

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF GMR AVIATION PRIVATE LIMITED.**

**Report on the Standalone Ind AS Financial Statements**

**Opinion**

1. We have audited the accompanying Ind AS financial statements of **GMR Aviation Private Limited** (the "**Company**"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cashflows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019 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 31<sup>st</sup> March, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion:**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Information Other than the Financial Statements and Auditor's Report Thereon**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements:**

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw



attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication





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

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extend applicable.
14. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the board of directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2019 from being appointed as directors in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 financials controls with reference to financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 litigations on its financial position in its Ind AS financial statements.



- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Brahmayya & Co.,**  
Chartered Accountants  
Firm Registration No: 000515S

  
**G. Srinivas**

Partner  
Membership No. 086761

Place: Bangalore  
Date: 23<sup>rd</sup> April, 2019





**Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2019 we report that:

- (i) In respect of the Company's fixed assets
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (b) The Management has not conducted physical verification of fixed assets during the year. However, the Company has the program of physical verification of fixed assets at reasonable intervals of time and to deal with material discrepancies identified 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 company doesn't hold any immovable properties; accordingly, disclosure under clause (i)(c) of paragraph 3 of the order is not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013 and terms and conditions of the loan are prima-facie not prejudicial to the interest of the Company. Further, the loan has already been repaid within the year and there are no overdues.
- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.



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

b) According to the information and explanations given to us, there were no undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, as at 31 March, 2019 for a period of more than six months from the date they became payable.

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

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

(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.

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

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

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration to its Manager during the year. Accordingly, 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 Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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



**G. Srinivas**  
Partner  
Membership number: 086761

Place: Bangalore  
Date: 23<sup>rd</sup> April, 2019



**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 with reference to financial statements of **GMR Aviation Private Limited** ("the Company") as at 31 March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 with reference to financial statements 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. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to





financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements.**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements.**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Brahmayya & Co.,**

Chartered Accountants

ICAI Firm registration no: 000515S

**G. Srinivas**

Partner

Membership number: 086761

Place: Bangalore

Date: 23<sup>rd</sup> April, 2019



**GMR AVIATION PRIVATE LIMITED**  
(All amounts in Rupees, unless otherwise stated)  
**BALANCE SHEET AS AT MARCH 31, 2019**

Particulars	Notes	As at 31 Mar 2019	As at 31 Mar 2018
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	1,626,599,423	1,750,739,190
(b) Other Intangible Assets	4	23,393	60,572
(c) Financial Assets			
(i) Trade receivables	8	-	-
(ii) Other Financial Assets	7	40,912,976	19,897,230
(d) Other non-current assets	10	1,802,895	3,398,319
(e) Deferred tax assets (net)			
(f) Non Current taxes recoverable (net of provision)	11	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,669,338,687</b>	<b>1,774,095,311</b>
<b>Current assets</b>			
(a) Financial Assets			
(i) Current investments	5	-	13,131,330
(ii) Trade receivables	8	110,947,189	94,611,316
(iii) Cash and cash equivalents	9	35,031,257	48,413,981
(iv) Loans	6	2,322,225	1,492,656
(v) Others	7	19,673,688	23,834,117
(b) Income Tax Asset (Nett)	11	19,654,774	12,317,854
(c) Other current assets	10	9,843,749	5,597,651
<b>TOTAL CURRENT ASSETS</b>		<b>197,472,882</b>	<b>199,398,905</b>
<b>TOTAL ASSETS</b>		<b>1,866,811,569</b>	<b>1,973,494,216</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	2,440,808,680	2,440,808,680
(b) Other Equity	13	(1,097,947,271)	(1,060,757,599)
<b>TOTAL EQUITY</b>		<b>1,342,861,409</b>	<b>1,380,051,081</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	294,360,944	409,755,984
(ii) Trade Payables	15	-	-
(ii) Other financial liabilities (other than those specified in item (ii), to be specified)	16	-	-
(b) Other non-current liabilities	17	-	5,000,000
(c) Provisions	18	3,216,583	3,370,414
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>297,577,527</b>	<b>418,126,398</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	19,161,668	-
(ii) Trade Payables	15	46,576,609	41,176,837
(iii) Other financial liabilities (other than those specified in item (ii) )	16	117,290,195	102,802,043
(b) Other current liabilities	17	9,564,336	12,596,245
(c) Provisions	18	33,779,825	18,741,612
<b>TOTAL CURRENT LIABILITIES</b>		<b>226,372,633</b>	<b>175,316,737</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,866,811,569</b>	<b>1,973,494,216</b>
<b>Summary of significant accounting policies</b>	1		

