

INDEPENDENT AUDITOR'S REPORT

To
The Members,

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of M/s **GMR (BADRINATH) HYDRO POWER GENERATION PRIVATE LIMITED ("the Company")**, which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended 31st March 2018, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditors Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

4. 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, of the state of affairs of the Company as at 31st March, 2018, and its Related profit and loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
6. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 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"



g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company have pending litigations to be disclosed in Note 23 in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Guru & Jana,**
Chartered Accountants

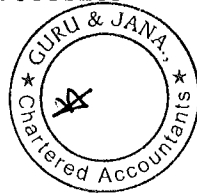
Firm Registration No: 006826S



Heena Kauser A.P

Partner

Membership No: 219971



Place: Bangalore

Date: 20/4/18

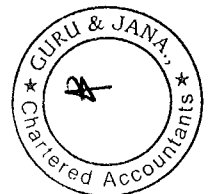
“Annexure A” to the Independent Auditors Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

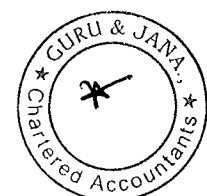
- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) There are no immovable properties held in the name of the company.
- 2) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax or cess which have not been deposited on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financials institution, the company has not paid interest to debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided to any of the managerial personnel defined as per section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.



- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Guru & Jana,**
Chartered Accountants

Firm Registration No: 006826S



Heena Kauser A.P

Partner

Membership No: 219971



Place: Bangalore

Date: 20/09/2018

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE
FINANCIAL STATEMENTS OF GMR AVIATION PRIVATE LIMITED**

**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 Badrinath Hydro Power Generation Private Limited** as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

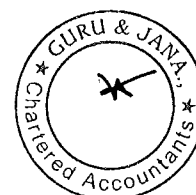
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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 (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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of 2018, which comprise the Balance Sheet as at March 31, 2018, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report even dated expressed an "unqualified opinion thereon"

For **Guru & Jana,**
Chartered Accountants

Firm Registration No: 006826S



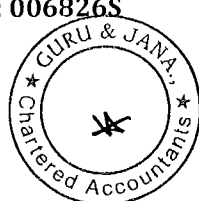
Heena Kauser A.P

Partner

Membership No: 219971

Place: Bangalore

Date: 20/4/18



GMR Badrinath Hydro Power Generation Private Limited
Balance sheet as at 31st March 2018

(Amount in Rs.)

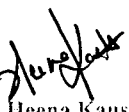
Particulars	Notes	31 March 2018	31 March 2017
Assets			
Non-current assets			
Property, Plant & Equipment	1	2,192,630	3,639,148
Capital work-in-progress	2	4,446,526,118	4,081,105,702
Other Intangible assets		778,943	1,678,272
Financial Assets			
Others	3	11,494,810	11,297,085
Other non current assets	4	210,182,145	574,155,603
		4,671,174,645	4,671,875,810
Current assets			
Financial Assets			
Cash and cash equivalents	5	514,553	2,094,039
Other financial Assets	3	339,622	-
Current Tax Assets (Net)		839,963	504,235
Other current assets	6	74,169	128,550
		1,768,307	2,726,824
Total Assets		4,672,942,952	4,674,602,634
Equity and liabilities			
Equity			
Equity Share Capital	7	50,000,000	50,000,000
Other Equity	8	(1,490,724,077)	(1,339,262,627)
		(1,440,724,077)	(1,289,262,627)
Liabilities			
Non-current liabilities			
Provisions	9	68,561	60,457
		68,561	60,457
Current liabilities			
Financial Liabilities			
Borrowings	10	6,082,001,192	5,788,841,256
Other financial liabilities	11	31,443,144	174,102,992
Other current liabilities	12	52,827	789,691
Provisions	9	101,305	70,866
		6,113,598,467	5,963,804,805
Total Equity and liabilities		4,672,942,952	4,674,602,634

Summary of significant accounting policies

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


As per our report of even date

For Guru & Jana
Chartered Accountants


Heena Kauser A.P.
Partner
Membership no : 219971
Firm Registration Number: 006826S

For and on behalf of the Board of directors


Harvinder Manocha
Director
DIN: 03272052


S. N. Barde
Director
DIN: 03140784


Rajeev Kumar
Company Secretary
Place: New Delhi
Date: 20th April 2018

Place: Bangalore
Date: 20th April 2018

GMR Badrinath Hydro Power Generation Private Limited
Statement of profit and loss for the period ended 31st Mar 2018

(Amount in Rs.)

Particulars	Notes	31 March 2018	31 March 2017
Other Income	13	3,905,901	11,205,352
Total Income		3,905,901	11,205,352
Expenses			
Employee benefits expense	14	799,129	5,830,345
Finance cost	15	149,127,928	209,039,051
Depreciation	1	2,345,848	2,982,665
Other expenses	16	3,120,530	8,690,289
Total Expenses		155,393,436	226,542,349
Profit/(loss) before exceptional items and tax		(151,487,535)	(215,336,997)
Exceptional item		-	-
Loss on Bridge material scraped		-	12,183,618
Profit / (Loss) before tax		(151,487,535)	(227,520,615)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the period from continuing operations		(151,487,535)	(227,520,615)
Profit/(loss) for the period		(151,487,535)	(227,520,615)
Other comprehensive income			
Remeasurement of define employee benefit plans		26,086	131,941
Total comprehensive income for the period		(151,461,449)	(227,388,674)
Earnings per equity share			
Basic		(30.29)	(45.48)
Diluted		(30.29)	(45.48)

The accompanying notes are form an integral part of the financial statements.
This Profit & Loss statement referred to our report of even date

For Guru & Jana
Chartered Accountants

For and on behalf of the Board of directors



Heena Kauser A.P
Partner
Membership no : 219971
Firm Registration Number: 006826S

Harvinder Manocha
Director
DIN: 03272052

S. N. Barde
Director
DIN: 03140784

Rajeev Kumar
Company Secretary
Place: New Delhi
Date: 20th April 2018

Place: Bangalore
Date: 20th April 2018

GMR Badrinath Hydro Power Generation Private Limited
Statement of change in equity as at 31st March 2018

(Rs. In INR)

	Equity share capital	Reserves and surplus	OCI	Total	Grand Total
		Retained earnings	Re-measurement gains on defined benefit plans		
At 31 March 2016	50,000,000	(1,112,114,977)	241,023	(1,111,873,954)	(1,061,873,954)
Profit for the period	-	(227,520,615)	-	(227,520,615)	(227,520,615)
Other comprehensive income	-	-	131,941	131,941	131,941
At 31 March 2017	50,000,000	(1,339,635,591)	372,964	(1,339,262,627)	(1,289,262,627)
Profit for the period	-	(151,487,535)	-	(151,487,535)	(151,487,535)
Other comprehensive income	-	-	26,086	26,086	26,086
ICD from GEL	-	-	-	-	-
Int on ICD payable to GEL	-	-	-	-	-
At 31st March 2018	50,000,000	(1,491,123,127)	399,050	(1,490,724,077)	(1,440,724,077)

For Gurn & Jana
Chartered Accountants

Heena Kauser A.P.
Partner
Membership no. 219971
Firm Registration Number: 066826S



