BRAHMAYYA & CO.,
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR AVIATION PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements ("Financial Statements") of **GMR Aviation Private Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Change in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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 the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 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 financial statements based on our audit. In conducting our audit, we have considered 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 there under and the order issued under section 143(11) of the Act.

We conducted our audit of the Financial statements in accordance with the Standards on Auditing 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

BRAHMAYYA & CO. Chartered Accountants BENGALURU

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including the, of the state of affairs(financial position) of the Company as at March 31, 2018, and its losses including other comprehensive income, its cash flow 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 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2) As required by Section 143 (3) of the Act, based on our audit 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 purposes 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, the statement of profit and loss including Other Comprehensive Income, Statement of changes in Equity and the Statement cash flow dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is 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 B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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, as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigation on its financial position in its Financial Statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

BRAHMAYYA & CO. Chartered Accountants BENGALURU

iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm registration no: 000515S

G. Srinivas
Partner
Membership number: 086761

Place: Bangalore
Date: 01st May, 2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2018 we report that:

(i) In respect of the Company's fixed assets

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The Company has a program of verification to cover all the items Property, Plant and Equipment of in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) On the basis of our examination of the records of the Company, the company doesn't hold any immovable properties; accordingly, disclosure under clause (i) (c) of paragraph 3 of the order is 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 any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) Undisputed statutory dues including provident fund, employees' state insurance, income Tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities.

b) According to the information and explanations given to us, there are no undisputed statutory dues in respect of provident fund, employees' state insurance, income Tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, as at March 31, 2018 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, and Cess which have not been deposited on account of dispute except as stated below:

Name of the statute	Nature of Dues	Amount (Rs.)	Period to which amount relates	Forum where dispute is pending
Customs Act	Custom Duty	Rs. 32 Crores	2008-09	CESTAT

BRAHMAYYA & CO. Chartered Accountants BENGALURU

(viii) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. The Company has not issued any debentures during the year and doesn't have any outstanding dues in respect of debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration as per the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm registration no: 000515S

G. Srinivas
Partner
Membership number: 086761

Place: Bangalore
Date: 01st May, 2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

"Annexure – B" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **GMR Aviation Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended.

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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 judgment, 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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

BRAHMAYYA & CO. Chartered Accountants BENGALURU

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 authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 Brahmayya & Co.,
Chartered Accountants
ICAI Firm registration no: 000515S

G. Srinivas
Partner
Membership number: 086761

Place: Bangalore
Date: 01st May, 2018

BRAHMAYYA & CO.
Chartered Accountants
BENGALURU

Statement of standalone assets and liabilities

(in Rs........)

Particulars	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	1,750,739,190	1,804,196,785
Capital work in progress	-	-
Investment property	-	-
Goodwill	-	-
Other intangible assets	60,572	100,863
Intangible assets under development	-	-
Financial assets		
Investments	-	-
Trade receivables	-	-
Loans and advances	-	-
Others	19,897,230	32,128,479
Non-current tax assets (net)	-	-
Deferred tax assets (net)	-	-
Other non-current assets	3,398,319	3,128,625
	1,774,095,311	1,839,554,752
b) Current assets		
Inventories		
Financial assets		
Investments	13,131,330	-
Loans and advances	1,492,656	1,480,910
Trade receivables	94,611,316	85,843,748
Cash and cash equivalents	48,413,981	16,940,179
Other bank balances	-	-
Other financial assets	23,834,117	11,361,986
Current tax assets (net)	12,317,854	14,106,522
Other current assets	5,597,651	3,086,012
	199,398,905	132,819,357
TOTAL ASSETS (a+b)	1,973,494,216	1,972,374,109
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	2,440,808,680	2,440,808,680
Other equity	(1,060,757,599)	(999,946,433)
Total equity	1,380,051,081.00	1,440,862,246.64
b) Non-current liabilities		
Financial liabilities		
Borrowings	409,755,984	60,937,500
Trade payables	-	-
Other financial liabilities	-	-
Provisions	3,370,414	6,064,453
Deferred tax liabilities (net)	-	-
Other non-current liabilities	5,000,000	5,000,000
	418,126,398.00	72,001,953.00
c) Current liabilities		
Financial liabilities		
Borrowings	-	81,208,154
Trade payables	41,176,837	42,640,977
Other financial liabilities	102,802,043	249,133,148
Other current liabilities	12,596,245	70,908,916
Provisions	18,741,612	15,618,714
Current tax liabilities (net)	-	-
	175,316,737.00	459,509,909.00
TOTAL EQUITY AND LIABILITIES (a+b+c)	1,973,494,216	1,972,374,109

Remove if not relevant for your entity

As per our report of even date
for Brahmayya & Co
Chartered Accountants
Firm Registration No.000515S

G. Srinivas
Partner
Membership No.086761

Place : Bengaluru
Date : 01/05/2018

BRAHMAYYA & CO.
Chartered Accountants
BENGALURU

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao Director DIN: 00064511	P.S.Nair Director DIN: 00063118
Pradeep Pareek CFO	Payal Gupta Company Secretary

GMR AVIATION PRIVATE LIMITED
DE

(In Rs.......)

Statement of Standalone Audited Results for Quarter and year ended March 31, 2018

	Particulars	Quarter ended			Year ended	
		31-Mar-2018	31-Dec-2017	31-Mar-2017	31-Mar-2018	31-Mar-2017
	(Refer Notes Below)	(Refer Note 1)	Unaudited	(Refer Note 1)	Audited	Audited
A	**Continuing Operations**					
1	**Revenue**					
	a) Revenue from operations					
	i) Sales/income from operations	180,111,729	114,055,226	140,199,389	510,819,523	515,523,392
	ii) Other operating income	-	-	-	-	-
	b) Other income					
	i) Foreign Exchange Fluctuation (Net)					
	ii) Others	3,321,565	839,672	1,272,058	21,392,342	10,141,398
	Total revenue	183,433,294	114,894,898	141,471,447	532,211,865	525,664,790
2	**Expenses**					
	(a) Revenue share paid/payable to concessionaire grantors	-	-	-	-	-
	(b) Consumption of fuel					
	(c) Cost of materials consumed					
	(d) Purchases of traded goods					
	(e) (Increase) or decrease in stock-in-trade					
	(f) Sub-contracting expesnes					
	(g) Employee benefits expense	13,715,437	17,258,980	18,561,658	67,908,081	66,120,824
	(h) Finance costs	17,208,501	18,383,984	(35,644,690)	71,905,881	36,117,705
	(i) Depreciation and amortisation expenses	4,375,254	42,925,662	39,838,606	128,661,026	160,363,036
	(j) Other expenses	84,804,889	54,827,792	73,177,077	325,629,068	289,588,209
	Total expenses	120,104,081	133,396,418	95,932,651	594,104,056	552,189,774
3	**Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)**	63,329,213	(18,501,520)	45,538,796	(61,892,191)	(26,524,984)
4	Exceptional items	-	-	-	-	-
5	**Profit/(loss) from continuing operations before tax expenses (3 ± 4)**	63,329,213	(18,501,520)	45,538,796	(61,892,191)	(26,524,984)
6	**Tax expenses of continuing operations**					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
7	**Profit/(loss) after tax from continuing operations (5 ± 6)**	63,329,213	(18,501,520)	45,538,796	(61,892,191)	(26,524,984)
B	**Discontinued Operations**	-	-	-	-	-
8	**Profit/(loss) from discontinued operations before tax expenses**	-	-	-	-	-
9	**Tax expenses of discontined operations**					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
10	**Profit/(loss) after tax from discontinued operations (8 ± 9)**	-	-	-	-	-
11	**Profit/(loss) after tax for respective periods (7 + 10)**	63,329,213	(18,501,520)	45,538,796	(61,892,191)	(26,524,984)
12	**Other Comprehensive Income**					
	(A) (i) Items that will not be reclassified to profit or loss	205,647	203,715	-	1,081,019	(3,926,179)
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
13	**Total other comprehensive income, net of tax for the respective periods**	205,647	203,715	-	1,081,019	(3,926,179)
14	**Total comprehensive income for the respective periods (11 ± 13) [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods]**	63,534,860	(18,297,805)	45,538,796	(60,811,172)	(30,451,163)

* Remove if not relevant for your entity

Note 1 -
The figures of the last quarter of current and previous years are the balancing figures between the audited figures in respect of the full financials year and the published unaudited year to date figures for nine months ended for the respective years.