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

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

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

G. Subba Rao

Director

DIN: 00064511

P.S.Nair

Director

DIN: 00063118

G. Srinivas

Partner

Membership No.086761

Place : BANGLORE

Date : 23 APRIL, 2019



Pradeep Pareek

CFO

Payal Gupta

Company Secretary





**GMR AVIATION PRIVATE LIMITED**

(All amounts in Rupees, unless otherwise stated)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019**

Particulars	Notes	For the Year Ended 31 Mar 2019	For the Year Ended 31 Mar 2018
<b>Income</b>			
Revenue from operations (Net)	19	645,559,908	510,819,523
Other Income	20	3,950,468	21,392,342
<b>Total Revenue (i)</b>		<b>649,510,376</b>	<b>532,211,865</b>
<b>Expenses</b>			
Operating and Other Expenses	21	430,275,216	325,629,068
Employee benefits expense	22	60,206,942	67,908,081
Depreciation and amortization expense	23	134,555,957	128,661,026
Finance costs	24	61,525,308	71,905,881
<b>Total (ii)</b>		<b>686,563,423</b>	<b>594,104,056</b>
<b>Profit before exceptional items and tax</b>		<b>(37,053,047)</b>	<b>(61,892,191)</b>
Exceptional Items			
<b>Profit / (Loss) before tax</b>		<b>(37,053,047)</b>	<b>(61,892,191)</b>
<b>Tax expenses</b>			
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit/(loss) for the period</b>		<b>(37,053,047)</b>	<b>(61,892,191)</b>
Other Comprehensive Income			
Items that will be reclassified to Profit & Loss			
Items that will not be reclassified to Profit & Loss			
Re-measurement gains (losses) on defined benefit plans		(136,625)	1,081,019
Total Other Comprehensive Income, net of taxes		(136,625)	1,081,019
<b>Total Comprehensive Income for the period'</b>		<b>(37,189,672)</b>	<b>(60,811,172)</b>
<b>Earnings per equity share [nominal value of share Rs. 10 (31 March 2018: Rs. 10)]</b>	25		
<b>Basic</b>			
Computed on the basis of profit from continuing operations		(0.15)	(0.25)
Computed on the basis of total profit for the period		(0.15)	(0.25)
<b>Diluted</b>			
Computed on the basis of profit from continuing operations		(0.15)	(0.25)
Computed on the basis of total profit for the period		(0.15)	(0.25)

Summary of significant accounting policies

1

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

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

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

G. Subba Rao  
Director  
DIN: 00064511

P.S.Nair  
Director  
DIN: 00063118

G. Srinivas  
Partner  
Membership No.086761  
Place : BANGLORE  
Date : 23 APRIL, 2019

Pradeep Pareek  
CFO

Payal Gupta  
Company Secretary





**GMR AVIATION PRIVATE LIMITED**

(All amounts in Rupees, unless otherwise stated)

**Statement of Changes in Equity for the year ended 31 March 2019****A. Equity Capital**

Particulars	Amount in Rs.
As at 31 March 2018	2,440,808,680
Share Capital Issued during the year	-
As at 31 March 2019	2,440,808,680

**B. Other Equity**

Particulars	Equity Component of Related Party Loans	Retained Earnings	Other Comprehensive Income	Amount in Rs. Equity
As at 31 March 2018	-	(1,061,838,618)	1,081,019	(1,060,757,599)
Net Profit/Loss	-	(37,053,047)		(37,053,047)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	(136,625)	(136,625)
As at 31 March 2019	-	(1,098,891,665)	944,394	(1,097,947,271)

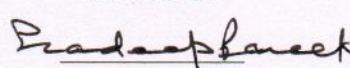
As per our report of even date  
for Brahmayya & Co.  
Chartered Accountants  
Firm Registration No.000515S

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

  
G. Subba Rao

Director

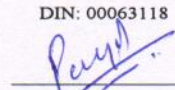
DIN: 00064511

  
Pradeep Pareek  
CFO

  
P.S. Nair

Director

DIN: 00063118

  
Payal Gupta  
Company Secretary

  
G. Srinivas

Partner

Membership No.086761

Place : BANGLORE

Date : 23 APRIL 2019





**GMR AVIATION PRIVATE LIMITED**

(All amounts in Rupees, unless otherwise stated)