For and on behalf of the Board of directors

Harvinder Manocha
Director
DIN: 03272052

S. N. Barde
Director
DIN: 03140784

Rajeev Kumar
Company Secretary
Place: New Delhi
Date: 20th April 2018

Place: Bangalore
Date: 20th April 2018

GMR Badrinath Hydro Power Generation Private Limited
Cash Flow Statement for the year ended 31st March, 2018

Particulars	(Amount in Rs.)	
	31 March 2018	31 March 2017
Cash flow from operating activities		
Profit before tax from continuing operations	(151,461,449)	(227,388,674)
Profit before tax from discontinuing operations		
Profit before tax	(151,461,449)	(227,388,674)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation	2,345,848	2,982,665
Finance cost	149,127,928	209,039,051
Profit on sale of assets		(1,487,489)
Operating profit before working capital changes	12,327	(16,854,447)
Increase / (Decrease) in long term provisions	8,104	(504,340)
Decrease / (Increase) long term loans and advances	363,775,733	16,304,034
Decrease / (Increase) other current assets	(281,346)	(31,313)
Increase / (Decrease) in short-term provisions	30,439	(593,780)
Proceeds from other financial liabilities	(142,659,848)	(6,435,805)
Increase / (Decrease) in other Current liabilities	(736,864)	556,759
Decrease / (increase) other Financial assets	(339,622)	
Net cash flow from/ (used in) operating activities (A)	219,808,923	(7,558,892)
Cash flows from investing activities		
Purchase/ Sale of FA, including CWIP and capital advances	(365,420,416)	2,224,615
Net cash flow from/ (used in) investing activities (B)	(365,420,416)	2,224,615
Cash flows from financing activities		
Proceeds from short-term borrowings	57,989	669,002,492
Proceeds / (Repayment) from Inter Corporate Deposits	293,217,925	845,050,000
Interest paid	(149,127,928)	(209,039,051)
Net cash flow from/ (used in) in financing activities (C)	144,032,008	(32,991,543)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(1,579,486)	(38,325,820)
Cash and cash equivalents at the beginning of the period	2,094,039	40,419,859
Cash and cash equivalents at the end of the period	514,553	2,094,039
Components of cash and cash equivalents		
With banks- on current account	513,868	2,039,368
Cash in Hand	685	54,671
Total cash and cash equivalents (note 5)	514,553	2,094,039

Notes:

1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 Statement of cash flows

2 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.

Reconciliation to liabilities whose cash flow movements are disclosed as part of financing activities.

Particulars	1-Apr-17	Cash flows	Non-Cash changes	31-Mar-18
			Fair value changes	
Short term Borrowings-Related party	5,788,841,256		(4,146,306,253)	1,642,535,003
Short term Borrowings-Bank				
Total	5,788,841,256		(4,146,306,253)	1,642,535,003

As per our report of even date

For Gurn & Jana
Chartered Accountants
Firm Registration Number: 0068265


Heena Kauser A.P.
Partner
Membership no. : 219971



For and on behalf of the Board of directors


Harvinder Manocha
Director
DIN: 03272052


S. N. Barde
Director
DIN: 03140784


Rajeev Kumar
Company Secretary
Place: New Delhi
Date: 29th April 2018

Place: Bangalore
Date: 20th April 2018

GMR Badrinath Hydro Power Generation Private Limited		
Statement of standalone assets and liabilities		
Amount in Rs		
Particulars	31 March 2018 (Audited)	31 March 2017 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	2,192,630	3,639,148
Capital work in progress	4,446,526,118	4,081,105,702
Intangible Assets under Development		
Other intangible assets	778,943	1,678,272
Financial assets		
Others	11,494,810	11,297,085
Deferred tax assets (net)		
Other non-current assets	210,182,145	574,155,603
	4,671,174,645	4,671,875,810
b) Current assets		
Financial assets		
Cash and cash equivalents	514,553	2,094,039
Other financial assets	339,622	
Current tax assets (net)	839,963	504,235
Other current assets	74,169	128,550
	1,768,307	2,726,824
TOTAL ASSETS (a+b)	4,672,942,952	4,674,602,634
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	50,000,000	50,000,000
Other equity	1,490,724,077	(1,339,262,627)
Total equity	1,440,724,077	(1,289,262,627)
b) Non-current liabilities		
Provisions	68,561	60,457
	68,561	60,457
c) Current liabilities		
Financial liabilities		
Borrowings	6,082,001,192	5,788,841,256
Other financial liabilities	31,443,144	174,102,992
Other current liabilities	52,827	789,691
Provisions	101,305	70,866
Current tax liabilities (net)		
	6,113,598,467	5,963,804,805
TOTAL EQUITY AND LIABILITIES (a+b+c)	4,672,942,952	4,674,602,634

For Gurn & Jana
Chartered Accountants




Heena Kauser, A.P.
Partner
Membership no : 219971
Firm Registration Number: 006826S

For and on behalf of the Board of directors



Harvinder Manocha
Director
DIN: 03272052



S. N. Barde
Director
DIN: 03140784

Place: Bangalore
Date: 20th April 2018

Place: New Delhi
Date: 20th April 2018

GMR Badinath Hydro Power Generation Private Limited

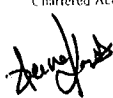
Statement of Standalone Unaudited / Audited Financial Results for the period Ended 31/03/2018

	Particulars	Quarter ended			Year ended	
		31 March 2018	31 Dec 2017	31 March 2017	31 March 2018	31 March 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					
	(ii) Other operating income	2,587	765	(5,039,229)	3,905,904	(978,266)
	Total revenue					
2	Expenses					
	(a) Employee benefits expense	208,221	220,406	(598,337)	799,129	5,830,345
	(b) Finance costs	32,839,293	33,111,876	48,252,576	149,127,928	209,019,051
	(c) Depreciation and amortisation expenses	415,724	675,397	1,441,330	2,345,848	2,982,665
	(d) Other expenses	643,064	351,494	2,301,766	3,120,530	8,690,289
	Total expenses	34,106,302	34,359,173	51,397,335	155,393,436	226,542,349
	Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)	(34,106,302)	(34,359,173)	(51,397,335)	(155,393,436)	(226,542,349)
4	Exceptional items					
5	Profit/(loss) from continuing operations before tax expenses (3 ± 4)	(34,106,302)	(34,359,173)	(51,397,335)	(155,393,436)	(226,542,349)
6	Tax expenses of continuing operations					
	(a) Current tax					
	(b) Deferred tax					
7	Profit/(loss) after tax from continuing operations (5 ± 6)	(34,106,302)	(34,359,173)	(51,397,335)	(155,393,436)	(226,542,349)
B	Discontinued Operations					
8	Profit/(loss) from discontinued operations before tax expenses					
9	Tax expenses of discontinued 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)	(34,106,302)	(34,359,173)	(51,397,335)	(155,393,436)	(226,542,349)
12	Other Comprehensive Income					
	(A) (i) Items that will not be reclassified to profit or loss	23,370	6,037	(297,268)	26,086	11,941
	(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	23,370	6,037	(297,268)	26,086	11,941
14	Total comprehensive income for the respective periods (11 ± 13) [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods]	(34,082,932)	(34,353,136)	(51,694,603)	(155,367,350)	(226,410,408)
15	Earnings per equity share					
	i) Basic/ Diluted before Exceptional items	(6.82)	(6.82)	(10.28)	(31.08)	(45.31)
	ii) Basic/ Diluted after Exceptional items	(6.82)	(6.82)	(10.28)	(31.08)	(45.31)
	iii) Basic/Diluted EPS from continued operations	(6.82)	(6.82)	(10.34)	(31.07)	(45.28)

