (the Group) has been prepared in accordance with AS 17 "Segment Reporting" as referred to Sub-section (3C) of Section 211 of the Companies Act, 1956 of India.
- The corporate strategy of the Group aims at creating multiple drivers of growth anchored on its core competencies. The Group is currently focused on four business groups: Power, Roads, Airport Infrastructure and Others. The Group's organizational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
- The Group's activities are predominantly within India. The Company has three geographic segments: India, Rest of Asia and Rest of the World. Significant portion of the segment assets are in India. Revenue from geographic segments based on domicile of the customers is outlined below.
- For the purpose of reporting, business segments are primary segments and the geographic segment is a secondary segment.

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

e. The various business segments comprise of the following companies:

Sl. No.	Segment	Name of the Company
1.	Power	GMR Energy Limited
		Vemagiri Power Generation Limited
		GMR Power Corporation Private Limited
		GMR Energy (Mauritius) Limited
		GMR Mining & Energy Private Limited
		Himtal Hydro Power Co. Private Limited
		GMR Consulting Engineers Private Limited
		GMR Energy Trading Limited
		GMR Kamalanga Energy Limited
		GMR (Badrinath) Hydro Power Generation Private Limited
		Badrinath Hydro Power Generation Private Limited
		GMR Coastal Energy Private Limited
		GMR Bajoli Holi Hydropower Private Limited
		GMR Chhattisgarh Energy Private Limited
		GMR Upper Karnali Hydropower Public Limited
		GMR Londa Hydropower Private Limited
		Londa Hydropower Private Limited
		GMR Lion Energy Limited
		GMR Energy (Netherlands) B.V.
		GMR Energy (Cyprus) Limited
GMR Energy (Global) Limited		
2.	Roads	PT Dwikarya Sejati Utma
		PT Duta Sarana Internusa
		PT Barasentosa Lestari
		GMR Pochanpalli Expressways Private Limited
		GMR Jadcherla Expressways Private Limited
		GMR Ambala Chandigarh Expressways Private Limited
		GMR Tambaram-Tindivanam Expressways Private Limited
		GMR Tuni-Anakapalli Expressways Private Limited
		GMR Highways Private Limited
		GMR Ulundurpet Expressways Private Limited
3.	Airport Infrastructure	GMR Hyderabad International Airport Limited
		Hyderabad Airport Security Services Limited
		GMR Hyderabad Airport Resource Management Limited
		Hyderabad Menzies Air Cargo Private Limited
		GMR Hyderabad Multiproduct SEZ Limited
		GMR Hyderabad Aviation SEZ Limited
		GMR Airport Handling Services Limited
		Gateways For India Airports Private Limited
		Istanbul Sabiha Gokcen Uluslararası Havalimanı Yatırım Yapım Ve İşletme Şirketi
		Istanbul Sabiha Gokcen Uluslararası Havalimanı Yer Hizmetleri Anonim Şirketi
4.	Others	Delhi International Airport Private Limited
		DIAL Cargo Private Limited
		GMR Infrastructure Limited
		GVL Investments Private Limited
		GMR Krishnagiri SEZ Limited
GMR Aviation Private Limited		

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Sl. No.	Segment	Name of the Company
		GMR Oil and Natural Gas Private Limited
		GMR Infrastructure (Mauritius) Limited
		Advika Real Estate Private Limited
		Aklima Real Estates Private Limited
		Amartya Real Estates Private Limited
		Baruni Real Estates Private Limited
		Camelia Real Estates Private Limited
		Eila Real Estate Private Limited
		Gerbera Estates Private Limited
		Hiral Real Estates Private Limited
		Honeysuckle Properties Private Limited
		Idika Real Estate Private Limited
		Krishnapriya Real Estates Private Limited
		Nadira Real Estate Private Limited
		Prakalpa Properties Private Limited
		Purnachandra Real Estates Private Limited
		Shreyadita Real Estate Private Limited
		Sreepa Real Estates Private Limited
		GMR Infrastructure (Global) Limited
		GMR Infrastructure (Cyprus) Limited
		GMR Infrastructure Overseas Sociedad Limitada (Spain)
		Limak GMR Construction JV
		GMR Infrastructure (UK) Limited
		GMR Infra (Singapore) PTE Limited
		GMR International (Malta) Limited
		Delhi Aerotropolis Private Limited
		GMR Hyderabad Aerotropolis Private Limited
		East Delhi Waste Processing Company Private Limited

