INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GMR HYDERABAD AVIATION SEZ LIMITED

Report on the Ind AS Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have considered the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS Financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

K.S. RAO & CO. Chartered Accountants BENGALURU

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Ind AS financial statements.

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

Opinion

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

Emphasis of Matter Paragraph

We draw attention to Note 31 to the Ind AS financial statements regarding the recoverability of the dues from GMR Aerospace Engineering Limited (GAEL), wholly owned subsidiary of the Company's holding Company, M/s GMR Hyderabad International Airport Ltd (GHIAL) and GMR Aero Technic Limited (GATL) is a wholly owned subsidiary of GAEL. Total Trade receivables of the Company includes Rs.4,938.66 Lakhs/- from GAEL and GATL of which Rs.4,424.06 Lakhs/- is outstanding for more than six months from GATL and GAEL. GATL net worth as well as cumulative net worth of GAEL and GATL as at March 31, 2018 has been fully eroded. Considering the nature of business of GATL and based on the business projections and contracts with Customer, management is confident that revenues of GATL and GAEL will improve, and the Company will be able to recover its dues. Further, GHIAL has committed the support to GAEL in meeting its operational and financial obligations. Based on business projections and contracts with Customer of GATL and support letter from GHIAL, the management has considered its dues from GAEL and GATL are good of recovery and as such no provision has been made in the books of account.

Our Opinion is not Qualified on the above said matter.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 prepared in accordance with Ind AS included in this Ind AS financial statements have been audited by another firm of chartered accountants whose report dated April 21, 2017 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

K.S. RAO & CO. Chartered Accountants BENGALURU

2) As required by Section 143 (3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss including other comprehensive income, Statement of changes in Equity and the Statement cash flow dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company has disclosed the impact of pending litigation on its financial position in its Financial Statements – Refer Note no. 35 the Ind AS financial statement of the company;

      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 required to be transferred to the Investor Education and Protection Fund by the Company.

For K.S.Rao & Co.,
Chartered Accountants
ICAI Firm registration no: 003109S

Hitesh Kumar P
Partner
Membership number: 233734

K.S. RAO & CO. Chartered Accountants BENGALURU

Place: Bengaluru
Date: April 25, 2018

Annexure - A to the Independent Auditors' Report

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

(i) In respect of the Company's fixed assets (property, plant and equipment)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the Ind AS financial statements, the lease agreements are in the name of the Company.

(ii) The activities of the Company did not involve purchase of inventory and sale of goods during the year and accordingly Clause (ii) of the paragraph 3 of the Order is not applicable to the Company for the year.

(iii) The Company has not granted any loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

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

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

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

(vii) a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues to the appropriate authority to the extent applicable to it and there are no arrears of outstanding statutory dues as at March 31, 2018 for a period of more than six months from the date they became payable.

K.S. RAO & CO. Chartered Accountants BENGALURU

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

Name of the Statute	**Nature of Dues**	**Amount Involved**	**Period for which the amount relates**	**Forum where dispute is pending**
Finance Act 1994	Granting exemption of service tax under renting of immovable property services without obtaining Form A1 / A2	Rs. 11,97.11* Lakhs	October 2011 to March 2016	Commissioner (Audit), Central Excise and Service Tax

* Amount under dispute also includes penalty of Rs. 436.90 Lakhs.

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

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

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

(xi) According to the information and explanations given by the management, the provisions of the section 197 of the Act read with Schedule V to the Act are not applicable to the Company and hence the reporting under paragraph 3(xi) of the Order is not applicable.

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

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

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

K.S. RAO & CO. Chartered Accountants BENGALURU

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

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K.S.Rao & Co.,
Chartered Accountants
ICAI Firm registration no: 003109S

Hitesh Kumar P
Partner
Membership number: 233734

Place: Bengaluru
Date: April 25, 2018

K.S. RAO & CO. Chartered Accountants BENGALURU

"Annexure – B" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of GMR Hyderabad Aviation SEZ Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended and as at 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

K.S. RAO & CO. Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

For K.S.Rao & Co.,
Chartered Accountants
ICAI Firm registration no: 003109S

Hitesh Kumar P
Partner
Membership number: 233734

K.S. RAO & CO. Chartered Accountants BENGALURU

Place: Bengaluru
Date: April 25, 2018

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

	Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
I.	Revenue from Operations	20	1,451.57	1,361.91
II.	Other Income	21	169.36	61.79
III.	**Total Income (I + II)**		**1,620.93**	**1,423.70**
IV.	Expenses			
	Concession Fees		247.67	234.55
	Finance Cost	22	761.11	642.40
	Depreciation and amortisation expense	23	507.43	501.14
	Other expenses	24	447.65	377.09
	Total expenses (IV)		**1,963.86**	**1,755.18**
V.	Profit/(Loss) before tax (III - IV)		(342.93)	(331.48)
VI.	Tax Expenses:			
	a. Current Tax			
	i. Relating to current period	25	-	39.03
	ii. Relating to prior periods		-	-
	b. Deferred tax liability /(Asset)	15	-	-
	i. On Temporary Differences		65.20	152.01
	ii. MAT Credit entitlement		-	(3.14)
	Total Tax Expenses (VI)		**65.20**	**187.89**
VII.	Profit for the period (V - VI)		(408.13)	(519.37)
VIII.	Other Comprehensive income			
	i. Items that will not be reclassified subsequently to profit or loss		-	-
	ii. Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income for the period (VIII)		-	-
IX.	Total Comprehensive Income for The Period (VII + VIII)		(408.13)	(519.37)
X.	Earnings per equity share from Continuing operations:	26		
	Basic and Diluted		(0.79)	(1.01)

Summary of Significant Accounting Policies 2.3

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

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 0003109S
Hitesh Kumar P
Partner
ICAI Membership No. 233734

K.S. RAO & CO. Chartered Accountants BENGALURU

Place : Bengaluru
Date: April 25, 2018

For and on behalf of the Board of Directors of
GMR Hyderabad Aviation SEZ Limited

S.G.K. Kishore
Director
DIN : 02916539

Rajesh Kumar Arora
Director
DIN : 03174536

Sandip Sinha Ray
Chief Financial Officer

Kandi Sreenivasulu
Company Secretary
M.No: ACS23267

Place : Hyderabad
Date: April 25, 2018

GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
BALANCE SHEET AS AT MARCH 31, 2018

₹ in Lakhs

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Non-current assets			
(a) Property, Plant and Equipment	3	6,240.13	6,111.59
(b) Capital work-in-progress	4	2,719.67	1,856.84
(c) Other non-current assets	5	206.48	238.96
		9,166.28	8,207.39
Current assets			
(a) Financial Assets			
(i) Investments	6	2,088.95	785.75
(ii) Trade receivables	7	5,071.56	4,400.89
(iii) Cash and cash equivalents	8	149.01	1,314.20
(iv) Bank balances other than (iii) above		297.00	-
(v) Other Financial Asset	9	4.81	-
(b) Current Tax Assets (Net)		64.01	10.12
(c) Other current assets	10	24.86	18.47
		7,700.20	**6,529.43**
Total Assets		16,866.48	14,736.82
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	5,160.00	5,160.00
(b) Other Equity	12	383.51	791.65
		5,543.51	**5,951.65**
Liabilities			
Non - current liabilites			
(a) Financial Liabilities			
(i) Borrowings	13	5,826.88	5,971.80
(ii) Other financial liabilities	14	119.30	71.01
(b) Deferred tax liabilities (Net)	15	292.05	226.85
(c) Other Non Current Liabilities	16	3,804.21	262.46
		10,042.44	**6,532.12**
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small		-	-
(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises	17	729.68	546.91
(ii) Other financial liabilities	18	424.32	1,675.65
(b) Other current liabilities	19	126.53	30.49
		1,280.53	2,253.05
Total Equity and Liabilites		**16,866.48**	**14,736.82**
Summary of Significant Accounting Policies	2.3		