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 financial year and the published unaudited year to date figures for nine months ended for the respective years


For Gurn & Jena
Chartered Accountants


Heena Kauser A. B.
Partner
Membership no. 219971
Firm Registration Number: 0068265

Place: Bangalore
Date: 20th April 2018

For and on behalf of the Board of directors


Harvinder Manocha
Director
DIN: 03272052


S. N. Barde
Director
DIN: 03140784

Place: New Delhi
Date: 20th April 2018

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


Profit & Loss

GMR (Bharatnagar) Hydro Power Generation Private Limited I
Code : 12205

A. Income										(Rs. in Units)	
SI No	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials Transaction GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + Ind AS Adjustments)	DTL/(DTA) on Ind AS Adjustments	
2	GMR Energy Trading Limited (GETL)	12205	Int on ICD	Other income	Other Income - Interest	4000010021	3,357,273.49		3,357,273.49		
B. Expenses										(Rs. in Units)	
SI No	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials Transaction GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + Ind AS Adjustments)	DTL/(DTA) on Ind AS Adjustments	
1	GMR Power Corporation Limited (GACL)	12205	Interest on ICD	Finance costs	Interest	4000010001	13,440,000.00		13,440,000.00		
2	GMR Generation Asset Limited (GACL) (Formerly GMR Varalakshmi Foundation)	12205	Interest on ICD	Finance costs	Interest	4000010002	1,99,796.72		1,99,796.72		
3	GMR Varalakshmi Foundation	12205	Payable for insurance claim	Other expenses	Miscellaneous expenses	4000010003	1,99,796.72		1,99,796.72		
4	GMR ENTERPRISES PRIVATE LIMITED		Insurance EDL engs & Logo fees	Other expenses	Miscellaneous expenses	4000010004	13,440,000.00		13,440,000.00		

For and on behalf of the Board of Directors


Harvinder Manocha
Director
DIN: 03272052

For GACL & Inpa
Firm registration number: 0668265
Chartered Accountants

Heena Kauser A.P.
Partner
Membership no.: 219973
Place: New Delhi
Date: 20th Apr 2018



1 Property, Plant & Equipment

Particulars	(Amount in Rupees)					Total
	Computers	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	
Cost or Valuation						
As at 1st April 2016	125,358	3,031,803	1,722,526	165,384	3	3,277,415
Additions	-	685,069	51,057	593	-	737,126
Disposals	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-
As at 31st March 2017	125,358	3,346,235	1,671,169	165,401	3	3,277,415
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-
As at 31st March 2018	125,358	2,346,235	1,671,169	165,401	3	2,585,272
Depreciation and impairment						
As at 1st April 2016	118,580	333,671	542,295	53,673	-	1,025,973
Depreciation for the year	6,605	284,673	520,806	62,359	-	957,490
Impairment	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-
As at 31st March 2017	125,185	618,344	1,063,102	116,031	-	2,023,363
Depreciation for the year	125,185	305,656	305,656	48,847	-	785,344
Impairment	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-
As at 31st March 2018	125,185	923,999	1,368,758	164,878	-	2,812,886
Net Book Value						
As at 1st April 2016	6,778	2,698,132	1,180,230	111,721	3	2,817,542
As at 31st March 2017	125,185	2,727,891	608,067	49,370	3	3,510,516
As at 31st March 2018	165	1,423,236	303,005	1,293	3	2,192,630

Ind AS 101 Exemption: The Company has availed the exemption available under Ind AS 101, whereas the carrying value of PPE has been carried forward at the amount as determined under the previous GAAP. Considering the FAO issued by the ICAI regarding application of Deemed cost, the company has disclosed the Cost as at 1 April 2015 net of accumulated depreciation. However, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows: Disclosure of previous GAAP values presented as detailed cost in Ind AS financial statements on transition date

Other Intangible assets

Particulars	Computer software	Total
Cost or Valuation	4,087,547	4,087,547
As at 1st April 2016	4,087,547	4,087,547
Additions	-	-
Disposals	-	-
As at 31st March 2017	4,087,547	4,087,547
Disposals	-	-
Exchange Differences	-	-
As at 31st March 2018	4,087,547	4,087,547
Depreciation and impairment		
As at 1st April 2016	1,298,743	1,298,743
Depreciation for the year	1,110,532	1,110,532
Disposals	-	-
As at 31st March 2017	2,409,275	2,409,275
Depreciation for the year	899,329	899,329
Disposals	-	-
As at 31st March 2018	3,308,604	3,308,604
Net Book Value		
As at 1st April 2016	2,788,804	2,788,804
As at 31st March 2017	1,679,747	1,679,747
As at 31st March 2018	778,943	778,943

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	31 March 2018	31 March 2017
3 Capital Work in Progress		
CWP		
CWP - Salaries	476,974,836	564,959,627
CWP - Contributions in P.	26,602,103	476,979,806
CWP - Staff Welfare	5,235,455	2,977,411
CWP - Fuel	8,655,516	
CWP - Advertisement	279,667,718	279,667,718
CWP - Fuel	733,852	
CWP - Bank Charges	12,414,352	15,434,352
CWP - Building Exp.	2,885,976	28,740,000
CWP - Assets & Personalities	2,17,384	
CWP - Contingencies	20,705,257	20,705,257
CWP - Commission & Professional Fees	131,949,912	131,949,912
CWP - Contingencies & Professional Fees	862,499,956	662,499,956
CWP - Advertisement	56,965,618	56,965,618
CWP - Fuel	76,469,256	76,469,256
CWP - Fuel	174,886,877	174,886,877
CWP - Fuel	857,866	857,866
CWP - Fuel	521,025,888	521,025,888
CWP - Fuel	1,410,024,364	1,410,024,364
CWP - Fuel	5,665,666	5,665,666
CWP - Fuel	53,881,379	53,881,379
CWP - Fuel	28,879,341	28,879,341
CWP - Fuel	11,072,553	11,072,553
CWP - Fuel	5,28,953	5,28,953
CWP - Fuel	6,014,784	6,014,784
CWP - Fuel	60,788,713	60,788,713
CWP - Fuel	13,497,386	13,497,386
CWP - Fuel	19,563,235	19,563,235
CWP - Fuel	1,16,180	1,16,180
CWP - Fuel	3,652,625	3,652,625
CWP - Fuel	3,12,127	3,12,127
CWP - Fuel	2,36,531	2,36,531
CWP - Fuel	2,380,155	2,380,155
CWP - Fuel	27,796	27,796
CWP - Fuel	23,622,753	23,622,753
CWP - Fuel	4,446,536,318	4,446,536,318

	31 March 2018	31 March 2017
4 Financial Assets		
Office		
Non-current bank balances	41,874	41,874
Non-current investments/Other Companies	139,622	139,622
Security deposit	11,189,934	11,185,191
	11,271,470	11,366,687
	11,271,470	11,366,687

	31 March 2018	31 March 2017
4 Other non-current assets		
Prepaid expenses	102,803,060	99,437,889
Capital Advances	108,433,208	473,833,624
Prepaid Grants	922,877	864,804
	211,159,145	574,136,317

	31 March 2018	31 March 2017
5 Cash and cash equivalents		
Cash in hand	5,42,256	5,42,256
Balance with Bank in current accounts	412,853	2,064,139
	418,279	2,506,395

	31 March 2018	31 March 2017
6 Other Current Assets		
Advance received	74,169	101,699
Prepaid expenses	74,169	101,699
	74,169	101,699



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7 Share capital

	No. of Equity Shares	INR
Authorized Share Capital		
As at 31st March 2016	5,000,000	50,000,000
Increase/(decrease) during the year		
As at 31st March 2017	5,000,000	50,000,000
Increase/(decrease) during the year		
As at 31st March 2018	5,000,000	50,000,000
Issued Equity Capital		
Equity shares of Rs. 10 each issued, subscribed & paid up		
As at 31st March 2016	5,000,000	50,000,000
Increase/(decrease) during the year		
As at 31st March 2017	5,000,000	50,000,000
Increase/(decrease) during the year		
As at 31st March 2018	5,000,000	50,000,000

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year.