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

Note (xvii) (f) : The details of Segment information is given below

Business Segments	Power		Roads		Airports		Others		Inter Segment		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenue												
Revenue from Customers	2,135.21	1,541.20	151.90	139.70	1,206.24	473.42	525.87	140.46	-	-	4,019.22	2,294.78
Inter Segment Revenue	3.50	-	-	-	-	-	30.45	7.06	(33.95)	(7.06)	-	-
Total Revenues	2,138.71	1,541.20	151.90	139.70	1,206.24	473.42	556.32	147.52	(33.95)	(7.06)	4,019.22	2,294.78
Operating Expenses	1,538.30	1,107.56	18.37	12.60	507.92	104.65	221.50	8.43	(3.50)	(3.50)	2,282.59	1,229.74
Depreciation/Amortisation	117.21	117.44	55.69	44.26	207.75	11.89	9.18	4.92	-	-	389.83	178.51
Segment Operating Profit/(Loss)	483.20	316.20	77.84	82.84	490.57	356.88	325.64	134.17	(30.45)	(3.56)	1,346.80	886.53
Interest Income/(Expense) - net	(95.49)	(106.51)	(39.23)	(27.35)	(203.47)	(2.41)	(32.16)	(32.44)	2.15	-	(368.20)	(168.71)
Other Income/(Expense) - net	(72.42)	(45.02)	(6.82)	(13.45)	(476.57)	(326.11)	(120.96)	(15.77)	28.30	3.56	(648.47)	(396.79)
Profit / (Loss) before Tax	315.29	164.67	31.79	42.04	(189.47)	28.36	172.52	85.96	-	-	330.13	321.03
Taxation												
Current Tax	27.81	17.17	5.40	4.75	3.25	-	33.64	4.13	-	-	70.10	26.05
Deferred Tax	-	-	-	-	(19.53)	29.00	(3.59)	(0.96)	-	-	(23.12)	28.04
Fringe Benefit Tax	0.53	1.28	0.15	0.11	4.31	2.74	1.05	0.16	-	-	6.04	4.29
Net Profit/(Loss) for the year	286.95	146.22	26.24	37.18	(177.50)	(3.38)	141.42	82.63	-	-	277.11	262.65
Other Information												
Segment Assets	5,115.03	2,602.94	3,870.95	2,463.72	11,130.72	7,160.48	6,878.74	6,879.37	(4,703.70)	(2,446.37)	22,291.74	16,660.14
Capital Expenditure	725.84	145.71	1,386.64	950.67	4,634.23	3,868.01	262.35	203.29	-	-	7,009.06	5,167.68
Depreciation / Amortisation	117.21	117.44	55.69	44.26	207.75	11.89	9.18	4.92	-	-	389.83	178.51
Segment Liabilities	2,086.43	1,485.52	3,167.23	1,997.33	8,113.32	5,369.24	950.18	621.64	(328.68)	(85.89)	13,988.48	9,387.84

Revenue from Customers in respect of Airports for the year ended March 31, 2009 is net of annual fees to Airports Authority of India, amounting to Rs. 456.97 Crore (2008 - Rs. 403.13 Crore)

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

The Company has three geographic segments : India, Rest of Asia and Rest of the World. Significant portion of the segment assets are in India.

Revenue from geographic segments based on domicile of the customers is outlined below:

(Rs. in Crore)

Revenue - Geography	Year ended March 31,	
	2009	2008
India	3,255.78	2,294.78
Rest of Asia	594.12	–
Rest of the World	169.32	–
Total	4,019.22	2,294.78

Total Assets from geographic segments is outlined below:

(Rs. in Crore)

Assets - Geography	As at March 31,	
	2009	2008
India	20,221.69	16,636.77
Rest of Asia	846.75	23.37
Rest of the World	1,223.30	–
Total	22,291.74	16,660.14

xviii. Related Party Transactions

a. Names of related parties and description of relationship:

Sl. No.	Relationship	Name of the Parties
(i)	Holding Company	GMR Holdings Private Limited (GHPL)
(ii)	Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate / Joint Venture Enterprises exercising significant influence over the Subsidiary companies.	Airports Authority of India (AAI) Malaysia Airports Holdings Berhad (MAHB) Government of Andhra Pradesh (GoAP) Fraport AG Frankfurt Airport Services Worldwide (FAG) Malaysia Airports (Mauritius) Private Limited (MAMP) U E Development India Private Limited (UEDI) India Development Fund (IDF) Istanbul Sabiha Gokcen Uluslararası Havalimanı Yatırım Yapım Ve İşletme Anonim Şirketi (ISG) Menzies Aviation cargo (hyd) Limited (MACHL) Limak İnşaat San. Ve Tic. A.Ş (LISVT) SELCO International Limited. (SIL) Odeon Limited (ODL) GMR Chhattisgarh Energy Private Limited (GCHEPL)
(iii)	Enterprises where key managerial personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF) Lobelia Properties Private Limited (LPPL)
(iv)	Fellow Subsidiary	GMR Industries Limited (GIDL) Raxa Security Services Limited (RSSL) GMR Properties Private Limited (GPPL) GMR Projects Private Limited (GMRPPL) GMR Highways Private Limited (GMRHPL) GMR Sports Private Limited (GSPL) GMR Holding (Malta) Limited (GHML)
(v)	Key Management Personnel	Mr. G.M.Rao Mr. G.B.S.Raju Mr. Kiran Kumar Grandhi Mr. B.V.Nageswara Rao Mr. Srinivas Bommidala Mr. O.Bangaru Raju

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

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

(Rs. in Crore)		
Nature of transaction	2009	2008
Purchase of equity shares		
- Holding Company	0.03	0.99
Share Application Money paid and allotted		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	-	21.96
Share Application Money received and allotted		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	-	249.50
Share Application Money paid and refunded		
-Fellow Subsidiary	-	1.39
Share Application Money Received		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	662.64	314.60
Share application money refunded		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	41.63	-
- Holding Company	-	0.06
Unsecured Loans repaid		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	5.23	-
- Holding Company	-	2.21
Fixed Assets Purchased		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	0.02	-
Fixed Assets Sold		
-Key Management Personnel	0.05	-
-Fellow Subsidiary	0.01	-
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	0.09	-
Purchase of Aircraft Division		
-Fellow Subsidiary	29.00	-
Interest on unsecured loans		
- Holding Company	-	0.02
Redemption of preference shares		
- Enterprises where significant influence exists	-	47.82
Rent Paid		
- Fellow Subsidiary	9.12	12.84
Unsecured Loan taken		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	-	26.00
Operation and Maintenance Services		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	-	11.52
Remuneration		
-Key Management Personnel	14.39	20.45
Donations		
- Enterprises where key managerial personnel and their relatives exercise significant influence	5.03	12.27

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

b. Summary of transactions with the above related parties is as follows:		
	(Rs. in Crore)	
Nature of transaction	2009	2008
Security Services Rendered		
- Fellow Subsidiary	9.16	7.39
Aircraft Usage Charges received		
- Fellow Subsidiary	2.62	-
Aircraft Usage Charges		
- Fellow Subsidiary	5.94	20.30
Services Received		
- Fellow Subsidiary	0.83	-
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/ Joint Venture	0.26	0.24
Fees received for services rendered		
- Fellow Subsidiary	169.31	15.50
Capital expenditure towards Engineering, Procurement and Construction contract (including mobilization advance)		
- Fellow Subsidiary	974.44	783.23
Rent Deposit Paid		
- Fellow Subsidiary	-	6.19
Rent Deposit Refunded		
- Fellow Subsidiary	6.18	1.96
Logo License Fee		
- Holding Company	5.39	-
Preference shares allotted		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	18.00	-
Management Fee		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	6.80	-
Interest on Sub - debt		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	0.26	-
Annual Fee		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	456.97	402.71
Operation Support Cost		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	125.33	83.65
Dividend declared - Equity		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	1.00	-
Dividend declared - Preference		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	1.62	-
Capital Work in Progress		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	-	4.54

Notes forming part of the Consolidated Accounts

Schedule 19 | Statement on Significant Accounting Policies and Notes to the Consolidated Accounts (contd.)