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

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 0003109S

Hitesh Kumar P
Partner
ICAI Membership No. 233734

K.S. RAO & CO. Chartered Accountants

Place : Bengaluru
Date: April 25, 2018

For and on behalf of the Board of Directors of
GMR Hyderabad Aviation SEZ Limited

S.G.K. Kishore
Director
DIN : 02916539

Rajesh Kumar Arora
Director
DIN : 03174536

Sandip Sinha Ray
Chief Financial Officer

Kandi Sreenivasulu
Company Secretary
M.No: ACS23267

Place : Hyderabad
Date: April 25, 2018

GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR Hyderabad Aviation SEZ Limited

CIN U45209TG2007PLC056527

Registered & Corporate Office : GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad, Telangana – 500 108.

Audited Financial results for the quarter and year ended March 31, 2018

₹ in Lakhs

Sl. No.	Particulars	For the Quarter ended			For the Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		Audited	Reviewed	Audited	Audited	Audited
I	Income from operations					
	Revenue from operations	361.40	350.27	326.76	1,451.57	1,361.91
	Total income from operations (I)	361.40	350.27	326.76	1,451.57	1,361.91
II	Other income	66.990	39.69	20.39	169.36	61.79
III	Total income (I+II)	428.39	389.96	347.15	1,620.93	1,423.70
IV	Expenses					
	Concession fee	65.74	63.40	58.77	247.67	234.55
	Finance costs	146.82	147.65	157.03	761.11	642.40
	Depreciation and amortisation expense	134.29	124.83	123.10	507.43	501.14
	Other expenses	126.76	83.77	85.77	447.65	377.09
	Total expenses (IV)	473.61	419.65	424.67	1,963.86	1,755.18
V	Profit / (Loss) from operations before tax (III - IV)	(45.22)	(29.69)	(77.52)	(342.93)	(331.48)
VI	Tax expense	17.14	(18.03)	257.98	65.20	187.89
VII	Net Profit / (Loss) for the Period / Year (V - VI)	(62.36)	(11.66)	(335.50)	(408.13)	(519.37)
VIII	Other Comprehensive income					
	i. Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-
	ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income for the period (VIII)	-	-	-	-	-
IX	Total Comprehensive Income for The Period (VII + VIII)	(62.36)	(11.66)	(335.50)	(408.13)	(519.37)
X	Basic and Diluted Earnings Per Share in Rs	(0.12)	(0.02)	(0.65)	(0.79)	(1.01)

K.S. RAO & CO. Chartered Accountants BENGALURU

GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR Hyderabad Aviation SEZ Limited

CIN U45209TG2007PLC056527

Registered & Corporate Office : GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad, Telangana – 500 108.

Audited Financial results for the quarter and year ended March 31, 2018

Notes :

1 The above Special Purpose Financial Information of GMR Hyderabad Aviation Limited ("the Company"), has been reviewed and taken on record by the Board of Directors of the Company dated April 25, 2018. The Statutory Auditors of the Company have carried out a audit on aforesaid results of the Company.

2 The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, and the unaudited published year-to-date figures up to December 31, being the date of the end of the third quarter of the financial year which were subjected to limited review.

3 The Special Purpose Financial Information is prepared by the Company for the purpose of preparation of consolidated financial results of GMR Infrastructure Limited ('GIL', the intermediate holding company) for the quarter and year ended March 31, 2018, submission to the Board of Directors of the Company and Board of Directors of GIL. The Special Purpose Financial Information has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under ("IndAS") and other accounting principles generally accepted in India and as per the instructions mentioned in the Group Referral Instructions (GRI) issued by the Management of GIL. The special purpose financial information has been prepared under the historical cost convention on an accrual basis, except for certain financial instruments which are recognised at fair value.

4 The Company's business activity falls within a single business segment in terms of IND AS 108 on operating segments.

5 Previous year/period figures have been regrouped and reclassified wherever necessary to conform to those of the current year. The previous year/period figures are audited/reviewed by a firm other than K.S.Rao & Co.

For and on Behalf of Board of Directors of
GMR Hyderabad Aviation SEZ Limited

K.S. RAO & CO. Chartered Accountants BENGALURU

Place : Bengaluru
Date: April 25, 2018

Rajesh Kumar Arora
Director
DIN : 03174536

Place : Hyderabad
Date: April 25, 2018

GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital

₹ in Lakhs

Particulars	At the beginning of the year	Changes during the year	At the end of the year
i. For the Year March 31, 2018	5,160.00	-	5,160.00
ii. For the Year March 31, 2017	5,160.00	-	5,160.00

B. Other Equity

Amount in ₹

Particulars	Retained Earnings	Total
I. Balance as at March 31, 2017	791.65	**791.65**
Profit/ (Loss) for the period	(408.13)	(408.13)
Other Comprehensive income for the year	-	-
II. Balance as at March 31, 2018	**383.51**	**383.51**

Summary of Significant Accounting Policies 2.3

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

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 003109S

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Chartered Accountants

Place : Bengaluru
Date: April 25, 2018

For and on behalf of the Board of Directors of
GMR Hyderabad Aviation SEZ Limited

S.G.K. Kishore
Director
DIN : 02916539

Rajesh Kumar Arora
Director
DIN : 03174536

Sandip Sinha Ray
Chief Financial Officer

Kandi Sreenivasulu
Company Secretary
M.No: ACS23267

Place : Hyderabad
Date: April 25, 2018

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31,2018

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Cash flow from operating activities:		
A. Profit/(Loss) before tax	(342.93)	(331.48)
B. Adjustments to reconcile (loss) / profit before tax to net cash flows		
a. Depreciation and amortization expenses	507.43	501.14
b. Bad debts Written Off	-	0.39
c. Excess provisions/ Credit Balances written back	(0.10)	(13.48)
d. Interest Income:	(5.35)	(16.06)
e. Income from Investments:		
i. Change in fair value	(3.16)	(0.33)
ii. Gains on sale of investments	(128.46)	(26.24)
f. Amortisation of Deferred Income	(22.84)	(5.68)
g. Interest paid on borrowings (finance cost)	591.38	634.72
h. Amortisation of Upfront fee	30.92	5.41
i. Notional Interest on Security deposit	10.67	1.31
	980.48	**1,081.18**
C. Adjustment for changes in working capital:		
a. Decrease / (increase) in trade receivables	(670.67)	(448.12)
b. Decrease / (increase) in other current assets	(6.39)	3.41
c. Decrease / (increase) in other Non-current assets	(3.59)	34.48
d. Decrease / (increase) in other financial assets	(4.81)	-
e. (Decrease) /Increase in trade payables	182.88	315.22
f. (Decrease) /Increase in other financial term liabilities	(1,334.55)	1,224.33
g. (Decrease) /Increase in Non-current liabilities	3,541.75	-
h. (Decrease) /Increase in other current liabilities	96.04	94.27
	1,800.66	**1,223.57**
D. Cash generated from operations (A+B+C)	**2,438.21**	**1,973.27**
Less: Direct taxes paid (net of refunds)	(53.89)	78.08
Net cash flow from operating activities (I)	**2,384.32**	**2,051.35**
II. Cash flows from investing activities		
a. Purchase of fixed assets, including CWIP	(1,319.07)	(185.20)
b. Proceeds from sale of fixed assets	-	35.96
c. Proceeds from sale of financial instruments (Investments)	13,044.58	1,873.23
d. Purchase of financial instruments (Investments)	(14,216.15)	(2,387.00)
e. Investment in Fixed deposit with maturity below three months	(297.00)	-
f. Interest Income received	5.35	16.06
Net cash flow from/ (used in) investing activities (II)	**(2,782.29)**	**(646.95)**
III. Cash flows from financing activities		
a. Proceeds from borrowings	6,000.00	-
b. Proceeds from borrowings - Group Company	4,750.00	-
c. Repayment of borrowings	(6,090.94)	-
d. Repayment of borrowings - Group Company	(4,750.00)	-
e. Upfront fee on Loan	(84.90)	-
e. Interest paid for the period	(591.38)	(93.60)
Net cash flow (used in) financing activities (III)	**(767.22)**	**(93.60)**
IV. Net (decrease) in cash and cash equivalents (I + II + III)	**(1,165.19)**	**1,310.80**
Cash and cash equivalents at the beginning of the year	1,314.20	3.40
V. Cash and cash equivalents at the end of the year	**149.01**	**1,314.20**