**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019**

Particulars	For the Year Ended 31 Mar 2019	For the Year Ended 31 Mar 2018
<b>A. Cash flows from operating Activities:</b>		
Profit/Loss for the period	(37,189,672)	(60,811,172)
Non-cash adjustment & adjustments for other activities:		
Depreciation/ amortization on continuing operation	134,555,957	128,661,036
Assets/Advances written off	-	-
Staff Welfare Expenses	(892,288)	(1,538,470)
Profit on sale of current investments (other than trade)	(395,127)	(1,222,046)
Profit on Sale of Fixed Assets	(14,239)	(70,963)
Finance costs	61,525,308	71,905,881
Profit/Loss on Fair Valuation of Derivative Liabilities	-	(1,580,594)
Provisions for Expected Credit Loss	2,209,355	2,600,483
Interest income	(2,462,691)	(2,941,592)
<b>Operating profit before working capital changes</b>	<b>157,336,603</b>	<b>135,002,563</b>
<b>Movements in working capital :</b>		
Decrease/ (Increase) in trade receivables	(18,545,228)	(11,368,051)
Decrease/ (Increase) in other financial assets	(16,855,317)	(240,882)
Decrease / (Increase) in other non current assets	2,487,712	1,268,776
Decrease / (Increase) in Loans	(829,569)	(11,746)
Decrease / (Increase) in other current assets	(3,153,191)	(2,511,639)
Increase / (Decrease) in Trade Payables	5,399,772	(1,464,140)
Increase / (Decrease) in Other Financial Liabilities	717,785	(146,331,105)
Increase / (Decrease) in provisions	14,884,382	428,859
Increase / (Decrease) in Other current liabilities	(3,031,909)	(56,732,077)
Increase / (Decrease) in Other non-current liabilities	(5,000,000)	-
<b>Cash generated from / (used in) operations</b>	<b>133,411,040</b>	<b>(81,959,442)</b>
Direct taxes paid (net of refunds)	(7,336,920)	1,788,664
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>126,074,120</b>	<b>(80,170,778)</b>
<b>B. Cash flows from investing activities:</b>		
Sale / (Purchase) of fixed assets, including CWIP and capital advances	(10,364,768)	(75,092,177)
Sale/ (Purchase) of Mutual Funds	13,526,457	(11,909,284)
Interest received	1,369,780	2,941,592
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>4,531,469</b>	<b>(84,059,869)</b>
<b>C. Cash flows from financing activities:</b>		
Increase/ (Repayment) of borrowings (net)-Short Term & Long Term	(82,318,542)	267,610,330
Interest paid	(61,669,771)	(71,905,881)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(143,988,313)</b>	<b>195,704,449</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(13,382,724)</b>	<b>31,473,802</b>
Cash and cash equivalents at the beginning of the period	48,413,981	16,940,179
<b>Cash and cash equivalents at the end of the period</b>	<b>35,031,257</b>	<b>48,413,981</b>





Particulars	For the Year Ended 31 Mar 2019	For the Year Ended 31 Mar 2018
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	-
Cheques/ drafts on hand	-	-
With banks- on current account	338,092	18,413,981
With banks- on Deposit account	34,693,165	30,000,000
- unpaid matured deposits	-	-
<b>Total cash and cash equivalents (Note 12)</b>	<b>35,031,257</b>	<b>48,413,981</b>
	-	
Summary of significant accounting policies	1	
The accompanying notes are an integral part of the Financial Statements.		

\* As per our report of even date

for Brahmayya & Co.

Chartered Accountants

Firm Registration No.000515S

for and on behalf of the Board of Directors

of GMR Aviation Private Limited



G. Subba Rao

Director

DIN: 00064511



P.S.Nair

Director

DIN: 00063118



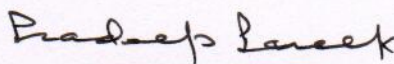
G. Srinivas

Partner

Membership No.086761

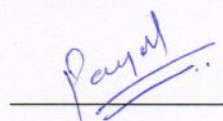
Place : BANGALORE

Date : 23 APRIL, 2019



Pradeep Pareek

CFO



Payal Gupta

Company Secretary





**1. Corporate and General Information:**

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

**2. Significant Accounting Policies**

**A. Basis of preparation**

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

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

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

The financial statements are presented in Indian Rupees (INR).

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

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

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

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

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

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





**(ii) Intangibles:**

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

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

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

**(iv) Defined benefit plans:**

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

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

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

**(vi) Contingencies:**

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

**(vii) Income taxes:**

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

**B. Summary of significant accounting policies:**

**Current vs. Non-Current Classifications**

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





**GMR AVIATION PRIVATE LIMITED**  
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**Summary of Significant Accounting Policies**

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

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

All other assets are classified as non-current.

**(b) A liability is current when:**

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

All other liabilities are classified as non-current.

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

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

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

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

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

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on





derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss when the asset is derecognized. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.

**(d) Depreciation**

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

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

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

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

**(e) Intangible Assets**

Identifiable intangible assets are recognised:

- when the Company controls the asset,
- it is probable that future economic benefits attributed to the asset will flow to the Company and
- the cost of the asset can be reliably measured.