As per our report of even date
for Brahmayya & Co
Chartered Accountants
Firm Registration No.000515S

G. Srinivas
Partner
Membership No.086761

Place : Bengaluru
Date : 01/05/2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao
Director
DIN: 00064511

P.S.Nair
Director
DIN: 00063118

Pradeep Pareek
CFO

Payal Gupta
Company Secretary

GMR AVIATION PRIVATE LIMITED DELHI

(All amounts in Rupees, unless otherwise stated)

GMR AVIATION PRIVATE LIMITED

CIN: U62200DL2006PTC322498

BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Notes	As at 31 Mar 2018	As at 31 March 2017
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	1,750,739,190	1,804,196,785
(b) Other Intangible Assets	4	60,572	100,863
(c) Financial Assets			
(i) Trade receivables	8	-	-
(ii) Other Financial Assets	7	19,897,230	32,128,479
(d) Other non-current assets	10	3,398,319	3,128,625
(e) Deferred tax assets (net)			
(f) Non Current taxes recoverable (net of provision)	11	-	-
TOTAL NON-CURRENT ASSETS		1,774,095,311.39	1,839,554,752
Current assets			
(a) Financial Assets			
(i) Current investments	5	13,131,330	-
(ii) Trade receivables	8	94,611,316	85,843,748
(iii) Cash and cash equivalents	9	48,413,981	16,940,179
(iv) Loans	6	1,492,656	1,480,910
(v) Others	7	23,834,117	11,361,986
(b) Income Tax Asset (Nett)	11	12,317,854	14,106,522
(c) Other current assets	10	5,597,651	3,086,012
TOTAL CURRENT ASSETS		199,398,905	132,819,357
TOTAL ASSETS		1,973,494,216	1,972,374,109
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	2,440,808,680	2,440,808,680
(b) Other Equity	13	(1,060,757,599)	(999,946,433)
TOTAL EQUITY		1,380,051,081	1,440,862,247
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	409,755,984	60,937,500
(ii) Trade Payables	15	-	-
(ii) Other financial liabilities (other than those specified in item (ii), to be specified)	16	-	-
(b) Other non-current liabilities	17	5,000,000	5,000,000
(c) Provisions	18	3,370,414	6,064,453
TOTAL NON-CURRENT LIABILITIES		418,126,398	72,001,953
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	81,208,154
(ii) Trade Payables	15	41,176,837	42,640,977
(iii) Other financial liabilities (other than those specified in item (ii)	16	102,802,043	249,133,148
(b) Other current liabilities	17	12,596,245	70,908,916
(c) Provisions	18	18,741,612	15,618,714
TOTAL CURRENT LIABILITIES		175,316,737	459,509,909
TOTAL EQUITY AND LIABILITIES		1,973,494,216	1,972,374,109
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
for Brahmayya & Co.
Chartered Accountants
Firm Registration No.000515S

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao
Director
DIN: 00064511

P.S.Nair
Director
DIN: 00063118

G. Srinivas
Partner
Membership No.086761

Pradeep Pareek
CFO

Payal Gupta
Company Secretary

Place : Bengaluru
Date : 01/05/2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

GMR AVIATION PRIVATE LIMITED DELHI

(All amounts in Rupees, unless otherwise stated)

GMR AVIATION PRIVATE LIMITED

CIN: U62200DL2006PTC322498

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

Particulars	Notes	For the Year Ended 31 Mar 2018	For the Year Ended 31 March 2017
Income			
Revenue from operations (Net)	19	510,819,523	515,523,392
Other Income	20	21,392,342	10,141,398
Total Revenue (i)		532,211,865	525,664,790
Expenses			
Operating and Other Expenses	21	325,629,068	289,588,209
Employee benefits expense	22	67,908,081	66,120,824
Depreciation and amortization expense	23	128,661,026	160,363,036
Finance costs	24	71,905,881	36,117,705
Total (ii)		594,104,056	552,189,774
Profit before exceptional items and tax		(61,892,191)	(26,524,984)
Exceptional Items			
Profit / (Loss) before tax		(61,892,191)	(26,524,984)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/(loss) for the period		(61,892,191)	(26,524,984)
Other Comprehensive Income			
Items that will be reclassified to Profit & Loss			
Items that will not be reclassified to Profit & Loss			
Re-measurement gains (losses) on defined benefit plans		1,081,019	3,926,179
Total Other Comprehensive Income, net of taxes		1,081,019	3,926,179
Total Comprehensive Income for the period'		(60,811,172)	(30,451,163)
Earnings per equity share [nominal value of share Rs. 10 (31 March 2017: Rs. 10)]	25		
Basic			
Computed on the basis of profit from continuing operations		(0.25)	(0.11)
Computed on the basis of total profit for the period		(0.25)	(0.11)
Diluted			
Computed on the basis of profit from continuing operations		(0.25)	(0.11)
Computed on the basis of total profit for the period		(0.25)	(0.11)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
for Brahmayya & Co.
Chartered Accountants
Firm Registration No.000515S

G. Srinivas
Partner
Membership No.086761

Place : Bengaluru
Date : 01/05/2018

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao	**P.S.Nair**
Director	Director
DIN: 00064511	DIN: 00063118
Pradeep Pareek	**Payal Gupta**
CFO	Company Secretary

BRAHMAYYA & CO. Chartered Accountants BENGALURU

GMR AVIATION PRIVATE LIMITED DELHI

(All amounts in Rupees, unless otherwise stated)

GMR AVIATION PRIVATE LIMITED

CIN: U62200DL2006PTC322498

Statement of Changes in Equity for the year ended 31 March 2018

A. Equity Capital

Particulars	Amount in Rs.
As at 31 March 2016	864,400,000
Share Capital Issued during the year	1,576,408,680
As at 31 March 2017	**2,440,808,680**
As at 31 March 2017	2,440,808,680
Share Capital Issued during the year	-
As at 31 March 2018	**2,440,808,680**

B. Other Equity

Amount in Rs.

Particulars	Equity Component of Related Party Loans	Retained Earnings	Other Comprehensive Income	Equity
As at 31 March 2016		**(969,495,270)**	-	**(969,495,270)**
Net Profit/Loss		(26,524,984)	(3,926,179)	**(30,451,163)**
Actuarial (gain)/loss in respect of defined benefit plan				-
As at 31 March 2017	-	**(996,020,254)**	**(3,926,179)**	**(999,946,433)**
Net Profit/Loss	-	(61,892,191)		(61,892,191)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	1,081,019	1,081,019
As at 31 March 2018	-	**(1,057,912,445)**	**(2,845,160)**	**(1,060,757,605)**

BRAHMAYYA & CO.
Chartered Accountants
BENGALURU

GMR AVIATION PRIVATE LIMITED
DELHI

(All amounts in Rupees, unless otherwise stated)

GMR AVIATION PRIVATE LIMITED

CIN: U62200DL2006PTC322498

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	For the Year Ended 31 Mar 2018	For the Year Ended 31 March 2017
A. Cash flows from operating Activities:		
Profit/Loss for the period	(60,811,172)	(30,451,163)
Non-cash adjustment & adjustments for other activities:		
Depreciation/ amortization on continuing operation	128,661,036	160,361,802
Assets/Advances written off	-	-
Deferred revenue Expenditure	(1,538,470)	(1,538,470)
Profit on sale of current investments (other than trade)	(1,222,046)	-
Profit on Sale of Fixed Assets	(70,963)	(146,551)
Finance costs	71,905,881	36,117,705
Profit/Loss on Fair Valution of Derivative Liabilities	(1,580,594)	(6,712,834)
Provisions for Expected Credit Loss	2,600,483	1,802,307
Interest income	(2,941,592)	(1,268,263)
Operating profit before working capital changes	**135,002,563**	**158,164,533**
Movements in working capital :		
Decrease/ (Increase) in trade receivables	(11,368,051)	62,064,625
Decrease/ (Increase) in other financial assets	(240,882)	208,906
Decrease / (Increase) in other non current assets	1,268,776	(2,447,850)
Decrease / (Increase) in Loans	(11,746)	2,117,971
Decrease / (Increase) in other current assets	(2,511,639)	(530,765)
Increase / (Decrease) in Trade Payables	(1,464,140)	(34,192,610)
Increase / (Decrease) in Other Financial Liabilities	(146,331,105)	(275,543,865)
Increase / (Decrease) in provisions	428,859	(731,464)
Increase / (Decrease) in Other current liabilites	(56,732,077)	69,754,935
Increase / (Decrease) in Other non-current liabilites	-	-
Cash generated from /(used in) operations	**(81,959,442)**	**(21,135,584)**
Capitalization of (Losses)/gains due to Exchange Fluctuation	-	4,757,778
Direct taxes paid (net of refunds)	1,788,664	(5,976,589)
Net cash flow from/ (used in) operating activities (A)	**(80,170,778)**	**(22,354,395)**
B. Cash flows from investing activities:		
Sale / (Purchase) of fixed assets, including CWIP and capital advances	(75,092,177)	(20,116,267)
Sale/ (Purchase) of Mutual Funds	(13,131,330)	-
Profit on sale of current investments (other than trade)	1,222,046	-
Interest received	2,941,592	1,268,263
Net cash flow from/ (used in) investing activities (B)	**(84,059,869)**	**(18,848,004)**
C. Cash flows from financing activities:		
Increase/ (Repayment) of borrowings (net)	267,610,330	(1,485,415,455)
Proceeds from issue of Equity Shares	-	1,576,408,680
Interest paid	(71,905,881)	(36,117,705)
Net cash flow from/ (used in) in financing activities (C)	**195,704,449**	**54,875,520**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	31,473,807	13,673,121
Cash and cash equivalents at the beginning of the period	16,940,179	3,267,058
Cash and cash equivalents at the end of the period	48,413,981	16,940,179
Components of cash and cash equivalents		
Cash on hand	-	-
Cheques/ drafts on hand	-	-
With banks- on current account	18,413,981	16,940,179
With banks- on Deposit account	30,000,000	-
- unpaid matured deposits	-	-
Total cash and cash equivalents (Note 12)	48,413,981	**16,940,179**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
for Brahmayya & Co
Chartered Accountants
Firm Registration No.000515S

G. Srinivas
G. Srinivas
Partner
Membership No.086761

Place : Bengaluru
Date : 01/05/2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao
Director
DIN: 00064511

P.S.Nair
Director
DIN: 00063118

Pradeep Pareek
Pradeep Pareek
CFO

Payal
Payal Gupta
Company Secretary

GMR AVIATION PRIVATE LIMITED DELHI

GMR AVIATION PRIVATE LIMITED
CIN: U62200DL2006PTC322498
Summary of Significant Accounting Policies

1. Corporate and General Information:

GMR Aviation Private Limited ('GAPL' or 'the Company') is a private limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company is wholly owned subsidiary of GMR Infrastructure Limited. The Company is incorporated with the objective of own, operate and maintain non-schedule aircrafts and helicopter. Company holds a valid Non-Scheduled Operator's Permit under Aircraft Rules, 1937 issued by Director General of Civil Aviation.