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31,2018

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
VI. Components of cash and cash equivalents:		
a. Cash on hand	-	-
b. Cheques, Drafts and Stamps on hand	-	-
c. With banks:		
i. On Current Account	69.01	1,314.20
ii. On Deposit Account having original maturity less than three months	80.00	-
Total cash and cash equivalents	**149.01**	**1,314.20**

Summary of Significant Accounting Policies 2.3

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

For K.S Rao & Co.,
Chartered Accountants
ICAI Firm Registration No. 003109S

Hitesh Kumar P
Partner
Membership No. 233734

K.S. RAO & CO. Chartered Accountants BENGALURU

Place : Bengaluru
Date: April 25, 2018

For and on behalf of the Board of Directors of
GMR Hyderabad Aviation SEZ Limited

S.G.K. Kishore
Director
DIN : 02916539

Rajesh Kumar Arora
Director
DIN : 03174536

Sandip Sinha Ray
Chief Financial Officer

Kandi Sreenivasulu
Company Secretary
M.no ACS 23267

Place : Hyderabad
Date: April 25, 2018

GMR Hyderabad Aviation SEZ Limited Hyderabad

1. Corporate information

The Company was incorporated on December 4, 2007 as a wholly owned subsidiary of GMR Hyderabad International Airport Limited. The main objective of the company is to carry on the business of Development of Infrastructure for Special Economic Zone (SEZ) and Domestic Tariff Area including planning, designing, operating and marketing a SEZ in an existing airport and domestic tariff area.

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 25, 2018.

2. Significant accounting policies

2.1 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.

2.2 Significant accounting judgments, 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.

Estimates and assumptions

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

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GMR Hyderabad Aviation SEZ Limited Hyderabad

(i) Taxes

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

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 30 and 31 for further disclosures.

(iii) Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

(iv) Contingencies

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

(v) Impairment of non- financial assets

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

K.S. Rao & Co. Chartered Accountants Bengaluru

GMR Hyderabad Aviation SEZ Limited Hyderabad

2.3 Significant accounting policies

(a) 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:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its 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 recognized in the statement of profit or loss.

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

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whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(c) 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:

- In the principal market for the asset or liability, or
- 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

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

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

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(d) Revenue recognition

Revenue is recognized 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.

However, sales tax/ value added tax (VAT)/GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue

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

- **Rental income**
  Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

- **Interest income**

  - For all debt instruments measured either at amortized 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 amortized cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

  - For other than debt instruments, Interest income is accounted on a time proportion basis taking into account the amount outstanding and the rate applicable.

(e) Concession fee

The concession fee is computed as a percentage of income from land lease of the Company pursuant to the terms and conditions of the agreement and is recognized as charge to the Statement of profit and loss.

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(f) Taxes

Current income tax

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 in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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 provision 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 recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized, 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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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.

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(All amounts in Rupees in lakhs, unless otherwise stated)

(g) Property, plant and equipment

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

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

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful lives as per Schedule-II of the Companies act 2013	Useful lives estimated by the management (years)
Buildings on leasehold land	30	30
Taxiways	Not Prescribed	30
Roads #	5	10
Plant and machinery	15	15
Electrical installations and equipment	10	10
Furniture and fittings	10	10
Office equipment	5	5
Computers and data processing units	3 or 6	3 or 6

The management has estimated, supported by independent assessment of professionals, the useful lives of the following class of assets.

#The useful lives of Roads – other than RCC are estimated as 10 years. This is higher than those indicated in schedule II

Leasehold improvements are amortized over shorter of estimated useful lives or lease period.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising

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on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognized.

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.

(h) Leases

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

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

(a) Company as a lessee:

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

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

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

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

(b) Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease period. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

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Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, unless either:

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

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Borrowing costs

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

(j) Impairment of non-financial assets

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

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

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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.

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. 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 periods/ 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.

(k) Provisions

General
Provisions are recognized 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 recognized 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 recognized as a finance cost.

(l) Financial instruments

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

i. Financial assets

(A) Initial recognition and measurement:
All financial assets are recognized 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

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established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(B) Subsequent measurement:

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

a. Equity investments measured at fair value through Profit and Loss.

b. Debt instruments at amortized cost

(a) 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 recognized by an acquirer in a business combination to which Ind AS103 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 Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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.

(b) Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized 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 amortized cost using the effective interest rate (EIR) method.

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Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

(C) De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's 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, and
c) The Company has transferred substantially all the risks and rewards of the asset, or
d) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

ii. Financial liabilities

(A) 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 recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(B) Subsequent measurement:

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

(i) Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

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(C) De-recognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iii. 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. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

(m) Cash and cash equivalents

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

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

(n) Contingent liabilities

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

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(o) Earnings per share

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

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.

K.S. RAO & CO. Chartered Accountants BENGALURU

GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note No. 3: PROPERTY, PLANT AND EQUIPMENT

For the year ended March 31, 2018

₹ in Lakhs

Sl. No.	Particulars	Gross Block				Depreciation Block				Net Block	
		As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Up to 01.04.2017	for the period	on Deletions	Up to 31.03.2018	As at 31.03.2018	As at 01.04.2017
01	Buildings	2,804.85	80.84	-	2,885.69	397.72	201.48	-	599.20	2,286.49	2,407.13
02	Taxiways	84.33	-	-	84.33	7.33	3.67	-	11.00	73.33	77.00
03	Leasehold improvements	2,708.44	555.12	-	3,263.56	235.18	128.50	-	363.68	2,899.88	2,473.26
04	Plant and Machinery	420.98	-	-	420.98	66.52	33.54	-	100.06	320.92	354.47
05	Electrical Equipment	1,012.65	-	-	1,012.65	255.21	132.90	-	388.12	624.53	757.43
06	Data processing equipment	6.69	-	-	6.69	2.59	0.91	-	3.50	3.19	4.10
07	Furniture and fixtures	34.83	-	-	34.83	6.25	3.67	-	9.92	24.91	28.58
08	Office Equipment	14.95	-	-	14.95	5.32	2.75	-	8.08	6.87	9.62
	Grand Total	7,087.72	635.96	-	7,723.69	976.13	507.43	-	1,483.56	6,240.13	6,111.59

