

**INDEPENDENT AUDITOR'S REPORT**

To the Members of GMR Airport Developers Limited

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of GMR Airport Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively known as "Ind AS Financial Statements").

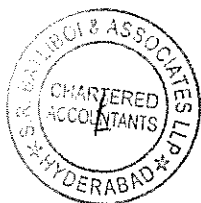
**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



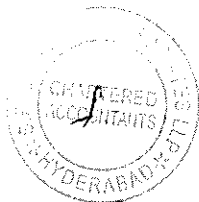
# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants  
**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements – Refer Note 28 to the Ind AS Financial Statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



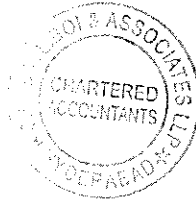
per Shankar Srinivasan

Partner

Membership Number: 213271

Place of Signature: Hyderabad

Date: April 30, 2018



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Annexure 1 referred to in our report of even date

Re: GMR Airport Developers Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the services of the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



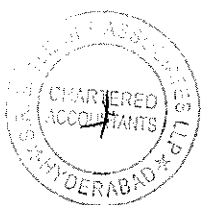
# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Amount (Rs.)	Amount paid under protest	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Additional tax demand and interest	7,816,440	7,816,440	AY 2010 - 11	Income Tax Appellate Tribunal, Hyderabad

- (viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues to financial institutions, government, and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilised the term loans for the purpose for which they were raised. The Company has not raised money by way of initial public offer or further public offer or debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS Financial Statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS Financial Statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and hence, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



# **S.R. BATLIBOI & ASSOCIATES LLP**

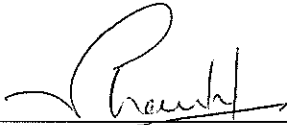
Chartered Accountants

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Shankar Srinivasan

Partner

Membership Number: 213271



Place of Signature: Hyderabad

Date: April 30, 2018

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GMR AIRPORT DEVELOPERS LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of GMR Airport Developers Limited

We have audited the internal financial controls over financial reporting of GMR Airport Developers Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

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

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

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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



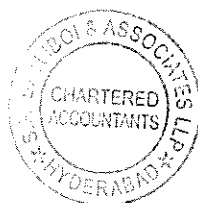
per Shankar Srinivasan

Partner

Membership Number: 213271

Place of Signature: Hyderabad

Date: April 30, 2018





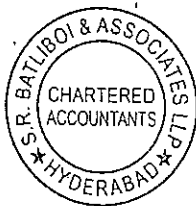
	Notes	March 31, 2018	March 31, 2017
<b>ASSETS</b>			
(1) Non-current assets			
(a) Property, plant and equipment	3	302.33	294.84
(b) Capital work-in-progress	3	9.34	-
(c) Intangible assets	4	0.12	0.41
(d) Investment in subsidiary	5	-	7.37
(e) Financial assets			
Loans	6B	5,873.09	7,865.80
(f) Other non-current assets	7	17.55	-
(g) Non current tax assets	8	78.16	78.16
(h) Deferred tax assets (net)	17C	259.24	256.22
(2) Current assets			
(a) Inventories	9	7.57	-
(b) Financial assets			
(i) Investments	6A	1,805.06	500.11
(ii) Trade receivables	10	1,407.95	157.14
(iii) Cash and cash equivalents	11	220.41	369.48
(iv) Bank balances other than cash and cash equivalents	11	15.00	1,057.12
(v) Loans	6B	2,863.09	2,526.08
(vi) Other financial assets	6C	202.74	841.34
(c) Other current assets	7	301.49	186.52
(d) Current tax asset	8	23.39	8.31
<b>Total Assets</b>		<b>13,386.55</b>	<b>14,448.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	1,019.70	509.85
(b) Other Equity			
(i) Securities premium	13A	510.69	510.69
(ii) Retained earnings	13A	3,699.06	3,840.37
<b>Total Equity</b>		<b>5,229.45</b>	<b>4,860.91</b>
<b>Liabilities</b>			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14A	2,816.61	5,628.68
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
Total outstanding dues of micro, small and medium enterprises	14B	1,506.69	890.89
Total outstanding dues other than of micro, small and medium enterprises	14C	2,180.97	1,816.72
(ii) Other financial liabilities			
(b) Other current liabilities	15	401.76	153.74
(c) Short term provisions	16	1,251.07	1,095.99
<b>Total liabilities</b>		<b>8,157.10</b>	<b>9,548.02</b>
<b>Total Equity and Liabilities</b>		<b>13,386.55</b>	<b>14,418.93</b>
<b>Statement of significant accounting policies</b>			
	2.1		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

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

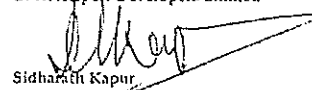


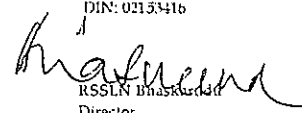
per Shankar Srinivasan  
Partner  
Membership no.: 213271

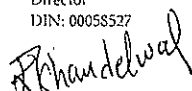



Place: Hyderabad  
Date: April 30, 2018

For and on behalf of the Board of Directors  
GMR Airport Developers Limited

  
Sidharath Kapur  
Director  
DIN: 02153416

  
RSSLN Bhaskar  
Director  
DIN: 00058527

  
Ekta Khandelwal  
Company secretary  
FCS 9341

  
NCM Murty  
Chief Financial Officer

Place: New Delhi  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018





	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue			
Revenue from operations	18	10,056.85	6,652.58
Other income	19	252.77	207.35
Finance income	20	1,359.41	1,539.13
Total revenue (I)		11,669.03	8,399.03
II Expenses			
Purchases of traded goods	21A	507.35	164.07
(Increase)/decrease in inventories of traded goods	21B	(7.57)	29.55
Employee benefits expense	22	7,427.27	5,846.68
Other expenses	23	1,330.58	719.86
Finance costs	24	999.41	1,192.21
Depreciation and amortization expense	25	49.78	12.78
Total expense (II)		10,336.82	7,965.35
III Profit before tax		1,332.21	433.68
IV Tax expense:			
(1) Current tax	17A	486.14	402.58
(2) Deferred tax income	17A	(6.04)	(229.12)
Income Tax expense		480.10	73.46
V Profit for the year (III-IV)		852.11	360.22
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		10.36	(47.14)
Income tax effect		(3.02)	16.31
VII Total comprehensive income for the year (V+VI)		859.45	329.39
VIII Earnings per share			
Basic and diluted	26	8.36	3.53
Statement of significant accounting policies	2.1		

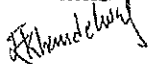
The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

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

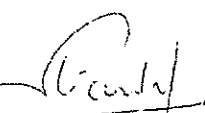
For and on behalf of the Board of Directors  
GMR Airport Developers Limited

  
Sidharath Kapur  
Director  
DIN: 02153416

  
RSSLN Bhaskarudu  
Director  
DIN: 00058527

  
Ekta Khandelwal  
Company secretary  
FCS 9341

  
NOK Murty  
Chief Financial Officer

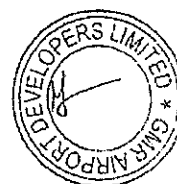
  
per Shankar Srinivasan  
Partner  
Membership no.: 213271



Place: Hyderabad  
Date: April 30, 2018

Place: New Delhi  
Date: April 30, 2018

Place: Hyderabad  
Date: April 30, 2018



	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before tax		
Adjustment to reconcile profit before tax to net cash flows	1,302.21	433.65
Depreciation and amortization expenses	49.78	12.75
Liability no longer required, written back	(54.85)	-
Unrealized foreign exchange (gain)/loss	(0.24)	0.23
Profit on sale of current investments	(123.76)	(146.42)
Provision for impairment in value of investments in shares of subsidiary company	7.37	12.46
Interest expense	505.06	966.86
Interest income	(1,220.69)	(1,302.69)
<b>Operating profit before working capital changes</b>	<b>792.69</b>	<b>(193.13)</b>
<b>Movements in working capital:</b>		
Increase in trade payables	615.80	140.75
Decrease in other long term liabilities	(228.73)	(1,065.23)
Increase in other current liabilities	681.21	1,558.84
(Increase) in trade receivables	(950.58)	(29.70)
(Increase)/decrease in inventories	(7.57)	29.55
(Increase) in other non current assets	(17.35)	(158.84)
(Increase) in other current assets	(114.97)	(1.01)
(Increase) in financial assets	(171.30)	(219.13)
Increase in provisions	38.53	41.39
<b>Cash generated from operations</b>	<b>642.52</b>	<b>385.07</b>
Direct taxes (paid) (net of refunds)	(374.30)	(561.55)
<b>Net cash flow from operating activities (A)</b>	<b>268.22</b>	<b>23.52</b>
<b>Cash flows from investing activities</b>		
Redemption / maturity of inter corporate deposits	1,928.23	
Purchase of fixed assets	(69.35)	(293.18)
Purchase of current investments	(17,800.00)	(10,018.00)
Proceeds from sale / maturity of current investments	16,615.84	12,310.11
Investments in fixed deposits	350.00	(630.19)
Redemption of margin money deposit (having original maturity of more than three months)	392.17	39.70
Interest received		
<b>Net cash flow from investing activities (B)</b>	<b>1,858.28</b>	<b>356.00</b>
<b>Cash flows from financing activities</b>		
Dividend paid to equity shareholders (incl DDT)	(490.91)	
Repayment of long-term borrowings	(2,583.34)	(1,000.00)
Interest paid	(824.16)	(952.95)
<b>Net cash flow used in financing activities (C)</b>	<b>(3,898.41)</b>	<b>(1,995.95)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(149.07)</b>	<b>0.20</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>369.48</b>	<b>369.28</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>220.41</b>	<b>369.48</b>
<b>Components of cash and cash equivalents</b>		
With banks		
- on current accounts	220.41	369.48
<b>Total cash and cash equivalents (note 11)</b>	<b>220.41</b>	<b>369.48</b>
<b>Statement of significant accounting policies (note 2.1)</b>		