2. Significant Accounting Policies

A. Basis of preparation

(a) **Ind AS Compliance Statement:**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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 (INR).

(b) **Significant accounting estimates, assumptions and Judgements:**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

(i) **Property, Plant and Equipment:**

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.

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(ii) **Intangibles:**

Internal technical or user team assess the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(iii) **Impairment of non financial assets:**

Property, plant and equipment and Intangible assets are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

(iv) **Defined benefit plans:**

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

(v) **Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

(vi) **Contingencies:**

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claims/litigations against the company/by the company as it is not possible to predict the outcome of pending matters with accuracy.

(vii) **Income taxes:**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

B. Summary of significant accounting policies:

Current vs. Non-Current Classifications

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

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(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- 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.

(b) A liability is current when:

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

All other liabilities are classified as non-current.

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

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

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the acquisition of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs (refer note no. 3(d) below). Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Any subsequent expenditure is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognized 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 recognised in the Statement of Profit and Loss

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GMR AVIATION PRIVATE LIMITED DELHI

when the asset is derecognized. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.

Depreciation is charged to profit or loss so as to write off the cost of assets less their residual values over their useful lives, using the straight line method.

The estimated useful lives of the depreciable assets are as follows:

Class of Assets	Estimated Useful Life
Aircrafts	25 -Years
Furniture and Fixtures	4-7 -Years
Computer Equipment	3-7 -Years
Vehicles	5-10 Years

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.

(d) Intangible Assets

Identifiable intangible assets are recognised:

a) when the Company controls the asset,

b) it is probable that future economic benefits attributed to the asset will flow to the Company and

c) the cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and impairment losses if any.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life

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continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 derecognized.

Computer software is classified under "Intangible Assets" and the Costs incurred towards purchase of computer software are amortized over the useful life as estimated by the Management which is about 3 years for all of the intangible computer software and licenses. The asset's useful lives are reviewed at each financial year end.

(e) 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 capitalized 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. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(e) 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 01, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Classification on inception of lease:

a. Operating lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

b. Finance Lease:

A lease is classified as a financial lease where the lessor transfers substantially all the risks and rewards incidental to the ownership of the leased item.

Accounting of Operating leases:

(i) In case of company is the lessee:

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:

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GMR AVIATION PRIVATE LIMITED DELHI

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.

(ii) In case of company is the lessor:

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease, unless either:

a. another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, 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 according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(f) Inventories

"Spare parts, stand-by equipment and servicing equipment are recognised in accordance with Ind AS-16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory.

Spare parts, stand-by equipment and servicing equipment when classified as inventories are stated at the lower of cost or net realisable value. Cost is determined on a weighted average basis and includes other directly associated cost in bringing the inventories to their present location and condition. Net realizable value is the estimated current procurement price in the ordinary course of business"

(g) Impairment of non financial assets

At every reporting date the company conducts assessment of any 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 units (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 group of assets. When the carrying amount of an

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asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

(h) Foreign Currency transaction:

i) Functional and Presentation Currency:

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

ii) Transactions and Balances:

Foreign currency denominated transactions are initially recognised in the functional currency (i.e. INR) at the spot exchange rate prevalent on the date of transaction or a rate that approximates the actual rate at the date of the transaction.

Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Exchange Differences arising on settlement of monetary items are also recognised in profit or loss.

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 transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

(i) 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.

(ii) Interest income:

(a) Interest income is recognised by the company on a time proportion basis taking into account the amount outstanding and the rate applicable as on reporting date.

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Except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty / realisation

(b) For all financial assets measured at amortised cost , 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. Interest income is included in finance income in the statement of profit and loss.

(j) Employee benefits

(i) Gratuity

Gratuity is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the gratuity is calculated by estimating the amount of future benefit that employee has earned in exchange of their service in the current and prior periods and discounted back to the current valuation date to arrive at the present value of the defined benefit obligation. The defined benefit obligation is deducted from the fair value of plan assets, to arrive at the net asset / (liability), which need to be provided for in the books of accounts of the Company.

As required by the Ind AS 19, the discount rate used to arrive at the present value of the defined benefit obligations is based on the Indian government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The calculation is performed by a qualified actuary using the projected unit credit method. Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations. The Company recognizes these items of remeasurements immediately in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in their profit and loss account.

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

(ii) Compensated absences

Accumulated leaves, 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.

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(k) Taxes

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

(i) Current Taxes:

current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and Current tax liabilities are off set, and presented as net.

(ii) Deferred Taxes:

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance sheet approach. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

(l) Segment Accounting

The Company is primarily engaged in a single segment i.e. operating non-scheduled aircrafts and helicopter. The risk and returns of the Company are predominantly determined by its principal activity and the Company's activities fall within a single business and geographical segment. Accordingly, no further disclosures are required as per the Accounting standard 17 Ind AS 108 on segment reporting notified by the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter Companies (Accounting Standards) Rules, 2006, (as amended)

(m) Earning 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.

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GMR AVIATION PRIVATE LIMITED DELHI

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.

(n) Provisions and Contingencies

(i) Provisions

Provisions are recognised in statement of profit and loss 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. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed.

(ii) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(o) 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.

(i) Financial Assets

(i) Initial recognition

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics. Subsequent measurements of financial assets are dependent

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on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

(ii) Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in three categories.

(a) Debt instruments at amortised cost

(b) Debt instruments at fair value through Profit and Loss (FVTPL)

(c) Equity instruments measured at fair value through Profit and Loss (FVTPL)

(a) Debt Instruments at amortised cost:

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

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(ii) 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.

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.

(b) "Debt instrument at fair value through profit and loss (FVTPL):

AS per the Ind AS 101 and Ind AS 109 company is permitted to designate the previously recognised financial asset at initial recognition irrevocably at fair value through profit or loss on the basis of facts and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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(c) Equity Instruments at fair value through profit and loss (FVTPL):

Equity instruments/Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the statement of profit or loss.

(iii) De-recognition of financial asset:

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.

(ii) Financial liabilities

(i) Initial recognition

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

(ii) Subsequent measurement

a. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the statement of profit and loss.

b. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows

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with effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Financial liability with maturity of less than one year is shown at transaction value.

(iii) De-Recognition of Financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

(iii) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

(iv) Cash and cash equivalent

Cash and cash equivalent 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 Statement of Cash Flows, cash and cash equivalents consists of short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the company's cash management.

(p) Fair value measurement

The Company measures available-for-sale equity securities and derivatives at fair value on a recurring basis and other assets when impaired by reference to fair value less costs of disposal. Additionally, the fair value of other financial assets and liabilities require disclosure.

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. Fair value is measured by reference to the principal market for the asset or liability assuming that market participants act in their economic best interests.

The fair value of a non-financial asset assumes the asset is used in its highest and best use, either through continuing ownership or by selling it.

The Company uses valuation techniques that maximise the use of relevant observable inputs using the following valuation hierarchy:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

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Level 2:	Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3:	Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Further disclosures on the particular valuation techniques used by the Group are provided in note no 40.

For impairment testing purposes and where significant assets (such as property) are valued by reference to fair value less costs of disposal, an external valuation will normally be obtained using professional valuers who have appropriate market knowledge, reputation and independence

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3. Tangible Assets

Description	Aircrafts	Major Maintenance	Computers & Accessories	Electrical Equipment	Furniture and Fixtures	Office Equipment	Vehicles	TOTAL
			Gross Block					
As at 31.03.2016	1,956,927,554	136,850,448	236,182	859,970	3,139,785	1,008,991	1,317,756	2,100,340,685
Additions		20,081,986			185,281	-		20,267,267
Disposals		-					191,052	191,052
Adjustments	(4,757,779)	-						(4,757,779)
As at 31.03.2017	1,952,169,775	156,932,434	236,182	859,970	3,325,066	1,008,991	1,126,704	2,115,659,121
Additions	-	75,065,681	97,458	-	-	-	-	75,163,139
Disposals	-	-	-	-	-	-	127,368	127,368
As at 31.03.2018	1,952,169,775	231,998,115	333,640	859,970	3,325,066	1,008,991	999,336	2,190,694,892
			Depreciation					
As at 31.03.2016	132,837,312	17,121,928	112,471	131,311	453,605	316,455	357,911	151,330,993
Charge for the year	133,976,057	25,036,683	61,620	131,311	469,056	288,511	353,461	160,316,699
Deductions							186,603	186,603
As at 01.04.2017	266,814,604	42,158,611	174,091	262,622	922,661	604,966	524,769	311,462,324
Charge for the year	95,513,134	32,028,220	60,758	131,311	471,474	217,147	198,702	128,620,746
Depreciation \ reclassification adjustmen	-	-	-	-	-	-	127,368	127,368
As at 31.03.2018	362,327,738	74,186,831	234,849	393,933	1,394,135	822,113	596,103	439,955,702
			Net block					
As at 31.03.2018	1,589,842,037	157,811,284	98,791	466,037	1,930,931	186,878	403,233	1,750,739,190
As at 31.03.2017	1,685,355,171	114,773,823	62,091	597,348	2,402,405	404,025	601,935	1,804,196,785
As at 31.03.2016	1,824,090,242	119,728,519	123,712	728,659	2,686,180	692,536	959,845	1,949,009,692