For the year ended March 31, 2017

₹ in Lakhs

Sl. No.	Particulars	Gross Block				Depreciation Block				Net Block	
		As at 01.04.2016	Additions	Deletions	As at 31.03.2017	Up to 01.04.2016	for the year	on Deletions	Up to 31.03.2017	As at 31.03.2017	As at 01.04.2016
01	Buildings	2,805		-	2,804.85	197.73	199.99	-	397.72	2,407.13	2,607.12
02	Taxiways	84		-	84.33	3.67	3.67	-	7.33	77.00	80.67
03	Leasehold improvements	2,708		-	2,708.44	117.38	117.81	-	235.18	2,473.26	2,591.06
04	Plant and Machinery	421		-	420.98	32.97	33.54	-	66.52	354.47	388.01
05	Electrical Equipment	1,070		57.01	1,012.65	137.77	138.49	21.05	255.21	757.43	931.89
06	Data processing equipment	7		-	6.69	1.37	1.22	-	2.59	4.10	5.32
07	Furniture and fixtures	35		-	34.83	2.58	3.67	-	6.25	28.58	32.25
08	Office Equipment	15		-	14.95	2.57	2.75	-	5.32	9.62	12.38
	Grand Total	7,145	-	57.01	7,087.72	496.04	501.14	21.05	976.13	6,111.59	6,648.70

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GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR HYDERABAD AVIATION SEZ LIMITED
CIN No.U45209TG2007PLC056527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note No. 4: Capital Work in Progress

For the year ended March 31, 2018 ₹ in Lakhs

Sl.No	Particulars	As at 01.04.2017	Additions	Deletions	As at 31.03.2018
01	Project Capital work in Progress*	1,364.45	1,459.57	509.47	2,314.55
02	Other Expenses			-	-
	(i) Consultancy Expenses	232.76	27.81	56.81	203.76
	(ii) Rates and Taxes	72.46	11.42	19.45	64.43
	(iii) Finance Cost	187.17	-	50.23	136.93
	Grand Total	**1,856.84**	**1,498.80**	**635.96**	**2,719.67**

*Project capital work in progress includes cost being incurred towards , leasehold improvements, plant and machinery and electrical Installations.

For the period ended March 31, 2017 ₹ in Lakhs

Sl.No	Particulars	As at 01.04.2016	Additions	Deletions	As at 31.03.2017
01	Project Capital work in Progress*	1,328.22	36.23	-	1,364.45
02	Other Expenses		-	-	-
	(i) Consultancy Expenses	232.76	-	-	232.76
	(ii) Rates and Taxes	72.46	-	-	72.46
	(iii) Finance Cost	187.16	-	-	187.16
	Grand Total	**1,820.60**	**36.23**	-	**1,856.83**

*Project capital work in progress includes cost being incurred towards , leasehold improvements, plant and machinery and electrical Installations.

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GMR Hyderabad Aviation SEZ Limited Hyderabad

₹ in Lakhs

Note No.	Particulars		As at March 31, 2018	As at March 31, 2017
5	**Other Non Current Assets**			
	A. *Capital Advances - Unsecured,Considered Good*			
	i. Related parties		-	-
	ii. Others		112.91	148.97
		Total	**112.91**	**148.97**
	Other Non Current Assets			
	a. Balance with Statutory Authorities		63.38	59.79
	b. MAT Credit Entitlement		30.20	30.20
		Total	**206.49**	**238.96**
6	**Investments - Current**			
	Investments in Mutual Funds			
	SBI Premier Liquid Funds Regular growth		2,088.95	785.75
	March-18:76,924.175 Units (Mar-17: 30,865.946 Units)			
		Total	2,088.95	785.75
	Aggregate amount of Investments		2,088.95	785.75
7	**Trade Receivables**			
	Unsecured, Considered Good			
	a. Related Parties		4,938.67	4,327.69
	b. Others		132.89	73.20
	Less: Expected Credit Loss on above		-	-
		Total	**5,071.56**	**4,400.89**

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

Note No.	Particulars		As at March 31, 2018	As at March 31, 2017
8	**Cash and Bank Balances**			
	a.Cash and cash equivalents			
	Balances in Bank a/c's			
	Current Accounts		69.01	1,314.20
	Deposits with original maturity of less than three months		80.00	-
		Total	**149.01**	**1,314.20**
	b.Bank Balances other than Cash and Cash equivalents			
	Deposits with less than three months maturity*		297.00	-
		Total	**297.00**	-

* Debt Service Reserve is maintained in the form of fixed Deposit as per the term loan agreement with Adithya Birla Finance Limited.

Note No.	Particulars		As at March 31, 2018	As at March 31, 2017
9	**Other financial assets - Current**			
	a. Interest accrued on bank deposits		4.81	-
		Total	**4.81**	-
10	**Other Current Assets:**			
	a. Advance for Purchases and Expenses		11.89	8.46
	b. Balance with Statutory Authorities		12.72	9.94
	c. Prepaid Expenses		0.25	0.07
		Total	**24.86**	**18.47**

K.S. RAO & CO. Chartered Accountants BENGALURU

GMR Hyderabad Aviation SEZ Limited Hyderabad

₹ in Lakhs

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
11	**Equity Share Capital:**		
	A. Authorised Share Capital:		
	5,50,00,000 Equity Shares of Rs. 10/- each	5,500.00	5,500.00
	B. Issued, Subscribed and Fully Paid up share capital:		
	5,16,00,000 Equity Shares of Rs. 10/- each	**5,160.00**	**5,160.00**
	C. Reconciliation of the shares outstanding at the beginning and at the end of year:		
	In no. of Shares		
	At the beginning of the year	51,600,000	51,600,000
	Share Capital Issued during the year	-	-
	Outstanding at the end of the year	51,600,000	51,600,000
	In value of Shares		
	At the beginning of the year	5,160.00	5,160.00
	Share Capital Issued during the year	-	-
	Outstanding at the end of the year	5,160.00	5,160.00

D. *Rights attached to the Equity Shares:*

The company has only one class of equity shares having a face value of Rs. 10/- per share with one vote per each share.

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

		As at March 31, 2018	As at March 31, 2017
E.	*Shares held by Holding Company:*		
	M/s. GMR Hyderabad International Airport Limited	51,600,000	51,600,000
F.	*Details of Shareholders holding more than 5% shares in the company:*		
	Equity Shares:		
	a. M/s. GMR Hyderabad International Airport Limited	100%	100%

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

G. No Shares has been issued by the company for consideration other than cash,during the period of five years immediately preceding the reporting date

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
12	**Other Equity**		
	Retained Earnings		
	At the beginning of the year	791.65	1,311.01
	Profit for the year	(408.13)	(519.37)
	At the end of the year	**383.51**	**791.65**

K.S. RAO & CO. Chartered Accountants BENGALURU

GMR Hyderabad Aviation SEZ Limited Hyderabad

₹ in Lakhs

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
13	**Borrowings - Non Current**		
	Term loan form a Bank	5,886.88	6,031.80
	Less: Current Maturities	60.00	60.00
	Total	5,826.88	5,971.80

1. During the FY 14-15, the Company restructured the term loan at an interest rate of 11% p.a against the earlier interest rate of 12% p.a.. Due to restructuring, the company got the additional term loan facility by way of Funded Interest Term Loan (FITL) over a period of two years from March 1, 2015. Further, the company also got the moratorium of two years for repayment of loans (Term loan and FITL) repayable over 32 unequal quarterly installments beginning from June 2017 against earlier repayment term of over 40 unequal quarterly installments beginning from November 2013. However the entire loan was repaid in June 2017 due to refinancing.