	31 March 2018	31 March 2017
Equity Shares	No.	No.
At the beginning of the year	5,000,000	5,000,000
Issued during the year		
Outstanding at the end of the year	5,000,000	5,000,000
	INR	INR
	50,000,000	50,000,000

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 pay dividend in Indian rupees. In the event liquidation of the company, the holder of equity shares would be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The Distribution will be in proportion to be no of equity shares held by the share holders.

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

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

Particulars	31 March 2018	31 March 2017
GMR Infrastructure Limited, Ultimate Holding Company	49,000	49,000
49,000 (March 31, 2017: 49,000) equity shares of Rs. 10 each	4,90,000	4,90,000
GMR Energy Limited (Along with its members), the holding company	48,951,000	48,951,000
48,951,000 (March 31, 2017: 48,951,000) equity shares of Rs. 10 each	48,95,10,000	48,95,10,000

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

	31 March 2018	31 March 2017
Particulars	No.	% Holding in
GMR Energy Limited, Holding Company	4,995,100	99.90%
		% Holding in
	4,995,100	99.90%

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.
(G) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

f. No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date:

g. Shares reserved for issue under options

There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.



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Particulars	Amounts in Rs.	
	31 March 2018	31 March 2017
9 Other Equity		
Surplus in the statement of profit and loss		
Balance as per last financial statements	(1,339,262,627)	(1,111,873,954)
Add: Net profit for the year	(151,487,535)	(22,520,615)
Net surplus in the statement of profit and loss	(1,490,750,163)	(1,339,394,569)
Equity component of financial instruments *		
Other items of Comprehensive Income	26,085	131,941
Re-measurement gains on defined benefit plans	26,085	131,941
Share application money pending allotment		
Total reserves and surplus	(1,490,724,077)	(1,339,262,627)

* These amounts relate to official recognition of related party transactions at fair value. These represent the amount of difference between the fair value at inception and transaction amount of such transactions.

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Provisions	58,281	57,287	1,447,939,519	1,447,997,508
Provision for PL & Sick leave benefits	58,281	57,287	1,447,939,519	1,447,997,508
Provision for other employee benefits	58,281	57,287	1,447,939,519	1,447,997,508

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Financial liabilities				
Reservings				
Short Term loan from Bank*			6,082,001,192	5,798,841,256
Intercompany Deposits (unsecured)**			1,447,939,519	1,447,997,508
Secured Borrowings			4,634,361,673	4,340,843,748
Unsecured Borrowings			1,447,939,519	1,447,997,508

* The Company has taken a secured loan from Oriental bank of Commerce for the period of one year, interest is payable @ 8.35%. (Secured loan from Oriental bank of Commerce in Mar 17 @ 8.60%). GMR Energy Ltd has offered FDs of the value of Rs 152.50 crs having maturity after one year from the date of FD as security against this loan.
** The Company has accepted intercompany deposits from its holding company and from its fellow subsidiary companies, which is repayable within one year from date of deposit or on demand. Interest on deposit from holding company is Nil (March 31, 2017: Nil) and from fellow subsidiary companies is ranging from 9.00% to 12.75% (March 31, 2017: (9% to 12.75%))

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
11 Other financial liabilities				
Retention Money			95,955	95,955
Non trade payables-Group Companies			20,239,174	20,239,174
Non trade payables-Others			777,045	2,516,000
			31,103,523	174,102,992

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
12 Other current liabilities				
Others			44,593	782,410
TDS Payable			53,827	785,651



F/S

GMR Badrinath Hydro Power Generation Private Limited
Notes to Statement of profit and loss for the period ended 31st March 2018

(Amount in Rs.)

	31 March 2018	31 March 2017
13 Other Income		
Interest on Income Tax Refund		
Miscellaneous Income	543,753	4,675,039
Profit on Sale of Fixed Assets	-	1,487,489
Interest Income	3,362,148	5,042,824
	3,905,901	11,205,352

	31 March 2018	31 March 2017
14 Employee benefit expense		
Salaries, wages and bonus	701,928	1,382,730
Contribution to provident and other fund	6,809	4,419,767
Staff welfare expenses	104,010	27,848
	799,129	5,830,345

	31 March 2018	31 March 2017
15 Finance Cost		
Interest Bank	124,067,153	190,582,806
Interest Other	20,057,961	15,167,959
Bank Charges	5,002,814	3,288,286
	149,127,928	209,039,051

	31 March 2018	31 March 2017
16 Other expenses		
Rates and taxes	33,554	30,863
Payment to auditor (Refer details below)	106,200	69,050
Business Promotion	-	100,000
Travelling and Conveyance	19,310	75,516
Rent & Hire Charges	198,000	1,894,101
Consultancy & Professional	849,664	2,808,950
Insurance	197,781	272,448
Office Maintenance	1,389,484	847,518
Communications	29,836	968,861
Miscellaneous Expenses	96,858	479,005
Community Development Expenses	199,843	1,143,976
	3,120,530	8,690,289

Payment to auditor

	31 March 2018	31 March 2017
As auditor:		
Audit fee	53,100	46,000
Limited review	53,100	23,050
	106,200	69,050



R/S

GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

GMR Badrinath Hydro Power Generation Private Limited
Notes for the year ended 31st March 2018

1 Corporate Information

GMR (Badrinath) Hydro Power Generation Private Limited is promoted as a Special Purpose Vehicle (SPV) by GMR Energy Limited, the holding company, to develop and operate 300 MW Hydro Based power project in Alaknanda river, Chamoli District of Uttarakhand. The company is in the process of setting up of the project.

The Company's Holding Company is GMR Energy Limited while ultimate Holding Company is GMR Infrastructure Limited/GMR Holdings Private Limited.

The registered office of the company is located at House Property No 9, Ganesh Vatika, GMS-11BP Road, Dehradun, Uttarakhand- 248001.

Information on other related party relationships of the Company is provided in Note 24.

The financial statements were approved for issue in accordance with a resolution of the directors on 20-04-2018.

2 Significant Accounting Policies

Basis of preparation

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).

Current versus non-current classification

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

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle
 - b) Held primarily for the purpose of trading
 - c) Expected to be realised within twelve months after the reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle
 - b) It is held primarily for the purpose of trading
 - c) It is due to be settled within twelve months after the reporting period, or
 - d) 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 non-current.

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

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

Property, plant and equipment

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment as at 31 March 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on 1 April 2015.