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4. Intangible Assets

Description	Software	TOTAL
Gross Block		
Cost as at 01.04.2016	**197,322**	**197,322**
Additions	-	-
Disposals	-	-
Cost as at 31.03.2017	**197,322**	**197,322**
Additions	-	-
Disposals	-	-
As at 31.03.2018	**197,322**	**197,322**
Amortization		
As at 01.04.2016	**51,357**	**51,357**
Charge for the year	45,103	**45,103**
As at 31.03.2017	**96,460**	**96,460**
Charge for the year	40,290	**40,290**
As at 31.03.2018	**136,750**	**136,750**
Net block		
As at 31.03.2018	**60,572**	**60,572**
As at 31.03.2017	**100,862**	**100,863**

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5. Investments

Particulars	31 Mar 2018	31-Mar-17
Current		
Liquid Investment	13,131,330	-
	13,131,330	-

Details of Investment

Particulars	31 Mar 2018	
	Units	Amount
Current Investment		
Birla Sunlife Cash Plus Growth Direct Plan	47195.309	13,131,330
	47195.309	**13,131,330**

6. Loans

Particulars	31 Mar 2018	31 March 2017
Current		
Advances to employees	1,492,656	1,480,910
	1,492,656	**1,480,910**

7. Other Financial Assets

Particulars	31 Mar 2018	31 March 2017
Non-Current		
Security Deposits	17,231,530	17,361,530
Non-current bank balances	2,665,700	11,906,064
Interest Accrued but not due	-	2,860,885
	19,897,230	**32,128,479**
Current		
Advances to Suppliers/Creditors	12,786,317	7,088,441
Unbilled Revenue	11,047,800	4,273,545
	23,834,117	**11,361,986**
TOTAL	**43,731,347**	**43,490,465**
[1]Financial Assets carried at amortized cost	43,731,347	43,490,465
[2]Financial Assets carried at fair value through other comprehensive income	-	-
[3]Financial Assets carried at fair value through Profit & Loss Account	-	-

Non-Current Bank Balances represent restricted cash and bank balances. The restrictions are on account of bank balances held as margin money deposit against guarantees.

8. Trade Receivables

Particulars	31 Mar 2018	31 March 2017
Non-Current		
Unsecured, considered good		
Debts overdue for six months		
Related parties	-	-
Others	-	-
	-	-
Less: Provision for Expected Credit Loss	-	-
	-	-
Current		
Unsecured, considered good		
Debts overdue for six months		
Related parties	-	-
Others	34,193,018	50,484,460
	34,193,018	**50,484,460**
Less: Provision for Expected Credit Loss	10,808,755	8,208,272
	23,384,263	**42,276,188**
Other Debts		
Unsecured, considered good		
Related parties	23,663,818	9,607,172
Others	47,563,235	33,960,388
	71,227,053	**43,567,560**
Less: Provision for Expected Credit Loss	-	-
	71,227,053	**43,567,560**
	94,611,316	**85,843,748**

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9. Cash and Cash Equivalents

Particulars	31 Mar 2018	31 March 2017
Current		
Balances with Banks:		
In current accounts	18,413,981	16,552,225
In deposit accounts	30,000,000	387,954
Cash in Hand	-	-
Others	-	-
	48,413,981	16,940,179

1. Balance in Deposit Accounts includes Rs. 3,00,00,000 (March 31, 2017 Rs. Nil) Fixed Deposit pledged with Karur Vyasya Bank for an overdraft facility
2. Balance in Deposit Accounts includes Rs. Nil (March 31, 2017 Rs.387,954) fixed deposits kept as Margin Money against Bank Guarantees issued by the bank on behalf of the company.

10. Other Assets

Non-Current		
Non-Current		
Deferred Revenue Expenditure	2,483,263	3,128,625
Prepaid Gratuity	915,056	-
	3,398,319	3,128,625
Current		
Capital Advances	-	-
Advances other than capital advances		
Service Tax/GST Recoverable	-	38,997
Deferred Revenue Expenditure	892,288	953,063
Prepaid Expenses	2,869,656	2,093,952
Interest Accrued but not due	1,835,707	-
	5,597,651	3,086,012
	8,995,970	6,214,637

11. Income Tax Asset (Nett)

The following table provide details of income tax assets and liabilities as of March 31, 2018 and March 31, 2017

Particulars	31 Mar 2018	31 March 2017
Income Tax Assets	12,317,854	14,106,522
Income Tax Liabilities	-	-
	12,317,854	14,106,522

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12. SHARE CAPITAL	31 Mar 2018	31 March 2017
Authorized shares		
25,00,00,000 (10,00,00,000) equity shares of Rs. 10 each	2,500,000,000	1,000,000,000
NIL (2,00,000) preference shares of Rs. 10 each	-	2,000,000
	2,500,000,000	1,002,000,000
Issued, subscribed and fully paid-up shares		
(i) 24,40,80,868 (8,64,40,000) equity shares of Rs.10 each fully paid up	2,440,808,680	2,440,808,680
Total issued, subscribed and fully paid-up share capital	2,440,808,680	2,440,808,680

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 Mar 2018		31 March 2017	
	No.	Amount	No.	Amount
At the beginning of the period	244,080,868	2,440,808,680	244,080,868	2,440,808,680
Issued During the period	-	-	-	-
Outstanding at the end of the period	**244,080,868**	**2,440,808,680**	**244,080,868**	**2,440,808,680**

b) 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 is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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

(d) Shares held by holding company

	31 Mar 2018	31 March 2017
GMR Infrastructure Limited, the holding company		
217,590,000 (Mar 31, 2017: 217,590,000) equity shares of Rs.10 each fully paid up	2,440,808,680	2,440,808,680

(e) Details of shareholders holding more than 5% shares in the company

	31 Mar 2018		31 March 2017	
	No.	% holding	No.	% holding
Equity shares of Rs,10 each fully paid				
GMR Infrastructure Limited, the holding company	244,080,868	100%	244,080,868	100%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

13. Other Equity	31 Mar 2018	31 March 2017
(i) Capital Reserve		
Opening Balance	34,092,629	34,092,629
Add: Amount transferred from surplus balance in the statement of Profit and Loss	-	-
Less: Amount transferred	-	-
	34,092,629	**34,092,629**
(ii) Profit & Loss Account (Debit Balance)		
Opening Balance	(1,034,039,056)	(1,003,587,899)
Surplus/(Deficit) in Statement of Profit and Loss	(60,811,172)	(30,451,163)
	(1,094,850,228)	**(1,034,039,062)**
	(1,060,757,599)	**(999,946,433)**

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14. Borrowings

Particulars	31 Mar 2018	31-Mar-17
Non-Current		
Borrowings		
Term Loans[1]		
Indian Rupee Loans from Financial Institutions (Secured)	409,755,984	60,937,500
	409,755,984	60,937,500
Current		
Borrowings		
Short Term borrowings		
Cash Credit from Bank (Secured)	-	28,708,154
Short Term Loan from Banks*	-	52,500,000
	-	81,208,154

**Secured by way of Hypothecation over Fixed Deposit Receipt*

[1] *Indain Rupee Term Loan of Rs. 55-Crore from Clix Finance India Private Limited for a term of 5-Years payable in 54-Equated Monthly Instalments @ 12.99% p.a.is availed*

15. Trade Payable

Particulars	31 Mar 2018	31-Mar-17
Current		
Trade Payables		
Micro, Small and Medium Enterprises	-	15,750
Related parties	8,659,407	13,363,267
Others	32,517,430	29,261,960
	41,176,837	42,640,977

16. Other Financials Liabilities

Particulars	31 Mar 2018	31-Mar-17
Current		
Current Portion of Long Term Borrowings		
Indian Rupee Loans from Financial Institutions (Secured)	101,480,211	48,750,000
Foreign Currency Loan (Secured)	-	193,047,680
Interest Accrued but not due on borrowings	727,776	2,780,834
Amount Payable to Employees	594,056	2,974,040
Derivative Liability	-	1,580,594
	102,802,043	249,133,148

17. Other Liabilities

Particulars	31 Mar 2018	31-Mar-17
Non-Current		
Advance from Customers	5,000,000	5,000,000
	5,000,000	5,000,000
Current		
Unearned Revenue	-	4,023,750
Capital Advances	-	9,500
Advance from Customers	18,916	64,749,933
Statutory Dues	12,577,329	2,125,733
	12,596,245	70,908,916

18. Provisions

Particulars	31 Mar 2018	31-Mar-17
Non-Current		
Provision for leave benefits	3,370,414	5,133,085
Provision for gratuity	-	931,368
	3,370,414	6,064,453
Current		
Provision for leave benefits	1,150,716	1,769,767
Accrued Expenses	17,590,896	13,848,947
	18,741,612	15,618,714
	22,112,026	21,683,167

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19. REVENUE FROM OPERATIONS	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Service Income		
Aero Income		
Aircraft Charter Income	509,348,273	514,134,641
	509,348,273	**514,134,641**
Non Aero Income		
Pilot Hire Income	1,471,250	1,388,751
	1,471,250	**1,388,751**
Revenue from Operations	**510,819,523**	**515,523,392**

20. OTHER INCOME	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Interest Income:		
Interest Income on Bank deposits	2,941,592	1,098,103
Other Interest Income	1,276,611	170,160
Gain on account of foreign exchange fluctuations (Net)	4,491,857	1,163,128
Profit on Sale of Current Investment	1,222,046	-
Profit on Sale of Fixed Assets	70,963	146,551
Profit on fair valuation of derivatives	1,580,594	6,712,834
Other non-operating income	9,808,679	850,622
	21,392,342	**10,141,398**