**Changes in liabilities arising from financing activity**

Particulars	01 April 2017	Cash flows Repayments	Non cash changes Fair value changes	31 March 2018
Borrowing - Term loan from Yes Bank	7,313.91	(2,583.34)	184.77	1,920.31

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

As per our report of even date.

For S.R. BATHI & ASSOCIATES LLP  
 ICAI Firm registration number: 1010191Y/0300004  
 Chartered Accountants

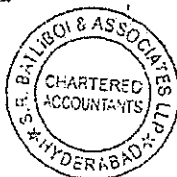
For and on behalf of the Board of Directors  
 GMR Airport Developers Limited

*[Signature]*  
 Sidharath Kapur  
 Director  
 DIN: 02153416

*[Signature]*  
 RSSLN Bhaskarada  
 Director  
 DIN: 00055527  
*[Signature]*  
 Eklia Khandelwal  
 Company secretary  
 ICS 93:1

*[Signature]*  
 NGR Mung  
 Chief Financial Officer

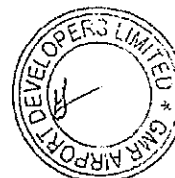
*[Signature]*  
 Per Shankar Srinivasan  
 Partner  
 Membership no: 213271



Place: Hyderabad  
 Date: April 30, 2018

Place: New Delhi  
 Date: April 30, 2018

Place: Hyderabad  
 Date: April 30, 2018



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Statement of changes in equity for the year ended 31 March 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

	Equity share capital	Attributable to the equity holders of the parent			Total
		Share premium	Reserves and surplus	Items of OCI	
			Retained earnings	PVOCI Reserve	
As at April 1, 2016	509.85	510.69	3,510.98	-	4,021.67
Profit for the year	-	-	360.22	-	360.22
Other comprehensive income	-	-	-	(30.83)	(30.83)
As at March 31, 2017	509.85	510.69	3,871.20	(30.83)	4,351.06
Profit for the year	-	-	852.11	-	852.11
Bonus shares issued	509.85	-	(509.85)	-	(509.85)
Dividend	-	-	(407.88)	-	(407.88)
Dividend distribution tax	-	-	(83.03)	-	(83.03)
Other comprehensive income	-	-	-	7.34	7.34
As at March 31, 2018	1,019.70	510.69	3,722.55	(23.49)	4,209.75

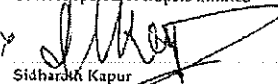
For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm registration number: 101049W/E300304

Chartered Accountants

For and on behalf of the Board of Directors

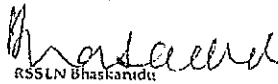
GMR Airport Developers Limited



Sidharth Kapur

Director

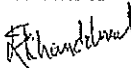
DIN: 02153416



RSSLN Bhaskarudu

Director

DIN: 00058527



Ekta Khandelwal

Company secretary

FCS 9341



NGB Mary

Chief Financial Officer

Place: Hyderabad

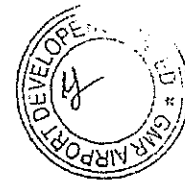
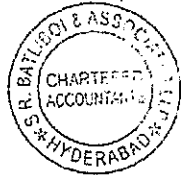
Date: April 30, 2018

Place: New Delhi

Date: April 30, 2018

Place: Hyderabad

Date: April 30, 2018



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

## 1. Corporate information

GMR Airport Developers Limited (GADL) ("The Company") was incorporated on June 13, 2008. GADL is involved in the business of providing specialized manpower and management services in the area of project management and operation of the Airport.

Information on other related party relationships of the Company is provided in Note 30.

The financial statements were authorised for issue in accordance with a resolution of the directors passed in the Board Meeting held on April 30, 2018.

## 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

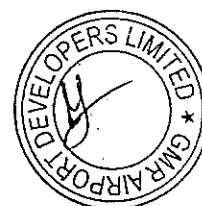
The financial statements are presented in Indian Rupees ("Rs.") and all the values are rounded to the nearest Lakhs, except when otherwise indicated.

### 2.1 Significant Accounting Policies

#### a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**b) Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when it is:

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

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

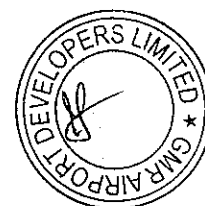
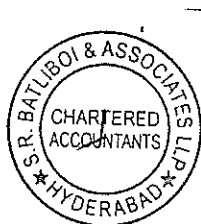
**c) Property, plant and equipment:**

All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress, intangible assets under development as at balance sheet date are shown as intangible assets under development and the related advances are shown as loans and advances.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

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

**d) Depreciation on Property, plant and equipment**

Depreciation on the Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013 except for assets individually costing less than Rs. 5,000 which are fully depreciated in the year of acquisition. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The following useful lives for various categories of property, plant and equipment's are adopted by the Company:

Particulars	Useful life (years)	
	2017-18	2016-17
Leasehold improvements	3	3
Furniture & Fixtures	10	10
Electrical fittings & equipment	10	10
Plant and machinery	15	15
Motor vehicles	8	8
Computers and data processing units	3 to 6	3 to 6

These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Leasehold Improvements and buildings on leasehold land are amortised over shorter of estimated useful lives or lease period.

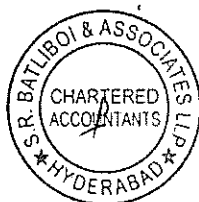
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Intangible assets:**

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

**f) Amortisation of intangible assets**

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each year. Cost relating to software licenses, which are acquired, are capitalized and amortized on a straight - line basis over their useful life not exceeding six years.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

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

**g) Impairment of non-financial assets:**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

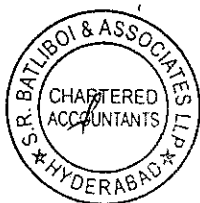
After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**h) Inventories**

Consumables are valued at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present locations and condition. Net realizable value is the estimated current procurement price in the ordinary course of business.

**i) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.





GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

j) Leases

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

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee :

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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

- a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

k) Provisions, contingent liabilities and commitments

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

Contingent liability is disclosed in the case of:

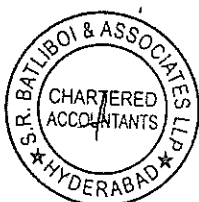
- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company recognizes contribution payable as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of Superannuation Fund and Employee State Insurance are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective funds.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method.

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

Past service costs are recognised in profit or loss on the earlier of:

- i) The date of the plan amendment or curtailment, and
- ii) The date that the Company recognises related restructuring costs

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

- i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ii) Net interest expense or income

#### Short term employee benefits

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.



However, the Company presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**m) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A) Financial assets**

**i. Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**ii. Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost:**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

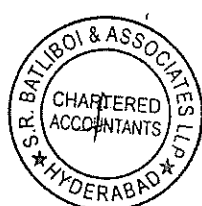
This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTOCI:**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL:**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**iii. Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

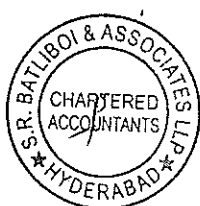
When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**iv. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

- c. Lease receivables under Ind AS 17
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on;

- a. Trade receivables or contract revenue receivables; and
- b. All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

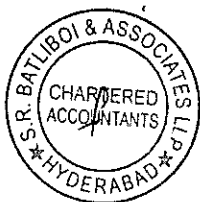
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company is required to consider:

- a. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- b. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**v. Equity Investments:**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**B) Financial liabilities**

**i. Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit, financial guarantee contracts and derivative financial instruments.