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and cumulative impairment. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Recognition

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:
(a) it is probable that future economic benefits associated with the item will flow to the entity; and
(b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from de-recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Further, When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized.

Assets under installation or under construction as at the balance sheet date are shown as Capital Work-in-Progress and the related advances are shown as Loans and advances.

All Project related expenditure viz, civil works, machinery under erection, construction and erection materials, pre-operative expenditure incidental / attributable to construction of project, borrowing cost incurred prior to the date of commercial operation and trial run expenditure are shown under Capital Work-in-Progress. These expenses are net of recoveries and income from surplus funds arising out of project specific borrowings after taxes.



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GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

Intangible assets

Intangible assets comprise technical know-how and computer software. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

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

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

The above periods also represent the management estimated economic useful life of the respective intangible assets.

Depreciation

The depreciation on the Property plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of Companies Act, 2013. Assets individually costing less than Rs. 5,000, which are fully depreciated in the year of acquisition.

Depreciation on additions is being provided on a pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/disclosed off during the year is being provided up to the date on which such assets are sold/disclosed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

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.

Leasehold land is amortised over the tenure of the lease except in case of power plants where it is amortised from the date of commercial operation. Leasehold improvements are amortised over the primary period of the lease or estimated useful life whichever is shorter.



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GMR Badrinath Hydro Power Generation Private Limited Significant Accounting Policies

Foreign currency translation

i) Functional and presentation currency

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

ii) Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in profit or loss. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. They are deferred in equity if they related to qualifying cash flow hedges and qualifying net investment in foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation difference on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised on other comprehensive income.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after 1 April 2015:

The exchange differences pertaining to long term foreign currency working capital loans obtained or re-financed on or after 1 April 2015 is charged off or credited to profit & loss account under Ind AS.

Forward Exchange Contracts not intended for trading or speculations purposes

The premium or discount arising at the inception of forward exchange contracts is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the Statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the year.

Borrowing cost

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

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating 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 asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

Goodwill (if available) is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives (if available) are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.



GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

Provisions, Contingent liabilities, Contingent assets, and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed (for example, under an insurance contract), the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date

Retirement and other Employee Benefits

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

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

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

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

Short term employee benefits

Accumulated leave, which is expected to be utilized within the next 12 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.

The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Defined benefit plans

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

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

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

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

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

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

Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

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.

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

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

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

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

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



PK

GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

Debt instrument at FVTOCI A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and
b) The asset's contractual cash flows represent SPPI

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

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

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

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

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

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

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- e) Loan commitments which are not measured as at FVTPL.
- f) Financial guarantee contracts which are not measured as at FVTPL.

The company follows 'simplified approach' for recognition of impairment loss allowance on,

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

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

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

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

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date.



RIS

GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

	Current	1-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due
Default rate	0.15%	1.6%	3.6%	6.6%	10.6%

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

- a) Financial assets measured at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.



R/S

GMR Badrinath Hydro Power Generation Private Limited Significant Accounting Policies

Financial liabilities

Initial recognition and measurement

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

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

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

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

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

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

Reclassification of financial assets

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

Offsetting of financial instruments

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

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

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

Foreign currencies

The financial statements are presented in INR, which is also the company's functional currency.

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

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

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the company

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

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

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

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

- Level 1 -- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The Valuation Committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case

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

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

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Contingent consideration
- c) Quantitative disclosures of fair value measurement hierarchy
- d) Investment in unquoted equity shares (discontinued operations)

Revenue recognition

Revenue from sale of energy is recognized on accrual basis in accordance with the provisions of the Power Purchase Agreement (PPA), after Commercial Operation Date and includes unbilled revenue accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers

The Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance

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

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

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

Dividends: Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend



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GMR Badrinath Hydro Power Generation Private Limited
Significant Accounting Policies

Taxes on income

Current income tax Tax expense comprises current and deferred tax.

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

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

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

Deferred tax

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

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

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Sales/ value added taxes paid on acquisition of assets or in incurring expenses

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

- ▶ When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ▶ When receivables and payables are stated with the amount of tax included.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

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.

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.



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18. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018 and March 31, 2017.

As at March 31, 2018

(Rs.)

Particulars	Fair value through consolidated statement of	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Cash and cash equivalents	-	-	514,553	514,553	514,553
(ii) Other financial assets	-	-	11,494,810	11,494,810	11,494,810
Total	-	-	12,009,363	12,009,363	12,009,363
Financial liabilities					
(i) Borrowings	-	-	6,082,001,192	6,082,001,192	6,082,001,192
(ii) Other financial liabilities	-	-	31,443,144	31,443,144	31,443,144
Total	-	-	6,113,444,336	6,113,444,336	6,113,444,336

As at March 31, 2017

(Rs.)

Particulars	Fair value through consolidated statement of	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Cash and cash equivalents	-	-	2,094,039	2,094,039	2,094,039
(ii) Other financial assets	-	-	11,297,085	11,297,085	11,297,085
Total	-	-	13,391,124	13,391,124	13,391,124
Financial liabilities					
(i) Borrowings	-	-	5,788,841,256	5,788,841,256	5,788,841,256
(ii) Other financial liabilities	-	-	174,102,992	174,102,992	174,102,992
Total	-	-	5,962,944,248	5,962,944,248	5,962,944,248



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GMR Badrinath Hydro Power Generation Private Limited
Notes to Accounts
19. Earnings Per Share (EPS)

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

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

Particulars	Amounts in Rs.	
	31-Mar-18	31-Mar-17
Profit attributable to equity holders of the parent	(151,461,449.20)	(227,388,673.80)
Profit attributable to equity holders of the parent for basic earnings	(151,461,449.20)	(227,388,673.80)
Interest on convertible preference shares	-	-
Profit attributable to equity holders of the parent adjusted for the effect of dilution	(151,461,449.20)	(227,388,673.80)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	5,000,000.00	5,000,000.00
Effect of dilution:	-	-
Convertible preference shares	-	-
Weighted average number of Equity shares adjusted for the effect of dilution *	5,000,000.00	5,000,000.00
Earning Per Share (Basic) (Rs)	(30.29)	(45.48)
Earning Per Share (Diluted) (Rs)	(30.29)	(45.48)
Face value per share (Rs)	10.00	10.00



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GMR Badrinath Hydro Power Generation Private Limited
Notes to Accounts

20. Gratuity and other post-employment benefit plans

a) Defined contribution plans

During the year ended 31 March 2018, the company has recognised Nil (31 March 2017: Rs. 1,43,049/-) under statement of profit and loss as under: the following defined contribution plans

	Amount in INR	
	2017-18	2016-17
benefits (contribution to):		
Provident and other fund	35,845	97,736
Superannuation fund	-	45,313
Total	35,845	143,049

b) Defined benefit plans

As per Actuarial Valuation as at 31st March, 2018 (Funded)

Particulars	Amount in INR	
	As at March 31, 2018	As at March 31, 2017
Plan assets at the year end, at fair value	991,683	904,948
Present value of benefit obligation at year end	45,806	40,558
Net (liability) recognized in the balance sheet	945,877	864,390

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

Particulars	As at March 31, 2018	As at March 31, 2017
Discount rate	7.10%	7.10%
Rate of salary increases	6.00%	6.00%
Withdrawal rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)	Indian Assured Lives Mortality (2006-08) (modified)