2. During the year, the company has taken Term loan from Adithya Birla Finance Limited (ABFL) at an interest rate of 9.4 % p.a., i.e., 1 year MCLR plus 1.2% margin, repayable over 51 structured quarterly installments beginning from September 2017.

3. The Term loan is secured by first ranking charge on Leasehold rights, title, interest and benefit in respect of Sub-lease Land together with all buildings, structures etc on the said land, movable assets and intangibles of whatsoever nature in both present and future, revenues, book debts, receivables, bank accounts including TRA, DSRA etc.

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
14	**Other financial liabilities - Non - Current:**		
	A. *Security Deposits*		
	a. Related Parties	9.87	8.86
	b. Others	109.43	62.15
	Total	119.30	71.01
15	**Deferred Taxes:**		
	A. *Net deferred tax recognised in Balance Sheet*		
	a. Fair value of financial assets/liabilities	(1.00)	(9.88)
	b. Difference in WDV of fixed assets	(400.93)	(506.42)
	c. Other disallowances	-	-
	d. Tax Holiday Reversals	109.89	289.44
	Total	(292.05)	(226.85)
	B. *Movement in Deferred Taxes*		
	a. Deferred tax asset/(liability) - Profit and loss	65.20	152.01
	b. Deferred tax asset/(liability) - Other comprehensive income	-	-
	c. MAT Credit utilised during the year	-	-
	d. MAT Credit entitled during the year	-	(3.14)
	Total	65.20	148.86

The Company is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations under Section 80-IAB of the Income Tax Act, 1961, with regard to income from SEZ operations. The company had commenced its commercial operations in 2010-11. Management, based on the projected future taxable income, expects to avail such tax holiday from the Financial year 2020-21 which lasts up to Financial year 2023-24. Accordingly, the company has recognised deferred tax liability on temporary differences as on March 31. 2018 after considering the deferred tax reversals during the tax holiday period.

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
16	**Other Non - current liabilities:**		
	A. Un-earned revenue	3,340.67	75.69
	B. Deferred Income	463.54	186.77
	Total	3,804.21	262.46

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₹ in Lakhs

Note No.	Particulars	As at March 31, 2018	As at March 31, 2017
17	**Trade Payables - Current:**		
	(a) Total outstanding dues of micro enterprises and small enterprises	-	-
	(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises		
	a. Related Parties	728.41	545.41
	b. Others	1.27	1.50
	Total	**729.68**	**546.91**
18	**Other financial liabilities - Current:**		
	A. *Security Deposits*		
	a. Related Parties	-	-
	b. Others	-	1,395.00
	B. Current maturities of long term borrowings	60.00	60.00
	C. Non Trade Payables		
	a. Related Parties	9.13	9.13
	b. Others	262.40	160.55
	D. Retention money from Vendors	92.79	50.97
	Total	**424.32**	**1,675.65**
19	**Other current liabilities:**		
	A. Un-earned revenue	67.22	3.68
	B. *Statutory Liabilities*		
	a. Service Tax Payable	5.82	0.00
	b. Witholding Taxes Payable	24.66	8.61
	c. Statutory Dues	-	2.14
	C. Deferred Income	28.83	16.06
	Total	**126.53**	**30.49**

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₹ In Lakhs

Note No.	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
20	**Revenue from Operations:**		
	A. Sale of Services		
	Rental	1,052.66	996.54
	B. Other Operating Income		
	a. IT services	5.40	10.32
	b. Common Area Maintenance	28.53	24.13
	c. Utilities Recoveries	364.98	330.92
	Total	1,451.57	1,361.91
21	**Other Income:**		
	A. Interest Income		
	Deposit with Banks	5.36	-
	Others	8.23	16.06
	B. Amortisation of Deferred Rental Income	22.84	5.68
	C. Other Non-operating Income (Net of Expenses)		
	a. Income from Investments		
	i. Change in Fair Value	3.16	0.33
	ii. Gain on Sale of Investments	128.46	26.24
	b. Provisions written back:		
	i. Excess provisions/ Credit Balances written back	0.10	13.48
	D. Miscellneous Income	1.21	-
	Total	169.36	61.79
22	**Finance Costs**		
	a. Interest on Borrowings	622.31	640.13
	b. Bank Charges	128.13	0.96
	c. Amortization of Interest on Security Deposits	10.67	1.31
	Total	761.11	642.40
23	**Depreciation and amortisation expense:**		
	Depreciation on Property ,Plant and Equipment	507.43	501.14
	Total	507.43	501.14
24	**Other expenses**		
	a. Power and Water	325.36	294.74
	b. Rental expenditure	3.01	2.78
	c. Repairs and maintenance -Others	11.45	5.61
	d. Payments to Auditors		
	i. as auditors	2.56	2.57
	ii. for other Services	0.01	0.10
	e. Written off of:		
	Bad debts	-	0.39
	f. Rates and Taxes	2.30	2.37
	g. Others		
	Insurance	3.78	4.15
	Travelling and Conveyance	1.48	1.29
	Legal and professional charges	60.05	30.17
	Printing and Stationery	0.50	0.05
	Communication Cost	3.17	6.13
	Directors sitting fee	1.51	2.62
	Subscription fee	0.50	-
	Security Charges	16.04	16.04
	Manpower outsourcing Charges	5.11	4.31
	Miscellaneous expenses	3.18	3.39
	Advertisement and Sales Promotion	7.65	0.38
	Total	447.65	377.09

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GMR Hyderabad Aviation SEZ Limited Hyderabad

(All amounts in Rupees in lakhs, unless otherwise stated)

25. Income tax expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Income tax expense:		
a. Current tax	-	39.03
b. Deferred tax arising from temporary differences	65.20	152.01
c. MAT Credit entitlement	-	(3.14)
Total tax expense for the year	**65.20**	**187.89**

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Effective Tax Reconciliation: -		
a.	Net Profit/(Loss) before taxes	(342.93)	(331.47)
b.	Tax rate applicable to the company as per normal provisions	25.75%	33.063%
c.	Tax expense on net profit (c = a*b)	(88.30)	(109.60)
d.	Increase/(decrease) in tax expenses on account of:		
i.	Non-taxable income/Exempt Income	4.37	0.34
ii.	Accelerated Depreciation	(6.30)	(20.45)
iii.	Expenses not allowed under income tax	-	0.13
iv.	Expenses that are allowed under payment basis	-	179.30
v.	Unabsorbed business loss	91.05	(10.60)
vi.	Other adjustments (Fair value adjustment of Investments)	(0.81)	(0.11)
		88.30	**148.62**
e.	**Tax as per normal provision under Income tax (c + d)**	**0.00**	**39.03**
f.	Tax rate applicable to the company as per MAT provisions	19.06%	20.39%
g.	MAT Tax expense on net profit	-	-
h.	Increase/(decrease) in MAT tax expenses on account of:		
i.	Interest on delayed remittance of TDS	-	-
ii.	Provision for reduction in value of inventory	-	-
iii.	Items that will not be reclassified to profit and loss	-	-
iv.	1/5th of transition amount u/s 115JB (2C)	-	-
		-	-
i.	**MAT tax provision under 115JB (g + h)**	**-**	**-**

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GMR Hyderabad Aviation SEZ Limited Hyderabad

(All amounts in Rupees in lakhs, unless otherwise stated)

Deferred Taxes:	For the year ended March 31 2018	For the year ended March 31 2017
As on the reporting date:		
A. Other than OCI component		
-Difference in WDV of fixed assets	(400.93)	(506.42)
-Fair Value of Financial Assets/liabilities	(1.00)	(9.88)
-Tax holiday reversals	109.89	289.44
-Brought forward losses		
B. Total for the year	**(292.05)**	**(226.85)**
Expense/(Income) Recognised for the year ended:		
A. Deferred tax liability/(asset) / recognised in statement of profit and loss:		
a. As MAT Credit entitlement	-	-
b. Others	65.20	152.01
B. Deferred tax recognised in Other Comprehensive Income	-	-
C. Deferred tax recognised in Total Comprehensive Income	**65.20**	**152.01**

Note: The Company is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations under Section 80-IAB of the Income Tax Act, 1961, with regard to income from SEZ operations. The company had commenced its commercial operations in 2010-11. Management, based on the projected future taxable income, expects to avail such tax holiday from the Financial year 2020-21 which lasts up to Financial year 2023-24. Accordingly, the company has recognized deferred tax liability on temporary differences as on March 31, 2018 after considering the deferred tax reversals during the tax holiday period.