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

Nature of transaction	(Rs. in Crore)	
	2009	2008
Unsecured Loans given		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	177.92	-
Share Application Money Paid		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	27.50	-
Aviation Services availed		
- Fellow Subsidiary	2.25	-
Airport Operators Agreement		
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	35.63	28.01
Balance Payable /(Recoverable)		
- Holding Company	0.48	-
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	25.66	50.31
- Shareholders' having substantial interest/ Enterprises in respect of which the reporting enterprise is an associate/Joint Venture	(177.99)	-
- Fellow Subsidiary	15.88	(23.01)
- Fellow Subsidiary	(1.86)	(94.04)
- Key management personnel	2.21	8.53

Notes:

- a. The Company has provided securities by way of pledge of investments for loans taken by certain companies.
 - b. Certain Key Management Personnel have extended personal guarantees as security towards borrowings of the Company and other bodies corporate. Similarly the holding company has pledged certain shares held in the Company and other bodies corporate as security towards the borrowings of the Company.
 - c. Transactions and outstanding balances in the nature of reimbursement of expenses incurred by one company on behalf of the other have not been considered above.
- xix. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

For and on behalf of the Board of Directors

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A.Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P.Sunderarajan
Company Secretary

GMR Infrastructure Limited

Consolidated Cash Flow Statement for the year ended March 31, 2009

(Rs. in Crore)

	March 31, 2009	March 31, 2008
A. CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before taxation	330.13	321.03
Adjustments for :		
Depreciation	389.83	178.51
Provision for diminution in value of investments	5.98	6.66
Provisions no longer required, written back	(1.79)	(12.91)
(Profit)/Loss from sale of current investments (net)	(0.22)	(14.93)
(Profit)/Loss from sale/write off of fixed assets (net)	0.08	0.68
Provision for doubtful advances/claims/debts etc.	17.83	17.52
Exchange differences on translation of Subsidiaries/Joint Ventures	96.10	0.18
Income from investments	(13.91)	(19.59)
Dividend Income	(109.26)	(79.25)
Interest income	(61.22)	(19.30)
Interest and Finance charges	368.20	168.71
Bad Debts Written off	-	5.73
Operating Profit Before Working Capital Changes	1,021.75	553.04
Adjustments for :		
Inventories	(93.85)	(7.62)
(Increase)/Decrease in Trade and other receivables	(886.78)	(394.51)
Increase/(Decrease) in Trade Payables	433.20	259.64
Cash generated from/(used in) operations	(547.43)	(142.49)
Direct taxes paid (including fringe benefit tax)	(99.79)	(61.15)
Net Cash from /(Used in) Operating Activities	374.53	349.40
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
(Purchase)/Sale of fixed assets (net)	(6,584.15)	(4,795.44)
(Purchase) / Sale of investments (net)	3,386.82	(4,628.91)
Income from investments	13.91	19.59
Interest received	49.31	23.21
Dividend received	109.26	79.25
Net Cash from/(used in) Investing Activities	(3,024.85)	(9,302.30)

GMR Infrastructure Limited

Consolidated Cash Flow Statement for the year ended March 31, 2009

	(Rs. in Crore)	
	March 31, 2009	March 31, 2008
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Issue of equity shares (including share premium) (Refer Note 2 below)	-	3,902.10
Issue of common stock in consolidated entities (including share application money)	698.06	533.95
Proceeds/(Repayments) from/of Borrowings (Net)	3,866.33	4,270.41
Interest and Finance charges paid	(341.71)	(159.06)
Dividend paid (including dividend distribution tax)	(0.33)	(0.05)
Net Cash from/(used in) Financing Activities	4,222.35	8,547.35
Net increase/(decrease) in Cash and Cash Equivalents	1,572.03	(405.55)
Cash and Cash Equivalents as at April 1,	894.49	1,300.04
Cash and Cash Equivalents as at March 31,	2,466.52	894.49

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as referred to in Section 211(3C) of the Companies Act, 1956.
2. Represents amount received towards issue of Equity Shares under Qualified Institutional Placement for the year ended March 31, 2008, net of issue expenses.
3. Cash and cash equivalents as at March 31, 2009 include restricted Cash and Bank balance amounting to Rs. 88.88 (2008: Rs 39.85).
4. Cash and Cash Equivalents as at March 31, 2009 includes Rs.79.36 (2008: Rs.32.21) on account of PSF (Security Component) balance [Refer Note 4 (ix) of Schedule 19].
5. Previous periods figures have been regrouped and reclassified to conform to those of the current year.

This is the Consolidated Cash Flow referred to in our report of even date.

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087
For and on behalf of
Price Waterhouse
Chartered Accountants

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A. Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P.Sounderarajan
Company Secretary