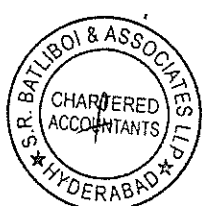
**ii. Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**iii. Loans and borrowings:**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

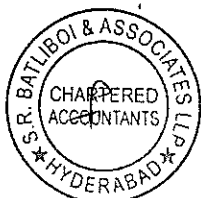
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 14.

**iv. Derecognition:**

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

**C) Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**D) Offsetting of financial instruments**

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

**n) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**o) Cash dividend to equity holders**

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**p) Foreign currency transactions:**

**Functional and presentation currency**

The financial statements are presented in INR (Indian rupees), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**Transactions and balances**

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

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

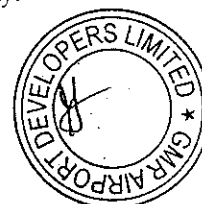
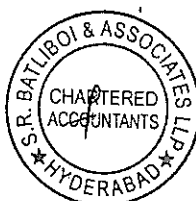
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**q) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.





GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

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

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

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

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

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

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

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

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

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

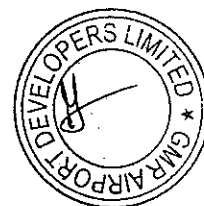
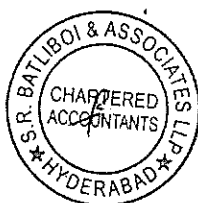
The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

**Notes to the financial statements for the year ended March 31, 2018**

**(All amounts in Indian Rupees lakhs, except as otherwise stated)**

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 32)
- b) Quantitative disclosures of fair value measurement hierarchy (note 33)
- c) Financial instruments (including those carried at amortised cost) (note 32)

**r) Revenue recognition:**

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

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

- i. The Company recognizes revenue from operations on accrual basis as per terms of the agreements and on the basis of services rendered. In case of cost plus contracts, revenue is recognized as per terms of the specific contract, which is on basis of the cost expended plus an agreed profit margin.
- ii. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- iii. Interest on all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

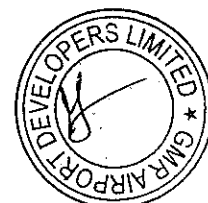
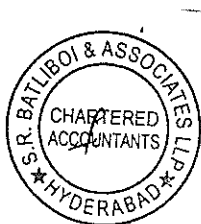
**s) Taxes on income**

Tax expense comprises current and deferred tax.

**a. Current income tax:**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b. Deferred tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

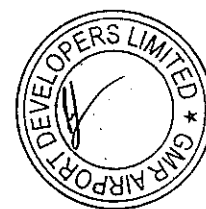
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax on adjustments recognised on account of adoption of Ind AS are not considered as these adjustments get reversed in the subsequent periods and have no impact on the accounting or tax profit.

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

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

- ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

t) **Segment reporting**

The Company has only one reportable business segment, which is operation of airport and providing allied services and operates in a single business segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

u) **Earnings per share**

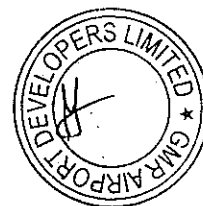
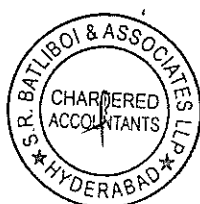
Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v) **Corporate Social Responsibility :**

The Company charges its Corporate Social Responsibility (CSR) expenditure to the Statement of Profit & Loss Account.



GMR Airport Developers Limited

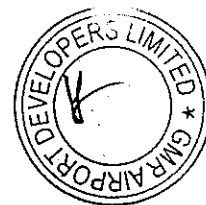
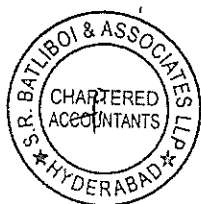
CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

3. Property, plant and equipment

	Leasehold Improvements	Plant & machinery	Furniture & fixtures	Computers	Electrical Installations	Vehicles	Total	Capital Work- in-Progress
<b>Cost</b>								
At April 1, 2016	-	0.56	-	16.75	-	17.50	34.81	-
Additions	15.79	59.81	2.84	57.06	23.10	134.58	293.18	-
Disposals	-	-	-	-	-	-	-	-
At March 31, 2017	15.79	60.37	2.84	73.81	23.10	152.08	327.99	-
Additions	-	-	-	9.48	-	47.52	57.00	9.34
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	15.79	60.37	2.84	83.29	23.10	199.60	384.99	9.34
<b>Depreciation</b>								
At April 1, 2016	-	0.14	-	14.86	-	5.65	20.65	-
Charge for the year (Note 25)	0.10	0.11	0.01	2.21	0.04	10.03	12.50	-
Disposals	-	-	-	-	-	-	-	-
At March 31, 2017	0.10	0.25	0.01	17.07	0.04	15.68	33.15	-
Charge for the year (Note 25)	5.26	4.02	0.28	16.54	2.31	21.08	49.49	-
Disposals	-	-	-	-	-	-	-	-
At March 31, 2018	5.36	4.27	0.29	33.61	2.35	36.76	82.64	-
<b>Net book value</b>								
At March 31, 2018	10.43	56.10	2.55	49.68	20.75	162.84	302.35	9.34
At March 31, 2017	15.69	60.12	2.83	56.74	23.06	136.40	294.84	-



GMR Airport Developers Limited

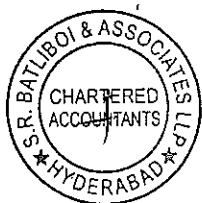
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Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

4. Intangible Assets

	Computer software
Cost	
At April 1, 2016	33.92
Additions	-
Disposals	-
At March 31, 2017	33.92
Additions	-
Disposals	-
At March 31, 2018	33.92
Amortisation	
At April 1, 2016	33.23
Amortisation (Note 25)	0.28
Disposals	-
At March 31, 2017	33.51
Amortisation (Note 25)	0.29
Disposals	-
At March 31, 2018	33.80
Net book value	
At March 31, 2018	0.12
At March 31, 2017	0.41



5. Investment in subsidiary

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Investments at cost				
Investments in equity instruments of subsidiaries				
Unquoted equity shares				
GADL(Mauritius) Limited				
165,000 (31 March 2017: 165,000) Equity shares of USD 1 each fully paid-up	83.06	83.06	-	-
Less: Provision for other than temporary diminution in value	(83.06)	(75.69)	-	-
Total investments carried at cost	-	7.37	-	-

6. Financial assets

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
A. Investments				
Investments at FVTPL				
Investment in mutual funds (Unquoted)				
Birla Sunlife Cash Plus Institutional Premium - Growth	-	-	1,805.06	500.14
648,756 (31 March 2017: 191,983) units of Rs.100 each				
Total FVTPL investments	-	-	1,805.06	500.14
Aggregate value of unquoted investments	-	-	1,805.06	500.14

B. Loans

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
At amortised cost				
Unsecured, considered good				
Security deposits	149.53	164.66	-	-
Loans to employees	3.81	4.98	2.07	2.71
Loans to related parties *	5,719.75	7,696.16	2,861.02	2,523.37
	5,873.09	7,865.80	2,863.09	2,526.08
Break up of Loans to related parties				
Loans				
GMR Generation Assets Limited	2,400.00	2,400.00	-	-
GMR Infrastructure Limited	3,319.75	5,296.16	2,861.02	2,523.37
	5,719.75	7,696.16	2,861.02	2,523.37

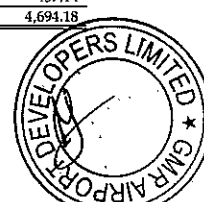
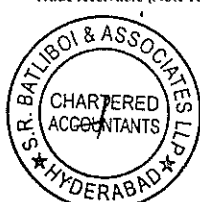
\*Loan given to fellow subsidiary, GMR Energy Limited (GEL), amounting to Rs.2400.00 (March 31, 2017: Rs.2400.00) at an interest rate of 12.50% p.a. the said deposit was novated in the name of GMR Generation Assets Limited in the previous year by an agreement dated October 24, 2016. The said deposit is repayable on April 29, 2020. The deposit has been given for meeting its working capital requirement.