21. Operating and Other Expenses	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Repair & Maitnenance-Plant & Machinery	100,617,591	108,281,916
Repair & Maintenance-Others	328,447	2,121,189
Aircraft - Ground Handling Charges	10,596,162	11,068,639
Aircraft - Landing & Parking Charges	9,541,516	5,173,449
Aircraft - Route Navigation Charges	2,760,503	2,228,931
Aircraft - Other Charges	7,998,335	9,045,745
Cost of Fuel	50,922,739	56,462,333
Business Promotion	452,333	-
Insurance	5,838,212	6,721,915
Travelling and Conveyance	19,501,260	15,948,981
Outside Charter Availed	82,800,656	34,528,096
Rent	974,353	1,718,279
Communication costs	633,993	931,425
Legal and professional fees	20,343,172	17,424,814
Rates and taxes	406,598	13,149,524
Pilot Hiring Expenses	7,981,697	535,972
Printing and stationery	167,444	265,497
Electricity and water charges	337,296	85,312
Miscellaneous expenses	616,278	1,766,385
Payment to auditor (Refer details below)	210,000	327,500
Provision for Expected Credit Loss	2,600,483	1,802,307
	325,629,068	**289,588,209**

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Details of Payment to Auditor

As auditor:	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Audit fee	130,000	130,000
Tax audit fee	50,000	50,000
Limited review	30,000	45,000
In other capacity:		
Company law matters	-	-
Other services (certification fees)	-	102,500
(without Service tax)		
	210,000	**327,500**

22. EMPLOYEE BENEFIT EXPENSES	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Salaries, wages and bonus	51,637,839	52,798,054
Contribution to provident and other fund	2,648,613	3,100,799
Gratuity expense	664,275	311,305
Staff welfare expenses	12,957,354	9,910,666
	67,908,081	**66,120,824**

23. DEPRECIATION AND AMORTIZATION EXPENSES	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Depreciation of Property, Plant & Equipment	128,620,736	160,317,933
Amortization of intangible assets	40,290	45,103
	128,661,026	**160,363,036**

24. FINANCE COST	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Interest on Term Loan and Others	70,266,414	34,552,909
Bank and other finance charges	1,639,467	1,564,804
	71,905,881	**36,117,713**

25. EARNINGS PER SHARE (EPS)	For the Year Ended 31 Mar 2018	For the Year Ended 31 Mar 2017
Total Operations for the period		
Profit / (Loss) after Tax	(61,892,191)	(26,524,984)
Less : Dividends on convertible preferance Shares &Tax there on	-	-
	(61,892,191)	**(26,524,984)**
Net Profit / (Loss) for Caluclation of Basic EPS	**(61,892,191)**	**(26,524,984)**
No of Equity Shares	244,080,868	244,080,868
Earnings Per Share	(0.25)	(0.11)
Diluted Earnings Per Share	(0.25)	(0.11)

Note: In case of anti-dilution, basic EPS has been considered as diluted EPS

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26. Significant accounting judgments, estimates and assumptions

ESTIMATES AND ASSUMPTIONS

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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 2(B)(g).

Taxes

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.

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.

Contingencies

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.

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. Judgments 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 35 for further disclosures.

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27 Capital Commitments

	31-Mar-18	31-Mar-17
Estimated amount of Contracts remaining to be executed on capital account and not provided	-	-
	-	-

28 Contingent Liabilities

	31-Mar-18	31-Mar-17
Bank Guarantees issued to Suppliers/service providers/Lenders	2,666,200	36,131,200
Customs Duty*	320,000,000	320,000,000
	322,666,200	356,131,200

**One of the aircrafts of the company i.e. Falcon 2000 Ex Easy was seized by the customs authorities on 7th July, 2008 on the grounds of violation of Notification No. 21/ 2002 customs dated 1st March, 2002 as amended by Notification No. 61/2007 customs dated 3rd May 2007. On submission of Bond for Rs.112,00,00,000 and a Bank Guarantee of Rs.32,00,00,000, the customs authorities issued the release order on 16th July, 2008 and on the same day the company received the aircraft from the Customs Department. After considering the submissions made by the Company and the personal hearing before Commissioner of Customs (Preventive) an Order was issued in our favour dropping all the proceedings initiated in the show cause notice. Accordingly, the Company requested the Commissioner of Customs (Preventive) to release and return the Bank Guarantee. The bank guarantee is not renewed as there is no confirmed liability against the company. Meanwhile, in its review order the Chief Commissioner of Customs (DZ) Delhi had concluded that the Commissioner of Customs (Preventive) has erroneously come to the conclusion that there was no post import contravention of the relevant DGFT notification by GAPL and benefit of exemption notification was correctly extended to them and accordingly erred in dropping the proceedings initiated vide Show Cause Notice. The Committee directed the Commissioner of Customs (Preventive), Delhi to apply to the Hon'ble CESTAT for correct determination of points arising out of the order. Accordingly, the appeal was filed by Commissioner Customs (Preventive) before the Hon'ble Customs Excise and Service Tax Appellate Tribunal on 28-May-2009.

The Delhi High Court in the case of *Mangali Impex* has held that DRI/ Preventive officers were not empowered to make a demand of Customs duty under Section 28 of the Customs Act for imports prior to 08.04.2011 as they did not qualify to be proper officers of Customs. This decision of the Delhi High Court is appealed before the Hon'ble Supreme Court of India and a final decision on merits is awaited. Basis the aforesaid appeal pending before the Hon'ble Supreme Court of India, CESTAT has taken a view that all appeals which are being listed before it, in which proceedings were initiated basis a Show Cause Notice issued by the DRI/ Preventive officers for imports prior to 08.04.2011, should be remanded to the original Adjudicating Authority. Thus, CESTAT has remanded the case back to the original adjudicating authority with specific directions to the parties to maintain 'status-quo'. Pursuant to the order, the matter shall remain pending with the original adjudicating authority till the Hon'ble Supreme Court pronounces its judgment in the case of *Mangali Impex*.

On 12th August 2013, the aforementioned aircraft was sold with a condition that the Company shall indemnify the buyer of the aircraft in case any liability arises due to any adverse decision.

29 Leases

The Company has entered in to commercial property leases for its Office premisses. All include a clause to enable upward revision of rental Charge on an annual basis according to the prevailing market conditions.

	31-Mar-18	31-Mar-17
Payments		
Lease rentals under cancelable leases (operating)	974,352	2,539,915
Lease rentals under non-cancelable leases	-	-
	974,352	2,539,915

The obligations on long-term, non-cancellable operating leases payable as per the rentals stated in respective agreements are as follows

Future minimum lease payable	31-Mar-18	31-Mar-17
Not later than 1 year	2,225,468	1,393,430
Later than 1 year and not later than 5 years	567,403	2,644,929
Later than 5-Years	-	1,110,190
	2,792,871	5,148,549

30 Movement in Provisions

Particulars	31-Mar-18	31-Mar-17
i) Gratuity:		
At the beginning of the year	(931,368)	1,448,822
Charge for the year	(1,846,424)	(2,380,190)
Released during the year	-	-
At the end of the year	915,056	(931,368)

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ii) Compensated Absences		
At the beginning of the year	(6,902,852)	8,565,684
Charge for the year	11,423,982	(15,468,536)
Released during the year	-	-
At the end of the year	(4,521,130)	(6,902,852)

31 Retirement Benefit Obligation

Particulars	31-Mar-18	31-Mar-17
i) Defined Contribution Plan (Expenses)		
Contribution to Provident and other funds	2,648,613	3,100,799
ii) Post-employment defined Benefit Plans (Gratuity)		
1. Movement in obligation		
Present value obligation at the beginning of the year	(931,968)	(1,448,422)
Current service cost	(648,259)	496,946
Interest cost	(15,416)	(185,442)
Benefits paid	1,429,680	(1,857,293)
Cost Recognised in other comprehensive income	1,081,019	3,926,179
Actuarial (gain)/loss on obligation	(0)	-
Present value obligation at the end of the year	915,056	931,968
2. Movement in Plan Assets		
a. Expenses recognised in Profit & Loss Statement		
Current service cost	648,259	496,946
Net Interest cost	15,416	(185,442)
Expense for the year	663,675	311,504
b. Recognised in Other Comprehensive Income		
Opening amount recognised in OCI	-	-
Actuarial (gain)/loss on obligation	(1,081,019)	3,926,179
Total expenditure/(income) recognised	(1,081,019)	3,926,179
3. Actuarial Assumptions for estimating companies defined benefit obligation:		
a. Discount rate (P.A.)	7.60%	7.10%
b. Salary escalation rate (P.A.)	6.00%	6.00%

4. Sensitivity Analysis

Sensitivity	31-Mar-18	31-Mar-17
Impact of increase in 100 basis points	(107,838)	(225,956)
Impact of decrease in 100 basis points	119,992	252,857

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

5.Expected Pay-out-Gratuity

Particulars	31-Mar-18	31-Mar-17
Expected benefits for April 1, 2017 to March 31, 2018	-	1,831,516
Expected benefits for April 1, 2018 to March 31, 2019	162,301	347,612
Expected benefits for April 1, 2019 to March 31, 2020	189,034	400,781
Expected benefits for April 1, 2020 to March 31, 2021	2,060,884	2,399,293
Expected benefits for April 1, 2021 to March 31, 2022	109,274	979,530
Expected benefits for April 1, 2022 to March 31, 2023	220,538	2,836,781
Expected benefits for April 1, 2023 onward	2,610,512	-

6. Other Information

i. Current and Non-Current Liability:

The total of current and non-current liability must be equal with the total of PVO (Present value obligation) at the end of the period plus short term compensated liability if any. It has been classified in terms of "Schedule III of the Companies Act, 2013.