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The following tables summarise the components of net benefit expense recognised in the Statement of profit and loss for defined benefit plans/obligations:

Net employee benefit expense (recognized in Statement of profit and loss) for the year ended 31st March, 2018

Particulars	Amt in INR	
	31-Mar-18	31-Mar-17
Current Service Cost	6,205	80,519
Net interest on net defined liability	61,379	203,922
Actuarial gain/ loss on obligations	26,086	131,941
Defined benefit costs	81,260	255,344

Particulars	Amt in INR	
	As at 31-Mar-18	As at March 31, 2017
Defined benefit obligation	45,806	40,558
Fair value of plan assets	991,683	904,948
Plan asset / (liability)	945,877	864,390

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

Particulars	Amt in INR	
	As at 31-Mar-18	As at March 31, 2017
Opening defined benefit obligation	40,558	459,844
Interest cost	2,880	35,868
Current service cost	6,205	80,519
Acquisition credit	-	368,123
Benefits paid and being transferred	-	-
Actuarial losses/ (gain) on obligation-experience & financial assumptions	3,837	167,550
Closing defined benefit obligation	45,806	40,558

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

Particulars	Amt in INR	
	As at 31-Mar-18	As at March 31, 2017
Opening fair value of plan assets	904,948	5,447,692
Acquisition adjustment	-	4,750,953
Interest income on plan assets	64,239	239,790
Contributions by employer	227	4,008
Benefits paid (including transfers)	-	-
Return on plan assets greater/ (lesser) than discount rate	22,249	35,609
Closing fair value of plan assets	991,683	904,948



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

Particulars	As at	As at
	31-Mar-18 (%)	March 31, 2017 (%)
Investments with insurer managed funds	100	100

Experience adjustments for the current and previous years are as follows:

	Amt in INR	
	As at 31-Mar-18	As at March 31, 2017
Defined benefit obligation	45,896	40,558
Plan assets	991,683	904,948
Funded status	945,877	864,390
Experience (loss) adjustment on plan liabilities	-	-
Experience gain/ (loss) adjustment on plan assets	-	-
Actuarial gain due to change in assumptions	-	-

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

Particulars	Gratuity	
	31-Mar-18	31-Mar-17
Discount rate (in %)	7.60%	7.10%
Salary Escalation (in %)	6.00%	6.00%
Expected rate of return on assets	9.40%	9.40%
Attrition rate (in %)	5.00%	5.00%



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21. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in **Note 25**.

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 consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Taxes

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.

Defined benefit plans (gratuity benefits)

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

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

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

Further details about gratuity obligations are given in **Note 20**

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

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See **Note 26 to 28** for further disclosures.



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GMR Badrinath Hydro Power Generation Private Limited
 Notes to Accounts

22. Deferred Tax (DTA/DTL)

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at	
	31-Mar-18	31-Mar-17
Deferred income tax assets		
Property, plant and equipment	2,240,597	14,980,748
Brought Forward Losses	2,317,539	1,471,657
Others	-	-
Total deferred income tax assets	4,558,136	16,452,405
Deferred income tax liabilities		
Equity Component of related party loan		
Others		
Total deferred income tax liabilities	-	-
Deferred income tax assets after set off	4,558,136	16,452,405
Deferred income tax liabilities after set off	-	-

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the Net Deferred tax assets of Rs. 45,58,136 not been recognized because there is no probability/convincing or other evidence that sufficient taxable profits will be available against which DTA will be adjusted.



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23 Commitments and Contingencies

I Leases

Operating lease: Company as lessee

The company has entered into certain cancelable and non-cancelable operating lease agreements mainly for office premises & forest lease land. The lease rentals charged during the year as per agreements are as follows :-

Particulars	31-Mar-18	31-Mar-17
Lease Rentals under cancelable leases	60,000	60,000
Lease Rentals under non-cancelable leases (Forest Land Lease)	-	1,447,551

II Contingent Liabilities

Particulars	31st March, 2018	31st March, 2017
Contingent Liability		
Pending Legal Cases	Not Quantifiable	Not Quantifiable

A. Claims made against the company not acknowledged as debts

Parties	Court	Litigation Details	Financial Impact
GBHFGPL vs Vimal Bhai	NGT Delhi	Challenging the environmental clearances granted to the project by MoEF and the State Govt	Not Quantifiable

In August 2013, while considering a civil appeal filed on impact of hydroelectric power projects being developed on Alaknanda and Bhagirathi river basins, the Supreme Court issued directions to MoEF to form an expert body for assessing if the under construction or operational hydroelectric power projects have resulted in environmental degradation or the floods which occurred in the State of Uttarakhand in June 2013. The Supreme Court further directed MoEF to examine the report issued by Wildlife Institute of India on 24 on-going hydroelectric power projects on the Bhagirathi and the Alaknanda rivers (which includes Alaknanda Power Project). Given that the expert body submitted two conflicting reports, the MoEF sought permission from the Supreme Court for constituting another committee for examining the aforesaid issue. On May 7, 2014, the Supreme Court issued directions to MoEF to provide valid reasons for constituting another committee and also imposed a stay on further construction of the aforesaid 24 power projects until further orders. The Alaknanda Power Project was one of such projects. GBHFGPL has been implicated as a party to the matter pursuant to the order dated November 5, 2014 passed by the Supreme Court. The matter is currently pending with Supreme Court but our project has all required approvals/clearances/licenses in accordance with the prevailing law. We are confident that MoEF would submit affidavit in line with spirit of Supreme Court directions, and in all probabilities, the stay order shall be vacated shortly which will pave way for commencing the project construction. The financial impact is not quantifiable.

III Financial guarantees

The Company has provided Bank Guarantees (by using the limits of holding company) amounting to INR 18,82,07,283

IV Commitments

Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances of INR Rs. 37,85,90,797 (March 31, 2017) (INR 37,85,90,797)

Other Commitments: Nil



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GMR Badrinath Hydro Power Generation Private Limited
Notes to financial statements for the year ended 31st March 2018

24 Related Party transactions

a) Names of related parties and description of relationship:

1 Holding of GBHPGPL	GMR INFRASTRUCTURE LIMITED GMR ENTERPRISES PRIVATE LIMITED GMR Energy Limited
2 Subsidiary Companies of GBHPGPL	Nil
3 Overseas Subsidiaries / Associates	Nil
4 Associate Companies of GBHPGPL	Nil
5 Joint venture of the GBHPGPL	Nil