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted Earnings per share (EPS) computations:

Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
a. Profit/(Loss) for the period attributable to the Share Holders	(407.74)	(519.37)
b. Weighted average number of equity shares of Rs. 10/-each	5,16,00,000	5,16,00,000
Earnings per equity share (Basic and Diluted) - (a) / (b)	**(0.79)**	**(1.01)**

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GMR Hyderabad Aviation SEZ Limited Hyderabad

(All amounts in Rupees in lakhs, unless otherwise stated)

27. Financial Assets - Investments (detailed disclosure)

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of units	Fair Value	No. of units	Fair Value
Current Investments:				
A. Investment in Funds at FVTPL				
Birla Sunlife Cash plus Inst. Preim-Growth	76,924.175	2,088.95	30,865.946	785.75

28. Expenditure in foreign currency (on accrual basis):

Particulars	Nature	For the year ended March 31, 2018	For the year ended March 31, 2017
Seminar Participation Fee	Other expenses	0.29	-

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Notes to the Financial Statements for the year ended March 31, 2018
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29. Details of transactions with related parties

A. Names of related parties and related party relationship

(i)	Holding company	GMR Hyderabad International Airport Limited
(ii)	GHIAL's holding company	GMR Airports Limited
(iii)	GAL's holding company	GMR Infrastructure Limited
(iv)	Ultimate holding company	GMR Enterprises Private Limited (Former known as GMR Holdings Private Limited
(v)	Fellow subsidiary companies *	GMR Hospitality and Retail Limited (Formerly Known as GMR Hotels and Resorts Limited) GMR Hyderabad Aerotropolis Limited GMR Aerospace Engineering Limited GMR Aero Technic Limited
vi)	Fellow Subsidiary of Holding Company's Holding Company	GMR Airport Developers Limited GMR Krishnagiri SEZ Limited RAXA Security Services Limited
(vii)	Key Management Personnel	S.G.K Kishore - Director Rajesh Kumar Arora-Director Nair P.S – Additional Director Aman kapoor - Additional Director G. Kavitha - Independent Director* Mohammad Ismail - Independent Director* Vinita Tara Chandhani - Independent Director# Sandip Sinha Ray - CFO Kandi Sreenivasulu - Company Secretary

The details of related parties with which the company has entered into transactions during the year or previous year has been disclosed.

* Directors resigned during the year

Director resigned during the previous year

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Notes to the Financial Statements for the year ended March 31, 2018
(All amounts in Rupees in lakhs, unless otherwise stated)

B. Related party transactions

Amount in Rs

Sl. No.		Related Party Transactions	April 01, 2017 to March 31, 2018	April 01, 2016 to March 31, 2017
(i)		*Services received:*		
	a	GMR Hyderabad International Airport Limited	2.79	3.01
	b	GMR Hospitality and Retail Limited	1.12	0.27
	c	GMR Airport Developers Limited	15.60	0.21
	d	GMR Krishnagiri SEZ Ltd	-	0.27
	e	Raxa Security Services Limited	16.04	14.89
(ii)		*Concession Fee:*		
		GMR Hyderabad International Airport Limited	247.67	234.55
(iii)		*Income from Operations:*		
	a	GMR Aerospace Engineering Limited	532.13	511.66
	b	GMR Aero Technic Limited	362.72	333.19
(iv)		*Credit balances written back:*		
		GMR Hyderabad International Airport Limited	0.08	-
(v)		*Amortisation of Deferred Rental Income - Security Deposit*		
		GMR Aerospace Engineering Limited	3.00	3.00
(vi)		*Interest expense on Security Deposits*		
		GMR Aerospace Engineering Limited	1.01	0.91
(vii)		*Unsecured Loan received :*		
		GMR Hyderabad International Airport Limited	4,750.00	-
(viii)		*Unsecured Loan repaid :*		
		GMR Hyderabad International Airport Limited	4,750.00	-
(ix)		*Reimbursement of expenses claimed from the Company during the year by its related parties:*		
		GMR Hyderabad International Airport Limited	349.31	311.15
(x)		*Interest on Unsecured Loan*		
		GMR Hyderabad International Airport Limited	16.22	-
(xi)		*Corporate Guarantee taken by the Company on behalf of its banks and financial institutions against the loan taken:*		
		GMR Hyderabad International Airport Limited	(90.94)	(541.12)
(xii)		*Bank guarantee availed from the Holding Company:*		
		GMR Hyderabad International Airport Limited	(31.00)	5.00
(xiii)		*Directors Sitting Fee:*		
	a	G. Kavitha	0.65	1.50
	b	Vinita Tara Chandani	-	0.66
	c	Mohammed Ismail	0.65	0.66
(xiv)		*Sale of Asset*		
	a	GMR Hyderabad Aerotropolis Limited	-	44.87

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(All amounts in Rupees in lakhs, unless otherwise stated)

C. Balances outstanding in related party as at the end of the year

Sl. No.		Particulars	As at March 31, 2018		As at March 31, 2017	
			Non-Current	Current	Non-Current	Current
(i)		***Balance Recoverable / (Payable):***				
	a	GMR Aerospace Engineering company Limited	-	2,542.97	-	2,012.82
	b	GMR AeroTechnic Limited	-	2,395.70	-	2,314.87
	c	GMR Hyderabad Aerotropolis Limited	-	-	-	44.87
	d	GMR Hyderabad International Airport Limited	-	(720.97)	-	(542.76)
	e	GMR Airport Developers Ltd	-	(9.13)	-	(9.13)
	f	GMR Hospitality and Retail Limited	-	-	-	(0.17)
	g	Raxa Security Services Limited	-	(7.44)	-	(2.48)
(ii)		***Security Deposit (received)/Paid from / to Company:***				
		GMR Aerospace Engineering company Limited	(9.87)	-	-	-
(iii)		***Deferred Income - Security Deposits:***				
		GMR Aerospace Engineering company Limited	(57.03)	(3.00)	(59.88)	(3.15)
(iv)		**Issue of Share Capital**				
		GMR Hyderabad International Airport Limited	5,160.00	-	5,160.00	-
(v)		**Sale of Asset**				
		GMR Hyderabad Aerotropolis Limited	-	-	-	44.87

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(All amounts in Rupees in lakhs, unless otherwise stated)

D. Outstanding guarantees at the end of the year:

Sl. No.		Related Party Transactions	As at March 31, 2018	As at March 31, 2017
(i)		***Corporate Guarantee availed from the Holding company against Loan taken from bankers:***		
		GMR Hyderabad International Airport Limited	5,970.00	6,060.94
(ii)		***Bank Guarantee availed by the Company from holding company with bankers towards fulfillment of Debt Service Reserve Account compliances, as required under the loan covenants:***		
		GMR Hyderabad International Airport Limited	-	31.00

30. Fair Values

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

Particulars	Carrying value		Fair value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Financial liabilities				
Loan from bank	5,970.00	6,060.94	5,886.88	6,031.80
Security Deposits	648.07	1,693.07	119.30	1,466.01
Total	**6,618.07**	**7,754.01**	**6,006.18**	**7,497.82**
Financial Assets				
Investment in Mutual funds	2,085.06	785.02	2,088.95	785.75
Total	**2,085.06**	**785.02**	**2,088.95**	**785.75**

(A) Significant observable inputs used in estimating the fair values

(i) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project.