Accordingly, below is the Current and Non-Current classification of Gratuity and Compensated Absences:

Particulars	31-Mar-18	31-Mar-17
Gratuity:		
a. Current portion		-
b. Non-Current portion	915,056	(931,368)
Compensated absences:		
a. Current portion	(1,150,716)	(1,769,767)
b. Non-Current portion	(3,370,414)	(5,133,085)

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32 List of Related parties and Transactions / Outstanding Balances:

a) Names of related parties and description of relationship:

i. Enterprises that control the Company

1. GMR Infrastructure Limited (GIL) (Holding Company)
2. GMR Holdings Private Limited (GHPL) (ultimate Holding Company)

ii. Fellow Subsidiary Companies

Delhi International Airport Limited
GMR Hyderabad International Airport Ltd.,
GMR Power Corporation Ltd.
GADL International Ltd
GMR Airports Limited
GMR Airport Developers Limited
GMR Male International Airport Pvt., Ltd.,
GMR Airport Global Limited
GMR Badrinath Hydro Power Generation Pvt Ltd
GMR Gujarat Solar Power Private Limited
GMR Bajoli Holi Hydropower Pvt Ltd
GMR Chhattisgarh Energy Private Limited
EMCO Energy Limited
GMR Kamalanga Energy Limited
GMR Tambaram Tindivanam Expressways Pvt Ltd
GMR Tuni Anakapalli Expressway Pvt Ltd
GMR Hotels & Resorts Limited
GMR Corporate Affairs Private Limited
GMR Vemagiri Power Generation Limited
Kakinada Sez Private Limited
GMR Consulting Services Pvt. Ltd
Geokno India Private limited

iii. Enterprises under the same management

Raxa Security Services Ltd (RSSL)
GMR Family Fund Trust
Jetsetgo Aviation Services Private Limited

iv Key Management Personnel

Name	Designation
Mr. Srinivas Bommidala	Director
Mr. Madhu Tedral	Director
Mr. P.S.Nair	Director
Mr. G.Subbarao	Director
Mr. Pradeep Kumar Pareek	Chief Financial Officer
Ms. Kanika Tekriwal	Chief Operating Officer

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(All amounts in Rupees, unless otherwise stated)
GMR AVIATION PRIVATE LIMITED
CIN: U62200DL2006PTC322498
Notes to Financial Statements

b) Summary of Transactions with the above related parties:

	31-Mar-18	31-Mar-17
a) Income from Services Rendered Related Parties		
Holding Company - GMR Infrastructure Limited		
GMR Infrastructure Limited	-	-
GMR Holdings Private Limited	-	-
Fellow Subsidiaries		
Delhi International Airport Ltd	41,845,669	36,477,851
GMR Hyderabad International Airport Ltd.,	35,516,098	32,855,146
GMR Airports Limited	102,277,901	102,814,664
GMR Gujarat Solar Power Private Limited	-	2,458,750
GMR Bajoli Holi Hydropower Pvt Ltd	-	750,000
GMR Warora Energy Limited	-	3,591,287
GMR Rajahmundhry Energy		-2,174,100
GMR Vemagiri Power Generation Limited		2,174,100
Jetsetgo Aviation Services Private Limited	23,335,909	11,043,232
	202,975,577	189,990,930

b) Expenditure on services received from Related Parties

	31-Mar-18	31-Mar-17
GMR Hyderabad International Airport Ltd	182,215	185,715
GMR Hotels & Resorts Limited	179,522	298,855
Raxa Security Services Ltd	1,678,544	2,025,777
Delhi International Airport Private Limited	2,944,430	3,560,065
GMR Infrastructure Limited	3,182,693	1,722,892
GMR Enterprise Private Limited	2,165	-
GMR AIRPORTS LIMITED	30,967	24,623
Jetsetgo Aviation Services Private Limited	25,027,522	8,488,063
	33,228,058	16,305,991

c) Balance Receivable from Related Companies towards charter services

	31-Mar-18	31-Mar-17
GMR Hyderabad International Airport Ltd.,	6,062,250	544,489
GMR Airport Limited	17,601,568	9,062,683
	23,663,818	9,607,172

d) Balance Payable to Related Companies towards expenses

	31-Mar-18	31-Mar-17
Delhi International Airport Ltd	245,561	1,715,568
GMR Hyderabad International Airport Ltd.,	61,604	185,318
GMR Hotels & Resorts Limited	14,424	116,583
Raxa Security Services Ltd	492,456	1,845,079
GMR Infrastructure Limited	7,845,362	9,492,580
Jetsetgo Aviation Services Private Limited	-	4,451,668
	8,659,407	17,806,797

f Advances received from Related Companies

	31-Mar-18	31-Mar-17
GMR AIRPORTS LIMITED	-	44,264,958
GMR RAJAHMUNDHRY ENERGY LTD	-	43,483
GMR INFRASTRUCTURE LIMITED	-	20,000,000
	-	64,308,441

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f) Loans taken and repayment thereof

Particulars	Period Ended	Loans Taken	Interest Accrued	Repayment / adjustment including interest.	Amount Owed to Related Parties
Holding Company	31-Mar-18	-	-	-	-
Dhruvi Securities Ltd.	31-Mar-18	-	-	-	-
Holding Company	31-Mar-17	-	-	589,908,680	-
Dhruvi Securities Ltd.	31-Mar-17	15,000,000	20,137	15,020,137	-

g) Loans given and repayment thereof

Particulars	Period Ended	Interest Accrued but not due	Repayment including interest.	Amount Owed by Related Parties
Holding Company	31-Mar-17	-	-	-
Holding Company	31-Mar-16	-	-	-

h) Remuneration to Key Management personnel

- Salary, Bonus, Contribution to PF, perquisites	31-Mar-18	31-Mar-17
Mr. Pradeep Pareek (Chief Financial Officer)	2,922,178	2,542,798
Ms. Kanika Tekriwal (Chief Operating Officer)*	2,400,000	2,400,000
Total	5,322,178	4,942,798

Note: Remuneration to Director & Key managerial personnel does not include the provisions made for gratuity and leave benefits. as these are determined on acturial basis for the company as a whole.

*Excluding Service Tax/GST

33 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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, external borrowings.

Amounts in INR

Particulars	As At Mar 31, 2018	As At Mar 31, 2017
Borrowings	511,236,195	383,943,334
Net debts	511,236,195	383,943,334
Capital Components		
Share Capital	2,440,808,680	2,440,808,680
Other Equity	(1,060,757,599)	(999,946,433)
Total Capital	1,440,988,581	1,440,862,247
Capital and net debt	1,952,224,776	1,824,805,581
Gearing ratio (%)	26.19%	21.04%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants

34 Financial Instrument by Category

Particulars	As at Mar 31, 2018			As at Mar 31, 2017		
	At Amortised Cost	Financial Assets/Liabilites at fair value through profit or loss		At Amortised Cost	Financial Assets/Liabilites at fair value through profit or loss	
		Cost	Fair Value		Cost	Fair Value
Assets						
Current Investment		13,100,000	13,131,330	-		
Cash and cash equivalents	48,413,981			16,940,179		
Trade Receivables	94,611,316			85,843,748		
Loans	1,492,656			1,480,910		
Other Financial Assets	43,731,347			43,490,465		
Other Assets	8,995,970			6,214,637		
Total	188,249,300	13,100,000	13,131,330	147,755,302	-	-
Liabilities						
Borrowings	409,755,984	-	-	142,145,654	-	-
Trade Payable	41,176,837	-	-	42,640,977	-	-
Other Financial Liability	102,802,043	-	-	249,133,148	-	-
Other Liabilities	17,596,245			75,908,916		
Provisions	22,112,026			21,683,167		
Total	553,734,864	-	-	433,919,779	-	-

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35. Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair value	
	As at 31 Mar 2018	As at 31-Mar-17	As at 31 Mar 2018	As at 31-Mar-17
Financial Assets				
Investements				
Liquid Investment	13,100,000	-	13,131,330	-
Loans				
Advances to employees	1,492,656	1,480,910	1,492,656	1,480,910
Other Financial Assets				
Security Deposits	17,231,530	17,361,530	17,231,530	17,361,530
Advances to Suppliers/Creditors	12,786,317	7,088,441	12,786,317	7,088,441
Unbilled Revenue	11,047,800	4,273,545	11,047,800	4,273,545
Interest Accrued but not due	-	2,860,885	-	2,860,885
Trade Receivables				
Related Parties	23,663,818	9,607,172	23,663,818	9,607,172
Others	70,947,498	76,236,576	70,947,498	76,236,576
Cash and cash equivalents				
Balances with Banks:				
In current accounts	18,413,981	16,552,225	18,413,981	16,552,225
In deposit accounts	32,665,700	12,294,018	32,665,700	12,294,018
	201,349,300	147,755,302	201,380,630	147,755,302
Financial Liabilites				
Borrowings				
Indian Rupee Loans from Financial Institutions (Secured)	409,755,984	60,937,500	409,755,984	60,937,500
Cash Credit from Bank (Secured)	-	28,708,154	-	28,708,154
Short Term Loan from Banks*	-	52,500,000	-	52,500,000
Trade Payables				
Micro, Small and Medium Enterprises	-	15,750	-	15,750
Related parties	8,659,407	13,363,267	8,659,407	13,363,267
Others	32,517,430	29,261,960	32,517,430	29,261,960
Other Financial Liabilites				
Current Portion of Long Term Borrowings				
Indian Rupee Loans from Financial Institutions (Secured)	101,480,211	48,750,000	101,480,211	48,750,000
Foreign Currency Loan (Secured)	-	193,047,680	-	193,047,680
Interest Accrued but not due on borrowings	727,776	2,780,834	727,776	2,780,834
Interest Payable on Debentures	-	-	-	-
Amount Payable to Employees	594,056	2,974,040	594,056	2,974,040
Derivative Liability	-	1,580,594	-	1,580,594
	553,734,864	432,339,185	553,734,864	432,339,185

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.