6 Fellow Subsidiaries	GMR Infrastructure Limited GMR Sports Private Limited GMR League Games Private Limited GMR Infrotech Private Limited Cadence Enterprises Private Limited PIL Infrastructure Finance Company Private Limited Vijay Nivas Real Estates Private Limited Fabcity Properties Private Limited Kondampeta Properties Private Limited Hyderabad Jabilli Properties Private Limited Leora Real Estates Private Limited Pashupati Artex Agencies Private Limited Ravivanna Realty Private Limited GMR Solar Energy Private Limited Rajam Enterprises Private Limited Grandha Enterprises Private Limited Ideaspace Solutions Private Limited National SEZ Infra Services Private Limited Kakinada Refinery and Petrochemicals Private Limited Corporate Infrastructure Services Private Limited GMR Bajareghatta Properties Private Limited Kirthi Timbers Private Limited AMG Healthcare Destination Private Limited GMR Holding (Malta) Limited GMR Infrastructure (Malta) Limited GMR Holdings (Overseas) Limited GMR Holdings (Mauritius) Limited Crossridge Investments Limited Interzone Capital Limited GMR Holdings Overseas (Singapore) Pte Limited GMR Business & Consultancy LLP GMR Energy Limited (GEL) GMR Power Corporation Limited (GPCI) GMR Ventagiri Power Generation Limited (GVPGL) GMR (Badrinath) Hydro Power Generation Private Limited (GBHIPL) GMR Mining & Energy Private Limited (GMEI) GMR Kamalanga Energy Limited (GKEL) Himal Hydro Power Company Private Limited (HHPL) GMR Energy (Mauritius) Limited (GEMI) GMR Lion Energy Limited (GLEI) GMR Upper Kamah Hydropower Limited (GUKPL) GMR Energy Trading Limited (GETL) GMR Consulting Services Private Limited (GCSPL) GMR Coastal Energy Private Limited (GCEPL) GMR Bajoli Holi Hydropower Private Limited (GBHIPL) GMR Londa Hydropower Private Limited (GLHPPL) GMR Kakinada Energy Private Limited (GKEPL) GMR Energy (Cyprus) Limited (GECI) GMR Energy (Netherlands) B.V. (GENBV) PT Dwikarya Sejati Utama (PTDSU) PT Duta Sarana Internusa (PTDSI) PT Barasentosa Lestari (PTBSL) SJK Powergen Limited (SJK) PT Unsoco (PT) GMR Warora Energy Limited (Formerly EMCO Energy Limited) Indo Tausch Trading DMCC (ITTD) GMR Maharashtra Energy Limited (GMAEL) GMR Bundelkhand Energy Private Limited (GBEPL) GMR Rajan Solar Power Private Limited (formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEPL)) GMR Hosur Energy Limited (GHOEL) GMR Gujarat Solar Power Private Limited (GGSPL)
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	Kannal Transmission Company Private Limited (KTCP)
	Marsyangdi Transmission Company Private Limited (MTCPL)
	GMR Indo-Nepal Energy Links Limited (GINELL)
	GMR Indo-Nepal Power Corridors Limited (GINPCL)
	GMR Generation Assets Limited (formerly known as GMR Renewable Energy Limited (GREL))
	GMR Energy Projects (Mauritius) Limited (GEPML)
	GMR Infrastructure (Singapore) Pte Limited (GISPL)
	GMR Coal Resources Pte Limited (GCRPL)
	GMR Power Infra Limited (GPL)
	GMR Highways Limited (GMRHL)
	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)
	GMR Tuni Anakapalli Expressways Limited (GTAEPL)
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Pochampalli Expressways Limited (GPEPL)
	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)
	GMR Chennai Outer Ring Road Private Limited (GCORRPL)
	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEPL)
	GMR Highways Projects Private Limited (GHPPPL)
	GMR Hyderabad International Airport Limited (GHIAL)
	Gateways for India Airports Private Limited (GFIAL)
	Hyderabad Airport Security Services Limited (HASSL)
	GMR Hyderabad Airport Resource Management Limited (GHARML)
	GMR Hyderabad Aerotropolis Limited (HAPL)
	GMR Hyderabad Aviation SEZ Limited (GHASEZ)
	GMR Aerospace Engineering Limited (GAEL) (formerly known as MAS GMR Aerospace Engineering Company Limited)
	GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited (MGATL))
	Hyderabad Duty Free Retail Limited (HDFRL)
	GMR Airport Developers Limited (GADL)
	GADL International Limited (GADLIL)
	GADL (Mauritius) Limited (GADLML)
	GMR Hotels and Resorts Limited (GHRL)
	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)
	Delhi International Airport Private Limited (DIAPL)
	Delhi Aerotropolis Private Limited (DAPL)
	Delhi Duty Free Services Private Limited (DDFS)
	Delhi Airport Parking Services Private Limited (DAPSL)
	GMR Airports Limited (GAL)
	GMR Airport Global Limited (GATL)
	GMR Airports (Mauritius) Limited (GALM)
	GMR Aviation Private Limited (GAPL)
	Raxa Security Services Limited (Raxa)
	GMR Krishnagiri SEZ Limited (GKSEZ)
	Advika Properties Private Limited (APPL)
	Alhima Properties Private Limited (ALHPP)
	Amartya Properties Private Limited (AMPPL)
	Batuni Properties Private Limited (BPPL)
	Bougainvillea Properties Private Limited (BOPPL)
	Camelia Properties Private Limited (CPPL)
	Deepesh Properties Private Limited (DPPL)
	Eta Properties Private Limited (EPPL)
	Geibera Properties Private Limited (GPL)
	Lakshmi Priya Properties Private Limited (LPPPL)
	Honeysuckle Properties Private Limited (HPPPL)
	Idika Properties Private Limited (IPPL)
	Krishnapriya Properties Private Limited (KPPL)
	Larkspur Properties Private Limited (LAPPL)
	Nadira Properties Private Limited (NPPL)
	Padmapriya Properties Private Limited (PAPPL)
	Prakalpa Properties Private Limited (PPPPL)
	Punachandra Properties Private Limited (PUPPL)
	Shreyadita Properties Private Limited (SPPPL)
	Pranesh Properties Private Limited (PRPPPL)
	Sreepa Properties Private Limited (SRPPPL)
	Radhapriya Properties Private Limited (RPPL)
	Astera Real Estates Private Limited (AREPL)
	GMR Hosur Industrial City Private Limited (GHICI)
	Namitha Real Estates Private Limited (NREPL)

R/S



	Honey Flower Estates Private Limited (HFEPL)
	GMR Hosur EMC Limited (GHEMCL)
	GMR SEZ and Port Holdings Limited (GSPHL)
	East Godavari Power Distribution Company Private Limited (EGPDCPL)
	Suzone Properties Private Limited (SUPPL)
	GMR Utilities Private Limited (GUPL)
	Fullam Properties Private Limited (FLPPL)
	GMR Corporate Affairs Private Limited (GCAPL)
	Dhruvi Securities Private Limited (DSPL)
	Kakinada SEZ Limited (KSL)
	GMR Business Process and Services Private Limited (GBPSPL)
	GMR Infrastructure (Mauritius) Limited (GIML)
	GMR Infrastructure (Cyprus) Limited (GICL)
	GMR Infrastructure Overseas Limited (GIOL)
	GMR Infrastructure (UK) Limited (GIUL)
	GMR Infrastructure (Global) Limited (GIGL)
	GMR Energy (Global) Limited (GEGL)
	Kakinada Gateway Port Limited (KGPL)
	GMR Goa International Airport Limited (GGIAL)
	GMR SEZ Infra Services Limited (GSISL)
	GMR Infrastructure (Overseas) Limited (GIOL)
	GMR Infra Developers Limited (GIDL)

b) Transactions During the year*	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Immediate holding Company		
GMR Energy Limited – ICD Received(Net)- BS		444,850,600
Fellow subsidiary		
GMR Power Corporation Limited- Int on ICD- P&L	11,410,000	7,505,384 00
GMR Generation Asset Limited (GGAL)(Formerly GMR Renewable Energy Limited (GREEL))- Int on ICD- P&L	8,647,961	7,662,575 00
GMR HOLDINGS PRIVATE LIMITED- Logo fee- P&L		4,815,730 00
GMR Energy Trading Ltd- Int Recd on ICD- P&L	3,357,273 49	4,992,933 00
GMR Power Corp Ltd- ICD Received(Net)- BS		163,000,000 00
GMR Generation Assets Ltd – ICD Received(Net)- BS		237,200,000 00
GMR Varalakshmi Foundation	199,843	
GMR ENTERPRISES PRIVATE LIMITED	13,640	
Ultimate holding company		
GMR Holdings - Logo Fees		1,050 00
Managerial Remuneration to Key Management Personnel		