C. Other financial assets

	Current	
	March 31, 2018	March 31, 2017
Unsecured, considered good		
At amortised cost		
Unbilled revenue	-	1.21
Interest accrued on others	202.68	816.78
Interest accrued on fixed deposits	0.06	23.35
	202.74	841.34

Break up of Financial assets

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
At Cost				
Investment in subsidiaries	-	7.37	-	-
At FVTPL				
Investments in mutual funds	-	-	1,805.06	500.14
At Amortised cost				
Loans	5,873.09	7,865.80	2,863.09	2,526.08
Other financial assets	-	-	202.74	841.34
Cash and cash equivalents (Note 11)	-	-	220.41	369.48
Trade receivable (Note 10)	-	-	1,407.95	457.14
	5,873.09	7,873.17	6,499.25	4,694.18



7. Other assets

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advances other than capital advances				
Other advances to related parties	-	-	69.65	79.39
Other advances	-	-	94.57	23.47
(A)	-	-	164.22	102.86
Prepaid expenses	17.55	-	72.69	18.62
Balance with statutory / government authorities	-	-	64.58	65.04
(B)	17.55	-	137.27	83.66
Total other assets	17.55	-	301.49	186.52

8. Current tax

	Non current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advance income-tax [net of provision for taxation of Rs.394.66 (March 31, 2017: Rs.429.69)]	78.16	78.16	23.39	8.31
	78.16	78.16	23.39	8.31

9. Inventories (valued at lower of cost and net realizable value)

	March 31, 2018	March 31, 2017
Traded goods (refer note 23)	7.57	-
	7.57	-

10. Trade receivables

	Current	
	March 31, 2018	March 31, 2017
Unsecured, considered good		
Related parties	1,186.94	454.74
Others	221.01	2.40
	1,407.95	457.14

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer Note 30.

Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days.

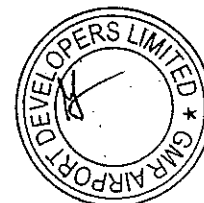
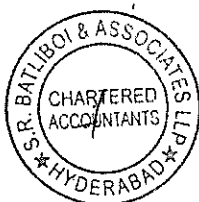
11. Cash and cash equivalents

	March 31, 2018	March 31, 2017
Cash and cash equivalents		
Balances with banks on current accounts	220.41	369.48
	220.41	369.48
Bank balances other than cash and cash equivalents		
- Margin money deposits with original maturity of more than 3 months and less than 12 months *	15.00	507.12
-Deposits with original maturity of more than 3 months and less than 12 months	-	550.00
	15.00	1,057.12

Cash at banks does not earn interest.

\*The margin money deposit was towards bank guarantee issued by the bank on behalf of the Company(31.03.2017: Rs Nil).

\* Rs.Nil(31.03.2017:-Rs.507.12 ) represents amount kept under obligation as per the facility agreement with lenders.





## 12. Equity Share Capital

### Authorised Share Capital

	No.s(in lakhs)	Rs.
At April 1, 2016	101.00	1,010.00
Increase/(decrease) during the year	-	-
At March 31, 2017	101.00	1,010.00
Increase/(decrease) during the year	59.00	590.00
At March 31, 2018	160.00	1,600.00

During the year ended March 31, 2018, the authorised share capital was increased by Rs.590.00 i.e. 59.00 Equity shares of Rs.10 each.

### Issued equity capital

Equity shares of Rs.10 each issued, subscribed and fully paid

	No.s(in lakhs)	Rs.
At April 1, 2016	50.99	509.85
Changes during the year	-	-
At March 31, 2017	50.99	509.85
Issued on November 13, 2017 for bonus shares	50.98	509.85
At March 31, 2018	101.97	1,019.70

### Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting(refer note 13B).

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

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

Name of Shareholder	March 31, 2018	March 31, 2017
GMR Airports Limited, holding company 101.97 (March 31, 2017: 50.98) equity shares	1,019.69	509.85

### Details of Shareholders holding more than 5% of equity shares in the Company

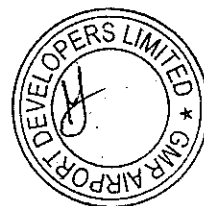
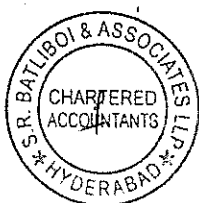
Name of Shareholder	March 31, 2018		March 31, 2017	
	No.s(in lakhs)	%holding	No.s(in lakhs)	%holding
Equity shares of Rs 10, each fully paid up GMR Airports Limited	101.97	100%	50.98	100%

### Bonus shares:

Aggregate number of equity shares issued as bonus, for consideration other than cash during the period of five years immediately preceding the reporting date:

	March 31, 2018 Nos(in lakhs)	March 31, 2017 Nos(in lakhs)
Equity shares allotted as fully paid bonus shares by capitalization of free reserves	50.98	-

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, it represents both legal and beneficial ownership of shares.



13A. Other equity

	March 31, 2018	March 31, 2017
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	3,871.20	3,510.98
Add: Net profit for the year	852.11	360.22
Net surplus in the statement of profit and loss	4,723.31	3,871.20
Less: Appropriations		
Bonus shares issued	509.85	-
Dividend	407.88	-
DDT on dividend	83.03	-
	3,722.55	3,871.20
<b>Other items of Comprehensive Income</b>		
Re-measurement of post employment benefit obligations	(23.49)	(30.83)
	3,699.06	3,840.37
<b>Securities premium account</b>	510.69	510.69
<b>Total reserves and surplus</b>	<b>4,209.75</b>	<b>4,351.06</b>

13B. Distribution made and proposed

Cash dividends on equity shares declared and paid:

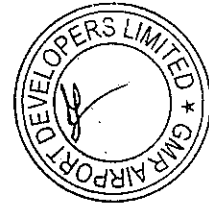
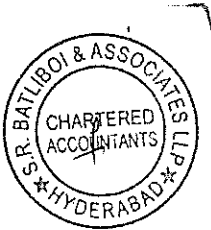
	March 31, 2018	March 31, 2017
Final dividend for the year ended 31 March 2017: Rs.8 per share (31 March 2016: Nil)	407.88	-
DDT on final dividend	83.03	-
	490.91	-

Proposed dividends on Equity shares:

Final cash dividend for the year ended on 31 March 2018: Rs.5 per share (31 March 2017: Rs.8 per share)

DDT on proposed dividend	509.85	407.88
	104.80	83.03
	614.65	490.91

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March.



14. Financial liabilities

A. Borrowings

Term loan (secured)

From Bank:

Indian rupee term loan from banks

	Non - Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	2,816.61	5,628.68	2,103.73	1,685.23
	<u>2,816.61</u>	<u>5,628.68</u>	<u>2,103.73</u>	<u>1,685.23</u>

Indian rupee term loan from a bank carries interest rate of 11.75% p.a. (March 31, 2017: 11.75% p.a.). The loan is repayable in 28 quarterly installments commencing from December 23, 2013. The loan is secured by first exclusive charge on the Company's loans and advances, current assets, cash flows and interest on inter corporate deposits/sub debt including corporate guarantee from GMR Infrastructure Limited and GMR Airports Limited.

B. Trade payables

Trade payables

Trade payables to related parties

	Current	
	March 31, 2018	March 31, 2017
	1,421.05	833.62
	85.64	57.27
	<u>1,506.69</u>	<u>890.89</u>

The Company has not dealt with any party as defined under the provisions of Micro, Small and Medium Enterprises Development Act, 2006 during the year.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30 to 60-day terms

For terms and conditions with related parties, refer to Note 30

For explanations on the Company's credit risk management processes, refer to Note 34

C. Other Financial liabilities

At amortised cost

Retention money

Current maturities of long term borrowings

Capital creditors

Interest accrued and due on borrowings\*

Total other financial liabilities

	Current	
	March 31, 2018	March 31, 2017
	18.54	49.26
	2,103.73	1,685.23
	3.82	3.12
	54.88	79.11
	<u>2,180.97</u>	<u>1,816.72</u>

\* Represents amount not debited by bank in the current account, inspite of availability of sufficient funds in the account.