▶ Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables

▶ The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to useUnobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

▶ The fair values of the unquoted equity shares have been estimated using a DCF m+B26odel. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

▶ The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.

▶ The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward contracts and commodity forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk. As at 31 March 2016, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

▶ Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from long-term sales contracts where the transaction currency differs from the functional currencies of the involved parties. However, as these contracts are not collateralised, the Group also takes into account the counterparties' credit risks (for the embedded derivative assets) or the Group's own non-performance risk (for the embedded derivative liabilities) and includes a credit valuation adjustment or debit value adjustment, as appropriate by assessing the maximum credit exposure and taking into account market-based inputs concerning probabilities of default and loss given default.

▶ The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2016 was assessed to be insignificant

36. Corporate Social Responsbility

The provisions of section 135 of Companies Act 2013 (the 'Act'), relating to Corporate Social Responsibility is not applicable to the Company.

37. Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2018		As at March 31, 2017	
	Foreign currency	Amount in Rs.	Foreign currency	Amount in Rs.
Borrowings	-	-	USD 29,42,800	193,047,680
Accrued Interest	-	-		
Trade Payables	USD 108,703 Euro 1,849	7,141,455 146,234	USD 124,159 Euro 6,688	8,383,783 473,664

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38. Micro, Small and Medium Enterprises

Disclosure of Trade payables under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

Particulars	For the year ended 31-Mar-18	31-Mar-17
The principal amount due thereon remaining unpaid to any supplier as at the end of the accounting year		15,750
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of payments made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year		
The amount of further interest remaining due and payable in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under MSMED Act, 2006	-	-

39. Income tax expense and Deferred expense:

Particulars	31-Mar-18	31-Mar-17
Income tax expense:	-	-
a. Current tax	474,983,383	-
b. Deferred tax arising from temporary differences	-	-
c. Income tax relating to earlier years	-	-
d. MAT credit entitlement	-	-
e. MAT credit withdrawn		
Total tax expense for the year	474,983,383	-

Particulars	31/03/2018	31/03/2017
Effective Tax Reconciliation: -		
Net Profit/(Loss) before taxes	(61,892,191)	(26,524,984.00)
Tax rate applicable to the company as per normal provisions	28.84%	34.61%
Tax expense on net profit (c = a*b)	-	-
Increase/(decrease) in tax expenses on account of:	-	
i. Non-taxable income/Exempt Income	151,437,105	144,759,937
ii. Accelerated Depreciation	-	3,435,495
iii. Expenses not allowed under income tax	-	(2,687,908)
iv. Deduction for expenses earlier disallowed	-	
v. Expenses allowed under payment basis	(2,356,024,385)	(2,474,686,964)
vi. Unabsorbed business loss	-	
vii. Other allowances	-	
viii. Notional Income (-) Notional Expenses	-	
ix. Other adjustments	(2,204,587,280)	(2,329,179,441)
Tax as per normal provision under Income tax (c + d)	(2,204,587,280)	(2,329,179,441)
Tax rate applicable to the company as per MAT provisions	0.00%	20.39%
MAT Tax expense on net profit	-	-
Increase/(decrease) in MAT tax expenses on account of:	-	-
i. Interest on delayed remittance of Income-tax	-	-
ii. Bad debts written off	-	-
ii. Items that will not be reclassified to profit and loss	-	-
iii. 1/5th of transition amount u/s 115JB (2C)	-	-
iv. Adjustment due to adoption of Ind AS	-	-
MAT tax provision under 115JB (g + h)	-	-

Particulars	As at March 31, 2018	As at March 31, 2017
As on reporting date	-	-
On OCI Component - Deferred tax Asset/(liability)		
Other than OCI Component	-	-
-Difference in WDV of fixed assets and intangibles	-	-
-Fair value of Borrowings	679,477,433	856,489,158
-Business Loss	20,739,994	805,404
-Other disallowances		
Deferred tax asset/(Liability)	700,217,426.36	857,294,562.65

Particulars		
Expense/(Income) Recognised for the year ended		
Deferred tax asset/(Liability) recognised in the statement of Profit and Loss	-	-
Deferred tax recognised in the Other Comprehensive Income	-	-
Deferred tax recognised in total Comprehensive Income	-	-

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40. Fair value of Financial Assets and Liabilities

As per Ind AS 113.91(a): "An entity shall disclose information that helps users of its financial statements
As per Ind AS 113.93: "To meet the objectives in paragraph 91, an entity shall disclose, at a minimum, the
As per Ind AS 113.97: "For each class of assets and liabilities not measured at fair value in the balance sheet

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.
Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2018:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value (for which fair values are disclosed)	31-Mar-18	13,131,330	13,131,330		
Liquid Investment					
			-	-	
Assets not measured at fair value (for which fair values are disclosed)	31-Mar-18	18,413,981	-	-	18,413,981
Cash and cash equivalents- Current account	31-Mar-18	32,665,700	-	-	32,665,700
Cash and cash equivalents - Fixed Deposit		-	-	-	-
Loans	31-Mar-18	1,492,656	-	-	1,492,656
Advances to employees			-	-	-
Others	31-Mar-18	12,786,317			
Advances to Suppliers/Creditors	31-Mar-18	17,231,530			17,231,530
Security Deposits	31-Mar-18	11,047,800	-	-	11,047,800
Unbilled Revenue	31-Mar-18	-	-	-	-
Financial liabilities			-	-	-
Liabilities not measure at fair value (for which fair values are disclosed)	31-Mar-18	511,236,195	-	-	511,236,195
Borrowings	31-Mar-18	-	-	-	-
Trade payables	31-Mar-18	8,659,407	-	-	8,659,407
- Related parties	31-Mar-18	32,517,430	-	-	32,517,430
-Others	31-Mar-18	1,321,832	-	-	1,321,832
Others					

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

Quantitative disclosures fair value measurement hierarchy for assets and liabitities as at 31 March 2017:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			-	-	
Assets not measured at fair value (for which fair values are disclosed)	31-Mar-17	16,552,225	-	-	16,552,225
Cash and cash equivalents- Current account	31-Mar-17	12,294,018	-	-	12,294,018
Cash and cash equivalents - Fixed Deposit	31-Mar-17	-	-	-	-
Loans	31-Mar-17	7,088,441	-	-	7,088,441
Advances to Suppliers/Creditors	31-Mar-17	1,480,910	-	-	1,480,910
Advances to employees			-	-	-
Others	31-Mar-17	17,361,530			17,361,530
Security Deposits	31-Mar-17	4,273,545	-	-	4,273,545
Unbilled Revenue	31-Mar-17	-	-	-	-
Financial liabilities					
Liabilities measured at fair value (for which fair values are disclosed)		1,580,594	-	1,580,594	
Derivative Liability					
			-	-	-
Liabilities not measure at fair value (for which fair values are disclosed)	31-Mar-17	142,145,654	-	-	142,145,654
Borrowings	31-Mar-17	-	-	-	-
Loan from group Company	31-Mar-17		-	-	-
Debentures	31-Mar-17	-	-	-	-
Trade payables	31-Mar-17	13,363,267	-	-	13,363,267
- Related parties	31-Mar-17	29,277,710	-	-	29,277,710
-Others	31-Mar-17	247,552,554	-	-	247,552,554
Others					

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

41. Effective April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The reconciliation is given as below:

S.No.	Particulars	01-Apr-17	Cash Flows	Non-Cash Changes		31-Mar-18
				Fair Value	Others	
1	Long Term Borrowings	60,937,500	348,818,484	-	-	409,755,984
2	Short Term Borrowings	81,208,154	(81,208,154)	-	-	-

BRAHMAYYA & CO.
Chartered Accountants
BENGALURU

GMR AVIATION PRIVATE LIMITED
DELHI

42. Financial Risk Management

Financial Risk Factors:

The company's activities expose it to a variety of financial risks, market risks, credit risks and liquidity risks. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Credit Risks

Credit risk refers to the risk of default of obligation by the counterparty resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 9,46,11,316 and Rs. 85,843,748 as of 31 March 2018 and 31 March 2017 respectively and unbilled revenue amounting to Rs. 1,10,47,800 and Rs. 42,73,545 as of 31 March 2018 and 31 March 2017 respectively. Trade receivables and unbilled revenues are typically unsecured and are derived from the customers located in India. Credit risk has always been maintained by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which company grants credit terms in the normal course of business. The company uses a provision matrix to compute expected credit loss allowance for trade receivables and unbilled revenues.

Credit Risk Exposure

The allowance for lifetime credit loss on customer balances for the year ended 31 March 2018 and 31 March 2017 was Rs.1,08,08,755 & Rs. 82,08,272.

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings.