Summary of balances with the above related parties is as follows:

Balances at the year ended *	As At March 31, 2018	As At March 31, 2017
Immediate holding Company		
Equity Share Capital Received - GMR Energy Ltd	49,951,000	49,951,000
Equity Share Capital Received - GMR Infrastructure Ltd	49,000	49,000
Share Application Money paid pending allotment		
Other loans and advances		
Non-Current		
Ultimate Holding Company		
GMR Holdings – Logo Fees Payable		1,055
GMR Holdings – Employee Loans and Advances Receivable		12,520
Immediate holding Company		
GMR Energy Limited – R/D Payable	4,439,524,178	3,940,643,748
GMR Energy Limited - Interest on ICD	152220430	15,22,20,430
Fellow subsidiary- Payable		
GMR Power Corporation Limited (GPCPL) – ICD Payable	163,000,000	163,000,000
GMR Generation Assets Ltd – ICD Payable	31,537,495	237,200,000
GMR Energy Trading Limited (GETL) - Int ICD Receivable	339,041	
GMR Generation Assets Ltd – Int ICD Payable	14,749,474	6,896,317
GMR Bajoli Holi – Employee Loan Transfer and Leave Encashment Liability Transfer	631,250 78	6,31,251
SJK PowerGen – Employee Loan Transfer	22,500	22,500
GMR Power Corporation – Interest on ICD	10,268,998	7,116,571
GMR Bannerghatta Properties Private Limited – Rental Deposit Receivable	11,134,041 00	1,11,34,041
GMR Varalakshmi Foundation - Payable for Insurance Claim Received for Ambulance & CSR Expense	4,901,292 00	
GMR ENTERPRISES PRIVATE LIMITED - Logo Fee	1,120 00	
GMR Kamalanga Energy Limited (GKEL) - Comm. Exp mobile	581	



25 Financial risk management objectives and policies

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance

Market risk

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

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

	Increase/decrease in basis points	Effect on profit before tax Amt in Rs
31-Mar-18		
INR Term loan	+50	7,239,843
INR Term loan	-50	7,239,843
31-Mar-17		
INR Term loan	+50	17,651,978
INR Term loan	-50	17,651,978

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.



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Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss

Financial instruments and cash deposits- Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the company's Board of Directors on an annual basis, and may be updated throughout the year, subject to approval of the company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

26 Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. The Company's policy is that not more than 0% of borrowings should mature in the next 12-month period.

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	INR	INR	INR	INR	INR	INR
Year ended						
31-Mar-18						
Borrowings		4,634,061,673	1,447,939,519			6,082,001,192
Other financial liabilities		31,443,144				31,443,144
		4,665,504,817	1,447,939,519			6,113,444,336
Year ended						
31-Mar-17						
(i) Borrowings		4,340,343,748	1,447,997,508			5,788,341,256
(ii) Other financial liabilities		174,102,992				174,102,992
		4,514,446,740	1,447,997,508			5,962,444,248

Excessive risk concentration

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

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.



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27. Other Disclosures

a. Foreseeable losses

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

b. There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at March 31, 2017. This information as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

c. Segment Information

The company is engaged primarily in the business of setting and running of Power plant. As the basic nature of the activities is governed by the same set of risk and returns these have been grouped as a single business segment. Accordingly separate primary and secondary segment reporting disclosures as envisaged in on Segmental Reporting Ind AS 108 issued by the ICAI are not applicable to the present activities of the company.

28. Fair values

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value)				
	Carrying value		Fair value	
	As at 31-Mar-18	As at 31-Mar-17	As at 31-Mar-18	As at 31-Mar-17
Financial assets at FVTPL				
Loans				
Security deposit	-	-	-	-
Investment in mutual fund	-	-	-	-
Total	-	-	-	-



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29 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long-term and short-term bank borrowings and issue of non-convertible / convertible debt securities and strategic partnership with investors

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Company

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 monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

Amounts in Rs.

Particulars	At 31 March 2018	At 31 March 2017
Borrowings other than convertible preference shares (refer	6,082,001,192	5,788,841,256
	-	-
Total debts (i)	6,082,001,192	5,788,841,256
Capital Components		
Equity share capital	50,000,000	50,000,000
Other Equity	(1,490,724,077)	(1,339,262,627)
Non-controlling interests		
Convertible preference shares		
Total Capital (ii)	(1,440,724,077)	(1,289,262,627)
Capital and Borrowings (iii = i + ii)	4,641,277,115	4,499,578,629
Gearing ratio (%) (i/iii)	131%	129%

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

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



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30. Effective Tax Reconciliation (ETR)

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

	(Rs.)	
	March 31,2018	March 31, 2017
Tax expenses		
(a) Current tax	-	-
(b) Adjustments of tax relating to earlier periods	-	-
(c) MAT credit entitlement	-	-
(d) Deferred tax expense / (credit)	-	-
Total taxes	-	-

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

	March 31,2018	March 31, 2017
Profit before tax	-151,487,535	-227,520,615
Applicable tax rates in India (% Rate)	25.75%	29.87%
Computed tax charge	-	-
<u>Tax effect of income that are not taxable in determining taxable profit:</u>		
a) Exempt income not included in calculation of tax	-	-
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
(a) Items not deductible	-	-
(b) Adjustments on which deferred tax is not created	-	-
(c) Adjustments to current tax in respect of prior periods	-	-
(d) MAT adjustments	-	-
(e) Utilisation of previously unrecognised tax losses	-39,008,040	-67,960,408
(f) Interest on delayed payment of Income Tax	-	-
(g) Tax effects on re-measurement gains (losses) on defined benefit plans	-	-
(h) Others	-	-
Tax expense as reported	-39,008,040	-67,960,408



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

Ind AS 115 'Revenue from Contracts with Customers' was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 and permits two possible methods of transition:

(i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or

(ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method)

The Group 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.

Upon adoption the Company expects there to be a change in the manner that variable consideration in certain revenue arrangements is recognized from the current practice of recognizing such revenue as the services are performed and the variable consideration is earned to estimating the achievability of the variable conditions when the Company begins delivering services and recognizing that amount over the contractual period. The Company also expects a change in the manner that it recognizes certain incremental and fulfilment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

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

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

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:



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Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the company as the company has no deductible temporary differences or assets that are in the scope of the amendments.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

32. The Previous year's figures have been re-grouped and reclassified, wherever necessary, to conform to those of current year.

For Guru and Jana
Chartered Accountants



Heena Kauser A.P.
Partner
Membership no : 219971
Firm Registration Number: 006826S

For and on behalf of the Board of directors

Harvinder Manocha
Director
DIN:03272052

S. N. Barde
Director
DIN: 03140784

Rajeev Kumar
Company Secretary

Place: Bangalore
Date: 20 April 2018

Place: New Delhi
Date: 20 April 2018