15. Other current liabilities

Others

VAT payable

Tax deducted at source/Tax Collected at source payable

Other statutory dues

	March 31, 2018	March 31, 2017
	-	25.11
	112.02	83.98
	289.74	46.65
	<u>401.76</u>	<u>155.74</u>

16. Provisions

Provision for employee benefits

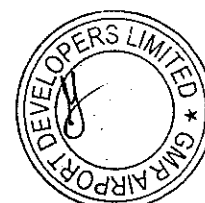
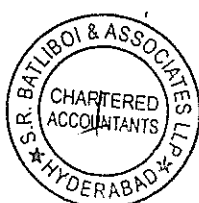
Provision for compensated absences(note 28c)

Provision for superannuation fund

Provision for gratuity(note 28b)

Provision for income tax (Net)

	March 31, 2018	March 31, 2017
	989.75	941.82
	16.26	13.67
	118.14	140.50
	126.92	-
	<u>1,251.07</u>	<u>1,095.99</u>



17. Income Tax

A. The major components of income tax expense are  
Statement of profit and loss:

	March 31, 2018	March 31, 2017
Current income tax:		
Current income tax charge	486.14	302.58
Deferred tax:		
Relating to origination and reversal of temporary differences	(6.04)	(229.12)
Income tax expense reported in the statement of profit or loss	480.10	73.46

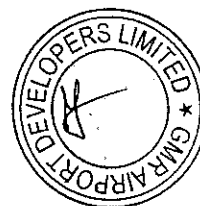
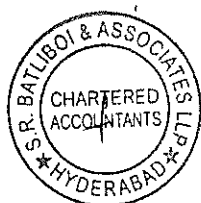
B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

	March 31, 2018	March 31, 2017
Accounting profit	1,332.21	433.68
Tax at the applicable tax rate of 34.608% (31.3.2017: 33.063%)	461.05	143.39
<u>Tax effect of income that are not taxable in determining taxable profit / allowable expenditure that are not part of Book profit:</u>		
Notional Ind AS adjustments	(52.46)	(59.03)
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
Provision for impairment in value of investments in shares of subsidiary company	2.55	4.12
Donations - 80G	2.60	2.81
Effect of change in tax rate	66.36	(17.83)
Income tax expense reported in the statement of profit and loss	480.10	73.46

C. Deferred tax:

	March 31, 2018	March 31, 2017
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	3.98	5.32
On account of upfront fees being amortized using EIR method	84.00	137.96
Fair value of investment in mutual fund	1.24	1.30
Gross deferred tax liability	89.22	144.58
Deferred tax asset		
On account of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis.	348.46	400.80
Gross DTA	348.46	400.80
Net deferred tax (liability)/Asset	259.24	256.22

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



## 18. Revenue from operations

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Sale of services</b>		
Manpower services	7,629.76	5,812.75
Management consultancy services	1,579.94	454.83
Maintenance services	190.17	178.15
<b>Sale of Products</b>		
Traded Goods	656.98	206.82
	<b>10,056.85</b>	<b>6,652.55</b>

## 19. Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Other income</b>		
Amortisation of deferred income	189.86	203.94
Provisions no longer required, written back	54.85	-
Other non-operating income	8.06	3.41
	<b>252.77</b>	<b>207.35</b>

## 20. Finance income

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Interest on</b>		
Bank deposits	37.49	57.56
Inter corporate deposits	1,183.40	1,327.93
Others	14.76	7.19
Profit on sale of current investments (other than trade)	119.49	150.11
Income arising from fair valuation of investment in mutual fund	4.27	(3.66)
	<b>1,359.41</b>	<b>1,539.13</b>

## 21A. Cost of traded goods sold

	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventory at the beginning of the year	-	29.55
Add: Purchases	537.35	164.07
	<b>537.35</b>	<b>193.62</b>
Less: Inventory at the end of the year	7.57	-
Cost of traded goods sold	<b>529.78</b>	<b>193.62</b>

## 21B. (Increase)/decrease in inventories

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Inventories at the end of the year</b>		
Traded goods	7.57	-
	<b>7.57</b>	<b>-</b>
<b>Inventories at the beginning of the year</b>		
Traded goods	-	29.55
	<b>-</b>	<b>29.55</b>
<b>(Increase)/decrease in inventories</b>	<b>(7.57)</b>	<b>29.55</b>

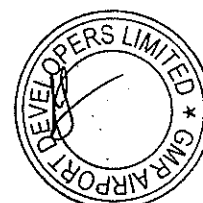
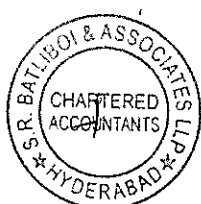
## 22. Employee benefits expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus*	6,518.35	5,158.86
Contribution to provident and other funds(note 28a)	489.41	378.70
Gratuity expenses(note 28b)	129.65	123.78
Staff welfare expenses**	242.73	166.18
Recruitment and Training expenses***	47.13	19.36
	<b>7,427.27</b>	<b>5,846.88</b>

\* Net of reimbursements of Rs.126.38 (March 31, 2017: Rs.109.80)

\*\* Net of reimbursements of Rs.2.43 (March 31, 2017: 0.68)

\*\*\* Net of reimbursements of Rs. 0.90 (March 31, 2017: Nil)



## 23. Other expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Directors' sitting fees(note 30)	2.75	2.66
Operating and Maintenance Expenses	471.01	96.73
Rent	12.97	12.42
Rates and taxes	1.71	1.30
Insurance	2.57	0.59
Repairs and maintenance		
Other	22.76	8.38
Communication costs**	5.09	6.46
Printing and stationery	1.78	1.24
Consultancy & Professional Fees***	414.70	308.95
Travelling and Conveyance *	283.30	177.88
Payment to auditors(refer details below)	8.15	7.47
Exchange difference (net)	1.13	1.22
Logo fees	68.76	54.48
Provision for impairment in value of investments in shares of subsidiary company	7.37	12.46
CSR expenditure (refer details below)	15.00	17.01
Miscellaneous expenses	11.53	10.61
	<b>1,330.58</b>	<b>719.86</b>

\* Net of reimbursements of Rs. 26.67 (March 31, 2017: Rs. 50.10)

\*\* Net of reimbursements of Rs. 12.70 (March 31, 2017: Rs. 11.43)

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Payment to Auditors</b>		
<b>As Auditor:</b>		
Statutory audit fee	7.50	6.81
<b>Other services:</b>		
Other services	0.15	0.15
Reimbursement of expenses	0.50	0.51
	<b>8.15</b>	<b>7.47</b>

## Details of CSR expenditure:

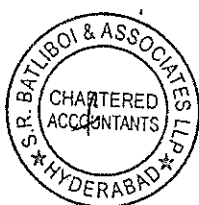
	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Gross amount required to be spent by the Company during the year	15.00	17.01
(b) Amount spent in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	15.00	17.01
(c) Amount yet to be spent in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
(d) Total amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	15.00	17.01

## 24. Finance Costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Interest expense</b>		
Interest on debt and borrowings	997.83	1,191.91
Bank charges	1.58	0.30
	<b>999.41</b>	<b>1,192.21</b>

## 25. Depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment(note 3)	49.49	12.50
Amortisation of intangible assets(note 4)	0.29	0.28
	<b>49.78</b>	<b>12.78</b>



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

## 26. Earnings per share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The weighted average number of equity shares outstanding during the year is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to equity holders for basic and diluted earning	852.11	360.22
Weighted Average number of equity shares used for computing Earning Per Share (Basic and diluted)*	101.97	101.97
Earnings Per Share (Basic and diluted) (Rs)	8.36	3.53
Face value per share (Rs)	10.00	10.00

The Company has allotted bonus shares on November 13, 2017, in the proportion of 1 (One) equity share of Rs.10/- each for every 1 (one) existing equity share(s) of Rs.10/- each held by the members of the Company and that the Bonus Shares so distributed, for all purpose, rank pari passu with the existing Equity Shares of the Company. For comparative purposes, EPS for the year March 31, 2017 is recalculated including bonus shares issued.

## 27. Significant accounting judgments, estimates and assumptions

### A. Judgements

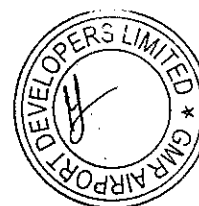
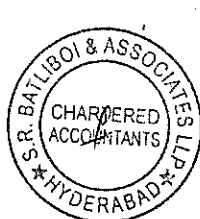
In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

#### Discounting rate

The Company has considered incremental borrowing rate of Airport sector at 11.44% per annum as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost.

#### Tax

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



**GMR Airport Developers Limited**

**CIN: U62200TG2008PLC059646**

**Notes to the financial statements for the year ended March 31, 2018**

**(All amounts in Indian Rupees lakhs, except as otherwise stated)**

## **B. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### **Defined employee benefit plans**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

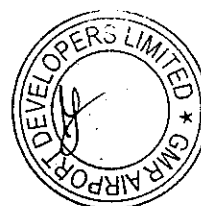
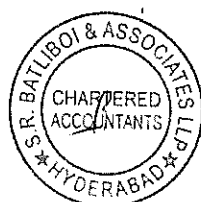
The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Refer Note 28 for further disclosures.

### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 32 for further disclosures.

### **Contingent liabilities**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. Refer Note 29 for further disclosures.





GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

## 28. Retirement and other employee benefits

### a) Defined contribution plan:

Contribution to provident fund and superannuation fund expense are as under:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Contribution to Provident fund	306.34	238.32
Contribution to Superannuation fund	183.07	140.38
	<b>489.41</b>	<b>378.70</b>

### b) Defined benefit plans:

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life insurance Corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (based on last drawn basic salary) for each completed year of service.