Liquidity Risk

Liquidity risk is, defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below shows the company's financial liabilities based on contractual undiscounted payments:

	On Demand	1-2 Years	2-3 Years	More than 3-Years	Total
Year ended					
31-Mar-18					
Term Loan from Banks	101,480,211	105,027,556	118,618,367	186,110,062	511,236,195
Trade payables	41,176,837	-	-	-	41,176,837
Other financial liabilities	1,321,832	-	-	-	1,321,832
	143,978,880	**105,027,556**	**118,618,367**	-	**553,734,864**

	On Demand	1-2 Years	2-3 Years	More than 3-Years	Total

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BENGALURU

GMR AVIATION PRIVATE LIMITED
DELHI

(All amounts in Rupees, unless otherwise stated)
GMR AVIATION PRIVATE LIMITED
CIN: U62200DL2006PTC322498
Notes forming part of financial statements for the year ending 31st March, 2018

Year ended 31-Mar-17					
Term Loan from Banks	241,797,680	229,610,180	48,750,000	24,375,000	544,532,860
Trade payables	41,176,837	-	-	-	76,833,587
Other financial liabilities	7,335,468	-	-	-	279,053,693
	355,887,280	**709,748,320**	**107,000,000**	**24,375,000**	**2,219,571,420**

43. 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. The impact, if any, shall be considered in the accounts for next quarter.

44. Segmental Reporting

The company is engaged in the business of chartering of aircrafts and this is the only segment. Hence, reporting under the provisions of Ind AS 108 is not applicable.

45. Previous Year's Figures have been Regrouped/Rearranged wherever necessary. The previous year's audit was conducted by a Firm other than M/S. Brahmayya & Co., Chartered Accountants.

As per our report of even date
for Brahmayya & Co.
Chartered Accountants
Firm Registration No.000515S

G. Srinivas
Partner
Membership No.086761

Place : Bengaluru
Date : 01/05/2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

for and on behalf of the Board of Directors
of GMR Aviation Private Limited

G. Subbarao
Director
DIN: 00064511

P.S.Nair
Director
DIN: 00063118

Pradeep Pareek
CFO

Payal Gupta
Company Secretary

GMR AVIATION PRIVATE LIMITED DELHI

Related Party Transaction Details
For the period ended March 31, 2018

Balance Sheet

GMR Aviation Private Limited
Code :

A Receivable/ Reimbursment / Sundry Debtors / Deposits Paid / Interest receivable

(Rs. in Units)

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head (Show in Financials)	Transacti on GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Deposits-Property Lease	Other non current assets	Other receivables	1.04E+09	1,062,114.00	-	1,062,114.00	-
2	GAL	GMR Airports Limited (GAL)	IC6110	Sundry Debtors - Group Companies	Trade receivables	Current - Trade Receivables - < 6 Months	1.03E+09	17,601,568.00	-	17,601,568.00	-
3	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Sundry Debtors - Group Companies	Trade receivables	Current - Trade Receivables - < 6 Months	1.03E+09	6,062,250.00	-	6,062,250.00	-
4	RAXA	Raxa Security Services Limited	IC8000	Deposits	Other non current assets	Other receivables	1.04E+09	584,000.00	-	584,000.00	-

B Payable / Sundry Creditors / Deposits Received / Interest Payable

(Rs. in Units)

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head (Show in Financials)	Transactio	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Airport Charges and Rent	Trade payables C	Trade payables-Current	2.05E+09	245,561.00	-	245,561.00	-
2	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Airport Charges	Trade payables C	Trade payables-Current	2.05E+09	61,604.00	-	61,604.00	-
3	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	Crew stay	Trade payables C	Trade payables-Current	2.05E+09	14,424.00	-	14,424.00	-
4	RAXA	Raxa Security Services Limited	IC8000	Manpower Provision	Trade payables C	Trade payables-Current	2.05E+09	492,456.00	-	492,456.00	-
5	GIL	GMR Infrastructure Limited (GIL)	IC6100	Common Corporate Cost	Trade payables C	Trade payables-Current	2.05E+09	7,845,362.00	-	7,845,362.00	-

For Brahmayya & Co
Firm registration number: 000515S
Chartered Accountants

G Srinivas
Partner
Membership no.: 86761

Place: Bengaluru
Date: 01-May-2018

BRAHMAYYA & CO.
Chartered Accountants
BENGALURU

For and on behalf of the Board of Directors

G [illegible] Rao
Director
DIN 64511

Payal Gupta
Company Secretary

GMR AVIATION PRIVATE LIMITED
DELHI

Related Party Transaction Details
For the period ended March 31, 2018

Profit & Loss

GMR Aviation Private Limited
Code :

(Rs. in Units)

A. Income

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show In Financials Transaction	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Charter Services	Sales income from operations	Airport - Operating Re	3030010003	38,712,669.00	-	38,712,669.00	-
2	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Charter Services	Sales income from operations	Airport - Operating Re	3030010005	3,133,000.00	-	3,133,000.00	-
3	GAL	GMR Airports Limited (GAL)	IC6110	Charter Services	Sales income from operations	Airport - Operating Re	3030010003	92,561,690.19	-	92,561,690.19	-
4	GAL	GMR Airports Limited (GAL)	IC6110	Charter Services	Sales income from operations	Airport - Operating Re	3030010005	7,804,600.00	-	7,804,600.00	-
5	GAL	GMR Airports Limited (GAL)	IC6110	Charter Services	Sales income from operations	Airport - Operating Re	3030010010	1,911,611.00	-	1,911,611.00	-
6	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Charter Services	Sales income from operations	Airport - Operating Re	3030010003	30,270,833.00	-	30,270,833.00	-
7	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Charter Services	Sales income from operations	Airport - Operating Re	3030010005	4,934,750.00	-	4,934,750.00	-
8	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Charter Services	Sales income from operations	Airport - Operating Re	3030010010	310,465.00	-	310,465.00	-
9	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Charter Services	Sales income from operations	Airport - Operating Re	3030010003	21,829,584.00	-	21,829,584.00	-
10	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Charter Services	Sales income from operations	Airport - Operating Re	3030010005	107,000.00	-	107,000.00	-
11	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Charter Services	Sales income from operations	Airport - Operating Re	3030010010	1,399,325.00	-	1,399,325.00	-

(Rs. in Units)

B. Expense

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show In Financials Transaction	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GAL	GMR Airports Limited (GAL)	IC6110	Operations - Training	Other expenses	O&M Charges	5500012007	31,020.00	-	31,020.00	-
2	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Aircraft - Airport - Landing Charges	Other expenses	O&M Charges	5199030009	105,988.90	-	105,988.90	-
3	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Aircraft - Airport - Parking Charges	Other expenses	O&M Charges	5199030010	13,426.50	-	13,426.50	-
4	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Aircraft - Airport - PSF Charges	Other expenses	O&M Charges	5199030013	62,837.74	-	62,837.74	-
5	GIL	GMR Infrastructure Limited (GIL)	IC6100	Corp Off Expn Share	Other expenses	O&M Charges	6100099015	3,182,693.10	-	3,182,693.10	-
6	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Aircraft - Inflight Catering Charges	Other expenses	O&M Charges	5199030021	15,435.00	-	15,435.00	-
7	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Aviation - Outside Chartering Availed	Other expenses	O&M Charges	5199030025	18,171,769.77	-	18,171,769.77	-
8	JASPL	Jetsetgo Aviation Services Private Limited (JASPL)	NA	Operations-Consultancy-Other Professional (	Other expenses	O&M Charges	5500011004	6,840,317.43	-	6,840,317.43	-
9	RAXA	Raxa Security Services Limited	IC8000	Operations - Vehicle Running & Maintenance	Other expenses	O&M Charges	5500002452	1,678,543.59	-	1,678,543.59	-
10	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Aircraft - Airport - Landing Charges	Other expenses	O&M Charges	5199030009	1,060,370.04	-	1,060,370.04	-
11	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Aircraft - Airport - Parking Charges	Other expenses	O&M Charges	5199030010	762,558.30	-	762,558.30	-
12	DIAL	Delhi International Airport Limited (DIAL)	IC1500	Aircraft - Airport - PSF Charges	Other expenses	O&M Charges	5199030013	142,710.46	-	142,710.46	-
13	DIAL	Delhi International Airport Limited (DIAL)	IC1500	SGA - Rent / Lease - Office	Other expenses	O&M Charges	6050001001	656,513.10	-	656,513.10	-
14	DIAL	Delhi International Airport Limited (DIAL)	IC1500	SGA - Electricity - Office	Other expenses	O&M Charges	6050005001	322,278.16	-	322,278.16	-
15	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	Aircraft - Inflight Catering Charges	Other expenses	O&M Charges	5199030021	6,347.98	-	6,347.98	-
16	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	Aircraft - Crew Stay Expenses	Other expenses	O&M Charges	5199030023	170,038.21	-	170,038.21	-
17	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	Operations - Taxi Hire	Other expenses	O&M Charges	5500002451	3,136.00	-	3,136.00	-
18	GEPL	GMR Enterprises Private Limited (GEPL)	NA	SGA-Consultancy Charges - Legal	Other expenses	O&M Charges	6004001001	2,165.00	-	2,165.00	-

For Brahmayya & Co.
Firm registration number: 000515S
Chartered Accountants

G. Srinivas
Partner
Membership no. 86761

Place: Bengulru
Date: 01-May-2018

BRAHMAYYA & CO. Chartered Accountants BENGALURU

For and on behalf of the Board of Directors

G. Subba Rao
Director
DIN: 64511

Payal Gupta
Company Secretary

GMR AVIATION PRIVATE LIMITED DELHI