(ii) Interest Rate factor has been considered at a rate of 11.44% p.a. by the company for discounting the Security deposit received from the customer.

(B) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

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GMR Hyderabad Aviation SEZ Limited Hyderabad

GMR Hyderabad Aviation SEZ Limited
CIN U45209TG2007PLC056527
Notes to the Financial Statements for the year ended March 31, 2018
(All amounts in Rupees in lakhs, unless otherwise stated)

The following methods and assumptions were used to estimate the fair values:

(i) Fair value of cash and deposits, trade receivables, staff advances, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(C) Fair valuation hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

(i) Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted assets value (NAV) is published mutual fund operators at the balance sheet date.

(ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable, then instrument is included in level 2.

(iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Particulars	As at March 31, 2018		
	Level-1	Level-2	Level-3
Financial Assets measured at FVTPL			
Investments in Mutual Funds	2,088.95	-	-

Particulars	As at March 31, 2017		
	Level-1	Level-2	Level-3
Financial Assets measured at FVTPL			
Investments in Mutual Funds	785.75	-	-

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

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GMR Hyderabad Aviation SEZ Limited Hyderabad

31. Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(i) 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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs 5,071.56/- and Rs 4,400.89/- as of March 31, 2018 and March 31, 2017 respectively, being the total of the carrying amount of balances with trade receivables.

The total dues of the Company as at March 31, 2018 includes Rs.4,938.66/- (March 31, 2017 Rs. 4,327.68/-) from GMR Aerospace Engineering Limited (henceforth referred to as GAEL), a wholly owned subsidiary of the Company's holding company, M/s GMR Hyderabad International Airport Limited (GHIAL) and GMR Aero Technic Limited (henceforth referred to as GATL), which is a wholly owned subsidiary of GAEL. Out of the above dues from GAEL and GATL, an amount of Rs.4,424.06/- (March 31, 2017 Rs. 3,836.02/-) is outstanding for more than six months. Considering the nature of business of GATL and based on the business projections and contracts with Customer, management is confident that revenues of GATL and GAEL will improve, and the Company will be able to recover its dues. Further, GHIAL has committed the support to GAEL and GATL in meeting its operational and financial obligations. Based on business projections and contracts entered by the GATL with its customers and support letter from GHIAL, the management has considered its dues from GAEL and GATL are good of recovery and as such no provision has been made in the books of account.

As per the Group Policy, Company has not provided any loss allowance for Expected Credit Losses on Financial Instruments/Dues from Group Companies as no credit risk is involved forthwith.

(ii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

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(All amounts in Rupees in lakhs, unless otherwise stated)

The table below provides undiscounted cash flows towards long term borrowings and other financial liabilities into relevant maturities based on the remaining period at the balance sheet to the contractual maturity date:

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at March 31, 2018						
Borrowings	-	15.00	45.00	990.00	4,920.00	5,970.00
Trade payables	-	729.68	-	-	-	729.68
Other financial liabilities	-	364.32	-	-	648.07	1,012.39
Statutory dues	30.48	-	-	-	-	30.48
Total	**30.48**	**1,109.00**	**45.00**	**990.00**	**5,568.07**	**7,742.55**
As at March 31, 2017						
Borrowings	-	15.00	45.00	3,913.00	2,087.94	6,060.94
Trade payables	-	546.91	-	-	-	546.91
Other financial liabilities	-	1,615.65	-	-	298.07	1,913.72
Statutory dues	10.76	-	-	-	-	10.76
Total	**10.76**	**2,177.56**	**45.00**	**3,913.00**	**2,386.01**	**8,532.32**

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

A) 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 change in market interest rates. The company performs a comprehensive corporate interest rate management policy. As at March 31, 2017, 100% of the Company's borrowings are at a floating rate of interest.

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings.

Interest rate Sensitivity	Increase/Decrease in Basis points	Effect on Profit Before Tax
For the year ended March 31, 2018		
Term Loans	25	14.93
	-25	(14.93)
For the year ended March 31, 2017		
Term Loans	25	15.15
	-25	(15.15)

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(All amounts in Rupees in lakhs, unless otherwise stated)

32. Leases

Company as a lessee

The Company had taken land under non- cancellable operating leases with the GMR Hyderabad International Airport Limited under the Lease Agreement.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2018	March 31, 2017
Due not later than one year	2.78	2.78
Due later than one year and not later than five years	11.11	11.11
Due later than five years	55.53	58.31

Company as a lessor

Company has sub-leased land to various parties under operating leases having a term of 20 to 50 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiable.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	March 31, 2018	March 31, 2017
Within one year	1,216.93	1,052.66
After one year but not more than five years	5,277.73	5,126.51
More than five years	29,705.30	31,073.46

33. Capital Management

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

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

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(All amounts in Rupees in lakhs, unless otherwise stated)

Particulars	March 31, 2018	March 31, 2017
Borrowings including interest accrued on borrowing	5,886.88	6,031.80
Net debt	**5,886.88**	**6,031.80**
Equity Share Capital	5,160.00	5,160.00
Other Equity	383.91	791.65
Total Capital	**5,543.91**	**5,951.65**
Capital and borrowings	**11,430.79**	**11,983.45**
Gearing ratio (Net Debt/ Total Equity)	51.50%	50.33%

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 year.

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

34. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

Particulars	March 31, 2018	March 31, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises;	-	-
Interest due on above.	-	-
Total	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

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GMR Hyderabad Aviation SEZ Limited Hyderabad

35. Commitments and Contingencies

A. Contingent Liabilities:

a. The Company had received Show Cause Notice dated July 17, 2015 from the Office of the Assistant Commissioner of Customs, Central Excise and Service Tax wherein service tax refund of Rs 0.78/- (March 31,2017: Rs 0.78/-) has been denied. Based on the internal assessment the management is confident that no provision is required to be made as at March 31, 2018.

b. During the year, the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, based on writ petition file by the Company against the SCN on granting exemption of service tax under renting of immovable property services without obtaining Form A1 / A2 for the period from October 2011 to March 2016, has given direction to the department that they should hear the issue by affording a personal hearing and without getting influenced by the counter filed by them and pass a speaking order. The Court further directed that such order shall stand suspended by four weeks to enable us to take appropriate recourse in case we wish to challenge order. Accordinlgy, PH was granted by the Commissioner of Central Tax and Order-In-Original was passed on 20.02.2018 confirming the demand of Rs 1,197.11/- including a penalty of Rs 436.90/- Based on the internal assessment the management is confident that no provision is required to be made as at March 31, 2018.

B. Commitments:

a. **Capital Commitments**:
Estimated Value of contracts remaining to be executed on capital account not provided for (Net of Advances) Rs. 434.34/- (March 31, 2017: Rs. 283.80/-).

b. **Other Commitments:** Revenue share @ 25% of the lease rentals earned on land leased by the company is payable to GMR Hyderabad International Airport Limited.