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

#### Net employee benefit expense (recognized in Employee Cost)

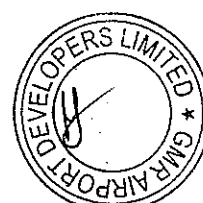
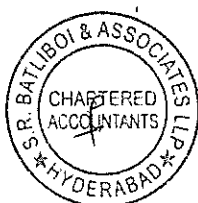
	For the year ended March 31, 2018	For the year ended March 31, 2017
Current service cost	126.15	125.26
Interest cost on benefit obligation	3.50	(1.48)
Net benefits expense	<b>129.65</b>	<b>123.78</b>

#### Amount recognized in Other Comprehensive Income:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gain)/loss due to DBO experience	23.19	11.24
Actuarial (gain)/loss due to DBO assumption changes	(26.56)	33.86
Actuarial (gain)/loss arising during the year	(3.37)	45.10
Return on plan assets (greater)/less than discount rate	(6.99)	2.03
Actuarial (gains)/ losses recognized in OCI	<b>(10.36)</b>	<b>47.13</b>

#### Balance sheet

	March 31, 2018	March 31, 2017
Fair value of plan assets	617.81	458.56
Defined benefit obligation	735.95	599.06
Plan liability	<b>(118.14)</b>	<b>(140.50)</b>



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2018	March 31, 2017
Opening defined benefit obligation	599.06	413.26
Interest cost	40.16	30.95
Current service cost	165.05	52.08
Acquisition cost	1.90	90.60
Benefits paid (including transfer)	(66.85)	(32.93)
Actuarial losses on obligation experience	(3.37)	45.10
<b>Closing defined benefit obligation</b>	<b>735.95</b>	<b>599.06</b>

Changes in the fair value of plan assets are as follows:

	March 31, 2018	March 31, 2017
Opening fair value of plan assets	458.56	403.33
Expected return on plan assets	43.65	32.43
Contributions by employer	141.65	40.34
Acquisition adjustment	40.79	17.42
Benefits paid (including transfer)	(66.84)	(32.93)
Return on plan assets greater/ (lesser) than discount rate	-	(2.03)
<b>Closing fair value of plan assets</b>	<b>617.81</b>	<b>458.56</b>

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

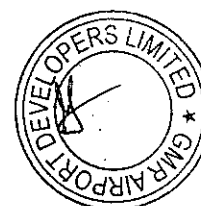
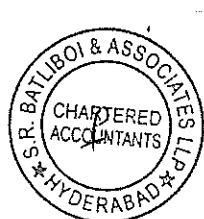
	March 31, 2018	March 31, 2017
Investments with insurer	100%	100%

Principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

	March 31, 2018	March 31, 2017
Discount rate (in %)	7.60%	7.10%
Attrition rate (in %)	5.00%	5.00%
Salary escalation rate (in %)	6.00%	6.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

	March 31, 2018	March 31, 2017
<b>Discount rate</b>		
Effect due to 1 % increase in discount rate	(54.29)	(47.35)
Effect due to 1 % decrease in discount rate	62.47	54.92
<b>Attrition rate</b>		
Effect due to 1 % increase in attrition rate	6.76	7.15
Effect due to 1 % decrease in attrition rate	(7.71)	(8.09)
<b>Salary escalation rate</b>		
Effect due to 1 % increase in salary increase rate	57.15	38.52
Effect due to 1 % decrease in salary increase rate	(52.21)	(37.73)



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The following payments are expected contributions to the defined benefit plan in the future years:

	March 31, 2018
March 31, 2019	95.85
March 31, 2020	59.35
March 31, 2021	69.11
March 31, 2022	91.68
March 31, 2023	81.84
March 31, 2024 to March 31, 2028	646.39

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2017: 10 years)

- c) Liability towards compensated absences is provided based on actuarial valuation and amounts to Rs.98,975,100 (March 31, 2017 : Rs. 94,181,864)

**29. Commitments and contingencies:****I. Contingent liabilities:****a. Matters under dispute are as follows:**

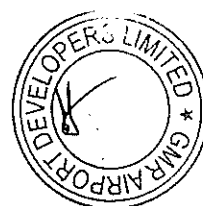
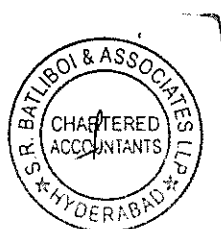
- The Company has received a show cause notice from the Assistant Commissioner of Customs, Central Excise and Service Tax dated May 31, 2017 for the period 01st July 2012 to 31st March 2016 for non-payment of service tax on notice pay recovered from resigned employees amounting to Rs.2.93 (March 31, 2017 Rs. Nil). The Company has submitted its reply vide letter dated 19th July 2017.
- The Company has received a notice of demand from the office of Income Tax Officer under section 156 of the Income Tax Act, 1961 levying a tax demand of Rs.150.34 for the assessment year 2010-11. The Company has filed an appeal to the Commissioner of Income Tax (Appeals) - III vide its letter dated 29 April 2013. This amount has then been reduced to Rs.78.16 vide rectification order dated May 24, 2013. Amount paid under protest is Rs.78.16. Commissioner of Income Tax (Appeals)-III dismissed appeal and issued appellate order. Company has filed appeal before Income Tax Appellate Tribunal, Hyderabad on 08<sup>th</sup> May 2017.

Based on an internal assessment, Management is confident that for the aforesaid contingent liabilities, no provision is required to be made as at March 31, 2018.

- b. Bank guarantee outstanding in respect of GST Rs.15.00(March 31, 2017: Nil)

**II. Capital and other commitments:**

Estimated amount of contracts remaining to be executed on capital account Rs. Nil (March 31, 2017: Rs. Nil).



**GMR Airport Developers Limited**

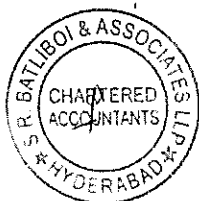
CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**30. Details of transactions with related parties:****A. Names of related parties and related party relationship:**

S. No.	Relationship	Related party name
(i)	Holding Company	GMR Airports Limited (GAL)
(ii)	GAL's holding Company	GMR Infrastructure Limited (GIL)
(iii)	Ultimate holding Company	GMR Enterprises Private Limited (GEPL) (Formerly GMR Holdings Private Limited (GHPL))
(iv)	Subsidiary Company	GADL (Mauritius) Limited
(v)	Step down subsidiary Company	GADL International Limited
(vi)	Fellow subsidiary companies	GMR Hyderabad International Airport Limited Delhi International Airport Limited (Formerly Delhi International Airport Private Limited) GMR Energy Limited GMR Generation Assets Limited Delhi Duty Free Services Private Limited GMR Krishnagiri SEZ Limited Kakinada SEZ Limited (Formerly Kakinada SEZ Private Limited) GMR Aviation Private Limited GMR Kamalanga Energy Limited GMR Hospitality & Retail Limited Hyderabad Menzies Air Cargo Private Limited GMR Hyderabad Aviation SEZ Limited GMR Hyderabad Aerotropolis Limited GMR Highways Limited GMR Aero Technic Limited GMR Chennai Outer Ring Road Private Limited GMR Tuni Anakapalli Expressways Private Limited GMR Hyderabad Vijayawada Expressways Private Limited GMR Consulting Services Pvt Limited GMR Infrastructure (Singapore) Pte Limited
(vii)	Key management personnel	Ms.Ramadevi Bommidala-Whole time director Mr.RSSLN Bhaskarudu-Independent director Mr.Ramamurti Akella-Independent director Mr.Prakash G Apte-Independent director (resigned w.e.f. September 02, 2016)
(viii)	Private Company having common director (Section 8 Company)	GMR Varalakshmi Foundation
(ix)	Other entities in which Directors are interested	GMR Family Fund Trust



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

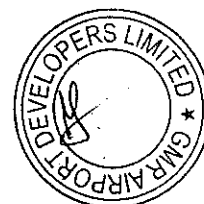
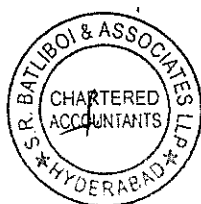
(All amounts in Indian Rupees lakhs, except as otherwise stated)

**Remuneration paid to Key Managerial Remuneration:**

Details of Key Managerial Personnel	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Short Term Employee benefits	Sitting Fees	Short Term Employee benefits	Sitting Fees
Mrs. Ramadevi Bommidala - Whole time director	54.24	-	45.19	-
Mr. RSSLN Bhaskarudu- Independent Director	-	1.50	-	1.36
Mr. Ramamurti Akella-Independent Director	-	1.25	-	0.65
Mr.Prakash G Apte- Independent Director	-	-	-	0.65

**B. Related party transactions:**

Sl. No.	Particulars	March 31, 2018	March 31, 2017
(i)	Repayment of Unsecured loan/deposit		
	GMR Infrastructure Limited	(1828.23)	-
(ii)	Deposit given		
	GMR Generation Assets Limited	-	2400.00
(iii)	Reimbursement of expenses claimed by the Company from its related parties		
	GMR Hyderabad International Airport Limited	51.84	10.58
	GMR Infrastructure (Singapore) Pte Limited	49.12	49.32
	GMR Krishnagiri SEZ Limited	-	13.41
	Delhi Duty free Services Private Limited	5.00	8.78
	Delhi International Airport Limited	14.15	15.74
	GMR Highways Limited	13.08	5.30
	GMR Tuni Anakapalli Expressways Private Limited	-	8.77
	GMR Infrastructure Limited	11.93	21.65
	GMR Chennai Outer Ring Road Private Limited	-	5.20
	GMR Hyderabad Vijayawada Expressways Limited	-	2.53
	Kakinada SEZ Private Limited	23.97	27.94
	GMR Airports Limited	-	2.04
	GMR Consulting Services Private Limited	-	0.74
(iv)	Sales of Materials		
	GMR Hyderabad International Airport Limited	395.70	206.82
(v)	Income from operations		
	GMR Hyderabad International Airport Limited	3596.37	1631.71
	Delhi Dutyfree Services Private Limited	217.35	175.86
	GMR Aero Technic Limited	226.93	230.78
	GMR Airports Limited	466.67	38.26
	GMR Hospitality & Retail Limited- Duty Free Division	34.36	32.60
	Delhi International Airport Private Limited	4696.80	4209.53



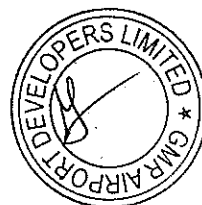
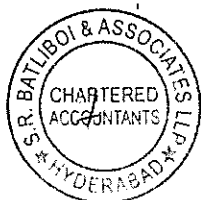
**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Sl. No.	Particulars	March 31, 2018	March 31, 2017
	Hyderabad Menzies Air Cargo Private Limited	-	3.00
	GMR Hyderabad Aviation SEZ Limited	15.60	0.21
	GMR Highways Limited	-	8.59
	GMR Chennai Outer Ring Road Private Limited	-	4.73
	GMR Hyderabad Vijayawada Expressways Private Limited	-	4.73
	GMR Infrastructure Limited	52.00	11.08
	GMR Krishnagiri SEZ Limited	-	16.26
	GMR Tuni Anakapalli Expressways Private Limited	-	6.67
	Kakinada SEZ Limited	-	26.61
(vi)	<b>Services received</b>		
	GMR Hyderabad International Airport Limited	101.15	65.10
	GMR Airports Limited	14.44	2.10
	GMR Hospitality & Retail Limited-Hotel division	0.22	0.73
(vii)	<b>Fee towards logo</b>		
	GMR Enterprises Private Limited	68.76	54.48
(viii)	<b>Reimbursement of expenses claimed from the Company by its related parties</b>		
	Delhi International Airport Private Limited	1.04	3.71
	GMR Krishnagiri SEZ Limited	0.43	0.30
	GMR Hyderabad International Airport Limited	12.17	7.17
	GMR Airports Limited	6.47	-
(ix)	<b>Corporate Guarantee taken by the Company on behalf of its bank against the loan taken**</b>		
	GMR Infrastructure Limited	(2583.34)	(1000.00)
	GMR Airports Limited	(2583.34)	(1000.00)
(x)	<b>Interest income on unsecured loan / inter corporate deposit</b>		
	GMR Generation Assets Limited	300.00	261.12
	GMR Energy Limited	-	38.88
(xi)	<b>Interest on amortisation of interest free unsecured loan given:</b>		
	GMR Infrastructure Limited	1072.87	1231.52
(xii)	<b>Provision for impairment in value of Investment</b>		
	GADL (Mauritius) Limited	7.37	12.46



**GMR Airport Developers Limited**

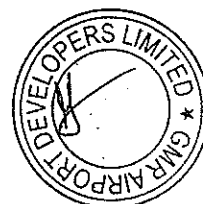
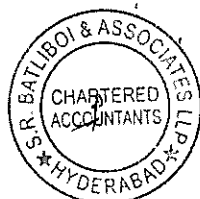
CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**C. Balances outstanding in related party accounts are as follows:**

Sl. No.		Particulars	March 31, 2018 (Rs.)		March 31, 2017 (Rs.)	
			Non-Current	Current	Non-Current	Current
		Trade receivables / (Trade payables):				
(i)	a	GMR Hyderabad International Airport Limited	-	879.55	-	288.97
	b	GMR Hospitality & Retail Limited-Duty Free Division	-	3.08	-	2.50
	c	Delhi International Airport Limited	-	36.87	-	24.36
	d	GMR Enterprises Private Limited	-	(68.69)	-	(51.14)
	e	GMR Hyderabad Aviation SEZ Limited	-	(0.002)	-	(0.002)
	f	GMR Hospitality & Retail Limited-Hotel Division	-	(0.09)	-	-
	g	GMR Tuni Anakapalli Expressways Limited	-	-	-	7.68
	h	GMR Aero Technic Limited	-	71.94	-	33.15
	i	Delhi Duty Free Services Private Limited	-	66.62	-	15.31
	j	GMR Krishnagiri SEZ Limited	-	-	-	16.15
	k	GMR Chennai Outer Ring Road Private Limited	-	-	-	4.97
	l	GMR Hyderabad Vijayawada Expressways Private Limited	-	-	-	4.97
	m	GMR Highways Limited	-	-	-	9.87
	n	GMR Infrastructure Limited	-	34.22	-	12.75
	o	Kakinada SEZ Limited	-	15.94	-	27.94
	p	GMR Airports Limited	-	61.84	-	-
(ii)		Loans				
	a	GMR Energy Limited***	-	-	-	-
	b	GMR Generation Assets Ltd***	2400.00	-	2400.00	-
	c	GMR Infrastructure Limited	3319.75	2861.02	5296.16	2540.85
(iii)		Advances Recoverable				
	a	GMR Infrastructure (Singapore) Pte Limited	-	5.80	-	17.56
	b	GMR Tuni Anakapalli Expressways Limited	-	-	-	6.27
	c	GMR Krishnagiri SEZ Limited	-	-	-	7.28
	d	GMR Hyderabad Vijayawada Expressways Private Limited	-	-	-	1.27



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

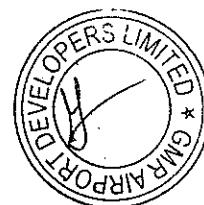
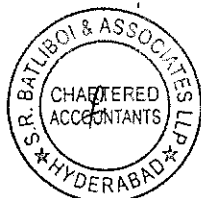
Sl. No.	Particulars	March 31, 2018 (Rs.)		March 31, 2017 (Rs.)	
		Non-Current	Current	Non-Current	Current
e	GMR Highways Limited	-	-	-	4.85
f	Kakinada SEZ Limited	-	23.97	-	15.10
g	GMR Consulting Services Private Limited	-	-	-	0.37
h	GMR Hyderabad International Airport Limited	-	2.61	-	0.96
i	GMR Chennai Outer Ring Road Private Limited	-	-	-	2.60
j	Delhi Duty Free Services Private Limited	-	1.18	-	0.85
k	GMR Infrastructure Limited	-	34.23	-	22.30
l	Delhi International Airport Limited	-	1.85	-	-
(iv)	Other assets				
a	GMR Infrastructure Limited	-	-	-	591.90
b	GMR Generation Assets Limited	-	202.68	-	224.88
c	GMR Hospitality & Retail Limited- Duty Free Division	-	-	-	1.21
(v)	Investments in subsidiaries:				
a	GADL (Mauritius) Limited*	-	-	7.37	-
(vi)	Corporate guarantee availed from the intermediary holding Company against loan taken from banks**				
a	GMR Infrastructure Limited	5166.66	-	7750.00	-
b	GMR Airports Limited	5166.66	-	7750.00	-

\* The above amount is net of provision for impairment in value of investment of Rs.83.06 (March 31, 2017: Rs.75.69) in GADL (Mauritius) Limited (note 5).

\*\* Corporate guarantee taken from the group companies is for a single loan.

\*\*\* The intercorporate deposit given to GMR Energy Limited has been novated to GMR Generation Asset Limited w.e.f October 18, 2016.

\*\*\*\* Hyderabad Duty Free Retail Limited has been merged with GMR Hotels and Resorts limited in the previous year and the said entity is known as GMR Hospitality & Retail Limited.





**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

31. The Group has only one reportable operating business segment, which is operation of airport and providing allied services. Accordingly, the amounts appearing in the financial statements relate to the Group's single business segment.