36. Details of Un-Hedged foreign currency: Rs Nil (March 31 2017: Rs Nil)

37. The Chief Operating Decision Maker (CODM)/Executive management of the company monitors the operating results of its business as a single operating segment. As the company's revenues are generated from customers in India and all Non-Current operating assets are deployed in India, entity wide disclosures are not applicable.

38. The Company does not have any employees on its payroll as on March 31, 2018 (March 31, 2017: Nil). Accordingly, the Company does not have any obligation towards any Defined Benefit Plan or any Defined Contribution Plan as per IND AS 19 - Employee Benefits.

39. 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

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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.

40. 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.

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GMR Hyderabad Aviation SEZ Hyderabad

(All amounts in Rupees in lakhs, unless otherwise stated)

41. Amendment to Ind AS 7

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.The reconciliation is given as below:

S.no	Particulars	1-Apr-17	Cash Flows	Non Cash Changes		31-Mar-18
				Fair value	Others	
1	Long term Borrowings	6,031.80	(180.94)		36.02	5,886.88

42. Previous year/period figures have been regrouped and reclassified wherever necessary to conform to those of the current year. The previous year figures are audited by a firm other than K S Rao & Co.

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 0003109S

Hitesh Kumar P
Partner
ICAI Membership No233734

K.S. RAO & CO. Chartered Accountants BENGALURU

Place : Bengaluru
Date: April 25, 2018

For and on behalf of the Board of Directors of
GMR Hyderabad Aviation SEZ Limited

S.G.K. Kishore
Director
DIN: 02916539

Rajesh Kumar Arora
Director
DIN : 03174536

Sandip Sinha Ray
Chief Financial Officer

Kandi Sreenivasulu
Company Secretary
M.No: ACS23267

Place : Hyderabad
Date: April 25, 2018

GMR Hyderabad Aviation SEZ Limited Hyderabad

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

Balance Sheet

GMR Hyderabad Aviation SEZ Limited (GHASL)
Code : C1152

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

(Rs. in Lakhs)

Sl No	Short Code	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	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly know		Services Provided	Trade receivables	Current - Trade Receivables - < 6 Months	1030600998	268.44	-	268.44	-
2	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS		Services Provided	Trade receivables	Current - Trade Receivables - > 6 months	1030600998	2,274.52	-	2,274.52	-
3	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS		Services Provided	Trade receivables	Current - Trade Receivables - < 6 Months	1030600998	246.16	-	246.16	-
4	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS		Services Provided	Trade receivables	Current - Trade Receivables - > 6 months	1030600998	2,149.54	-	2,149.54	-

B. Payable / Sundry Creditors / Deposits Received / Interest Payable

(Rs. in Lakhs)

Sl No	Short Code	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	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly know	IC1151	Security Deposit received	Other long term liabiliti	RC-Deposits / advances from concessionair	2050204014	86.04	(76.17)	9.87	-
2	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Services received	Trade payables C	Trade payables-Current	2050201016	720.97	-	720.97	-
3	GADL	GMR Airport Developers Limited (GADL)	IC6620	Services received	Other current liabilities	Non Trade payable	2050201016	9.13	-	9.13	-
4	RAXA	Raxa Security Services Limited	IC8000	Services received	Trade payables C	Trade payables-Current	2050201016	7.44	-	7.44	-
5	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly know	IC1151	Deffered Income	Other long term liabiliti	Deferred income- Non Current	0	-	57.03	57.03	-
6	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly know	IC1151	Deffered Income	Other current liabilities	Deferred income- Current	0	-	3.00	3.00	-

C. Share Capital

(Rs. in Lakhs)

Sl No	Short Code	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	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Share Capital	Share capital	Equity Issued and Subscribed-fully paid-up	2010101002	5,160.00	-	5,160.00	-

For For K.S. Rao & Co.,
Firm registration number: 003109S
Chartered Accountants

Hitesh Kumar P
Partner
Membership no.: 233734

Date: April 25 2018

K.S. RAO & CO. Chartered Accountants BENGALURU

For and on behalf of the Board of Directors
GMR Hyderabad Aviation SEZ Limited (GHASL)

Rajesh Kumar Arora
Director
DIN: 3174536

GMR Hyderabad Aviation SEZ Limited Hyderabad

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

Profit & Loss

GMR Hyderabad Aviation SEZ Limited (GHASL)
Code : C1152

A. Income

(Rs. in Lakhs)

Sl No	Short Code	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	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS GI		Common Area Maintenance Charges	Other operating income	Common Area Mainte	3020030138	17.27	-	17.27	-
2	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS GI		Utility Recoveries	Other operating income	Utility Recoveries	4000990016	340.05	-	340.05	-
3	GATL	GMR Aero Technic Limited (GATL) (formerly known as MAS GI		IT Services	Other operating income	Utility Recoveries	3020999914	5.40	-	5.40	-
4	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly known a		Lease rentals	Sales income from operations	Income from Lease Re	3100010009	532.13	-	532.13	-
5	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Excess provision written off	Other income	Other Income-Prov. n	4000080002	0.08	-	0.08	-
6	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly known a	IC1151	Amortisation of Deferred rental Income	Other income	Other Income - Interes	0	-	3.00	3.00	-

B. Expense

(Rs. in Lakhs)

Sl No	Short Code	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	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	Boarding Expenses	Other expenses	Travelling and Convey	6002009203	0.90	-	0.90	-
2	GHRL	GMR Hotels and Resorts Limited (GHRL)	IC1154	License Fee	Other expenses	Rent (including land le	6050001999	0.22	-	0.22	-
3	GADL	GMR Airport Developers Limited (GADL)	IC6620	Project Management Fees	CWIP	CWIP- Consultancy an	6100000508	15.60	-	15.60	-
4	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Concession fees	Revenue share paid payable to	Revenue share paid /	5301020002	247.67	-	247.67	-
5	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	License Fee	Other expenses	Rent (including land le	6050001999	2.79	-	2.79	-
6	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)	IC1000	Interest on Unsecured Loan	Finance costs	Interest	6200014003	16.22	-	16.22	-
7	RAXA	Raxa Security Services Limited	IC8000	Security Services	Other expenses	Security Charges/Exp	6050006001	16.04	-	16.04	-
8	GAEL	GMR Aerospace Engineering Limited (GAEL) formerly known a	IC1151	Interest on Security Deposit	Finance costs	Other borrowing costs	0	-	1.01	1.01	-

C. Reimbursment

(Rs. in Lakhs)

Sl No	Short Code	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	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)		Man power Deputation Charges	Other expenses	Man power Outsourcin	Man power Charges	23.94	-	23.94	-
2	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)		Utilities	Other expenses	Utility expenses	Electricity Charges	279.03	-	279.03	-
3	GHIAL	GMR Hyderabad International Airport Limited (GHIAL)		Utilities	Other expenses	Water Charges	Water Charges	46.34	-	46.34	-

For For K.S. Rao & Co.,
Firm registration number: 0003109S
Chartered Accountants

Hitesh Kumar P
Partner
Membership no.: 233734

Date: April 25 2018

K.S. RAO & CO. ★ Chartered Accountants ★ BENGALURU

For and on behalf of the Board of Directors
GMR Hyderabad Aviation SEZ Limited (GHASL)

Rajesh Kumar Arora
Director
DIN: 3174536

GMR Hyderabad Aviation SEZ Limited ★ Hyderabad