**32. Fair Values**

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

**Breakup of financial assets**

Particulars	Carrying value		Fair value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
At Fair Value through profit or loss				
Investments	1805.06	500.14	1805.06	500.14
At amortized cost				
Loans	8805.83	10471.27	8805.83	10471.27
Other financial assets	202.75	841.34	202.75	841.34
Cash and bank balances	235.41	1426.61	235.41	1426.61
Trade receivables,	1407.95	457.13	1407.95	457.13
<b>Total</b>	<b>1,2457.00</b>	<b>13696.49</b>	<b>1,2457.00</b>	<b>13696.49</b>

**Breakup of financial liabilities**

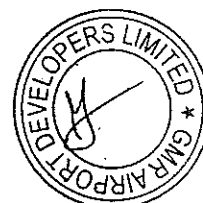
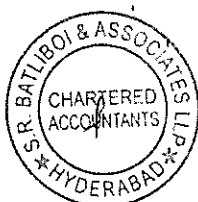
Particulars	Carrying value		Fair value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
At amortized cost				
Borrowings	4920.34	7313.91	4920.34	7313.91
Trade Payables	1506.69	890.88	1506.69	890.88
Other financial liabilities	77.24	131.49	77.24	131.49
<b>Total</b>	<b>6504.27</b>	<b>8336.28</b>	<b>6504.27</b>	<b>8336.28</b>

The management assessed the cash and cash equivalent, trade receivables trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Assumption used in estimating the fair values:**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of unquoted mutual funds and commercial paper are based on price quotations at the reporting date.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

### 33. Fair value hierarchy

Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
At FVTPL					
Investment in mutual fund	31-Mar-18	1805.06	1805.06	-	-
Investment in mutual fund	31-Mar-17	500.14	500.14	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

#### Valuation Techniques used to determine the Fair Value:

Specific valuation techniques used to value financial instruments include the use of unquoted market price of Mutual funds.

### 34. Financial risk management objectives and policies

The Company's activities expose it to variety of finance risk, market risk, credit risk and liquidity risk. The Company's focus is to foresee such risks and seek to minimize potential adverse impact on its financial performance.

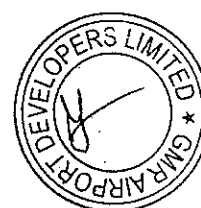
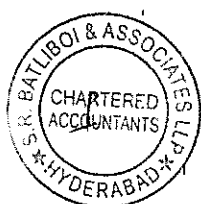
#### Financial risk

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and bank balances are derived from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the mitigation of these risks. The Company's management is supported by its strategic planning, treasury and Finance department that advise on market risk, financial risk and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and demand risk. Financial instruments affected by market risk include loans and borrowings, investments carried at FVTPL and deposits.



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analysis have been prepared on the basis that the amount of debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The analysis for the contingent consideration liability is provided in Note 29.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at 31 March 2018 and 31 March 2017.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to convert variable rate loan to fixed rate loan if the perceived uncertainty of such variable market rates is for a long term. All of Company's borrowings are at a floating rate of interest (31 March 2017: 100%).

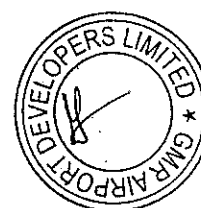
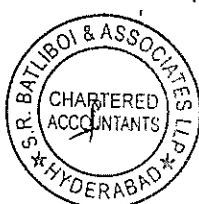
The exposure of the Company's borrowing to interest rate changes at the end of the reporting period:

Particulars	March 31, 2018	March 31, 2017
Rupee term loan	5166.66	7750.00

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase in basis points	(Decrease)/Increase of profit before tax
March 31, 2018		
INR	50	(34.15)
	(50)	34.15
March 31, 2017		
INR	50	(41.76)
	(50)	41.76



**GMR Airport Developers Limited**

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**Foreign currency risk:**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's external commercial borrowings.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in foreign currency is as follows:

Receivable on	31 March, 2018	31 March, 2018	31 March, 2017	31 March, 2017
Foreign Currency	Foreign Currency	(Rs.)	Foreign Currency	(Rs.)
USD	8,882	5.80	26,768	17.56
OMR	39,200	66.36	-	-
<b>Grand Total</b>		<b>72.16</b>		<b>17.56</b>

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and OMR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities are as under:-

Foreign Currency	Change in Rate	March 31, 2018	March 31, 2017
USD			
	5%	0.29	0.88
	(5%)	(0.29)	(0.88)
OMR			
	5%	3.32	-
	(5%)	3.32	-

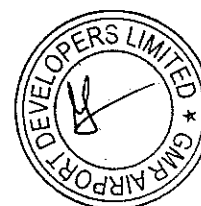
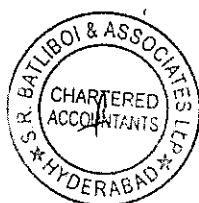
**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade receivables**

Customer credit risk is managed by the Company as per approved debtors policy and established procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any credit to new customers are generally covered by security deposits or bank guarantees.

At March 31, 2018, the Company had 10 customers (March 31, 2017: 7 customers) that owed the Company more than Rs. 10.00 each and accounted for approximately 99% (31 March 2017: 93%) of all the receivables outstanding.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as moderate, as its customers are broad-based, however, they operate largely in dependent market.

#### Financial instruments (security deposits) and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company monitors its risk of a shortage of funds using a rolling cash flow forecasts.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders, if required.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Year ended 31 March, 2018</b>						
Borrowings	-	562.50	1687.50	2916.66	-	5166.66
Employee benefits	-	142.10	875.70	-	-	1017.80
Trade payables	-	488.89	-	-	-	488.89
Other financial liabilities	-	77.24	-	-	-	77.24
	-	1270.73	2563.20	2916.66	-	6750.59
<b>Year ended 31 March, 2017</b>						
Borrowings	-	468.75	1406.25	5875.00	-	7750.00
Employee benefits	-	-	704.38	-	-	704.38
Trade payables	-	186.50	-	-	-	186.50
Other financial liabilities	-	131.49	-	-	-	131.49
	-	786.74	2110.63	5875.00	-	8772.37

#### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### 35. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital plus debt. The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

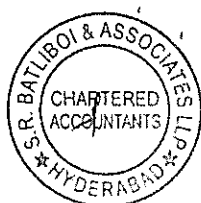
	March 31, 2018	March 31, 2017
Borrowings	5166.66	7750.00
Net debt	5166.66	7750.00
Capital components		
Equity	1019.70	509.85
Other Equity*	4209.75	4351.07
Total Capital	5229.45	4860.92
Capital and net debt	10396.11	12610.92
Gearing ratio (%)	50%	61%

\*The above is inclusive of final dividend of Rs. 5 per fully paid equity share (March 31, 2017 – Rs. 8) recommended by the Board of Directors in its meeting held on April 30, 2018. The proposed dividend will require total outflow of Rs. 614.65 (March 31, 2017 Rs.490.91) inclusive of dividend distribution tax thereon. The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting. Refer Note 13B for further disclosures.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during each of the years ended March 31, 2018 and March 31, 2017.

36. The Company has not dealt with any party as defined under the provisions of Micro, Small and Medium Enterprises Development Act, 2006 during the year.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**37. Leases**

Operating leases are mainly in the nature of lease of office premises and IT servers with no restriction and are cancellable at the option of either of the parties. There are no sub-leases.

The amount of operating lease payments recognized in the statement of profit and loss is Rs.314.41 (March 31, 2017: Rs.12.42).

38. The Company has undertaken necessary steps to comply with the transfer pricing regulations. The Management is of the opinion that the international and domestic transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**39. New Indian Accounting Standard (Ind AS) issued but not yet effective**

**a) Ind AS 115 – Revenue from Contracts with Customers**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

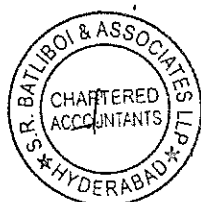
The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

**b) Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.



GMR Airport Developers Limited

CIN: U62200TG2008PLC059646

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees lakhs, except as otherwise stated)

**Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:**


On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not expected to be material.

40. Previous year figures have been regrouped/re-arranged where necessary to conform to current year's classification.

As per our report of even date

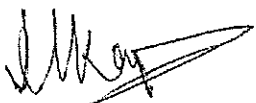
For S.R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm registration No: 101049W/E300004  
Chartered Accountants

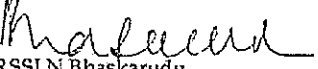
  
per Shankar Srinivasan  
Partner  
Membership No.: 213271

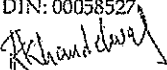


Place: Hyderabad  
Date: April 30, 2018

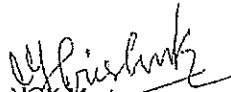
For and on behalf of the Board of Directors of  
GMR Airport Developers Limited

  
Sidharath Kapur  
Director  
DIN: 02153416

  
RSSLN Bhaskarudu  
Director  
DIN: 00058527

  
Ekta Khandelwal  
Company Secretary  
FCS 9341

Place: New Delhi  
Date: April 30, 2018

  
NGK Murty  
Chief Financial Officer

Place: Hyderabad  
Date: April 30, 2018