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

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible





assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

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

**(f) 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.

**(g) Leases**

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

For arrangements entered into prior to April 01, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Classification on inception of lease:

**a. Operating lease:**

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

**b. Finance Lease:**

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

Accounting of Operating leases:





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**Summary of Significant Accounting Policies**

(i) In case of company is the lessee:

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

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

(ii) In case of company is the lessor:

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

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

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

**(h) Inventories**

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

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

**(i) Impairment of non financial assets**

At every reporting date the company conducts assessment of any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.





An asset's recoverable amount is the higher of an asset's or cash generating units (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

**(j) Foreign Currency transaction:**

**i) Functional and Presentation Currency:**

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

**ii) Transactions and Balances:**

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

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

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

**(k) Revenue Recognition**

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





**(ii) Interest income:**

- (a) Interest income is recognised by the company on a time proportion basis taking into account the amount outstanding and the rate applicable as on reporting date. Except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty / realisation
- (b) For all financial assets measured at amortised cost , interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in finance income in the statement of profit and loss.

**(I) Employee benefits**

**(i) Gratuity**

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

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

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

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

**(ii) Compensated absences**

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term





compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

**(m) Taxes**

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

**(i) Current Taxes:**

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

**(ii) Deferred Taxes:**

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

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

**(n) Segment Accounting**

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





**(o) Earning per share**

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

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

**(p) Provisions and Contingencies**

**(i) Provisions**

Provisions are recognised in statement of profit and loss when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

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

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

**(ii) Contingencies**

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

**(q) Financial Instruments**

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

**(i) Financial Assets**





(i) Initial recognition

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics. Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

(ii) Subsequent measurement:

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

- (a) Debt instruments at amortised cost
- (b) Debt instruments at fair value through Profit and Loss (FVTPL)
- (c) Equity instruments measured at fair value through Profit and Loss (FVTPL)

(a) Debt Instruments at amortised cost:

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

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

AS per the Ind AS 101 and Ind AS 109 company is permitted to designate the previously recognised financial asset at initial recognition irrevocably at fair value through profit or loss on the basis of facts and circumstances that exists on the date of transition





to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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

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

(iii) De-recognition of financial asset:

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

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

(ii) Financial liabilities

(i) Initial recognition

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

(ii) Subsequent measurement

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

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





b. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

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

(iii) De-Recognition of Financial liability

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

(iii) Offsetting of financial instruments:

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

(iv) Cash and cash equivalent

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

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

(r) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value is measured by reference to the principal market for the asset or liability assuming that market participants act in their economic best interests.

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





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**Summary of Significant Accounting Policies**

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

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Further disclosures on the particular valuation techniques used by the Group are provided in note no 34.

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





3. Tangible Assets

Description	Aircrafts	Major Maintenance	Computers & Electrical Accessories	Equipment	Furniture and Fixtures	Office Equipment	Vehicles	TOTAL
<b>Gross Block</b>								
As at 31.03.2017	1,952,169,775	156,932,434	236,182	859,970	3,325,066	1,008,991	1,126,704	2,115,659,121
Additions	-	75,065,681	97,458	-	-	-	-	75,163,139
Disposals	-	-	-	-	-	-	127,368	127,368
Adjustments	-	-	-	-	-	-	-	-
As at 31.03.2018	1,952,169,775	231,998,115	333,640	859,970	3,325,066	1,008,991	999,336	2,190,694,892
Additions	-	10,381,412	-	-	-	-	-	10,381,412
Disposals	-	-	-	8,725	119,394	-	5	128,124
As at 31.03.2019	1,952,169,775	242,379,527	333,640	851,245	3,205,672	1,008,986	999,336	2,200,948,180
<b>Depreciation</b>								
As at 31.03.2017	266,814,604	42,158,611	174,091	262,622	922,661	604,966	524,769	311,462,324
Charge for the year	95,513,134	32,028,220	60,758	131,311	471,474	217,147	198,702	128,620,746
Deductions	-	-	-	-	-	-	127,368	127,368
As at 01.04.2018	362,327,738	74,186,831	234,849	393,933	1,394,135	822,113	596,103	439,955,702
Charge for the year	95,481,470	38,127,204	40,088	130,033	427,634	139,717	172,632	134,518,778
Deductions	-	-	-	7,452	118,271	-	-	125,723
As at 31.03.2019	457,809,208	112,314,035	274,937	516,514	1,703,498	961,830	768,735	574,348,757
<b>Net block</b>								
As at 31.03.2019	1,494,360,567	130,065,492	58,703	334,731	1,502,174	47,156	230,601	1,626,599,423
As at 31.03.2018	1,589,842,037	157,811,284	98,791	466,037	1,930,931	186,878	403,233	1,750,739,190





**4. Intangible Assets**

Description	Software	TOTAL
<b>Gross Block</b>		
Cost as at 01.04.2017	197,322	197,322
Additions	-	-
Disposals	-	-
Cost as at 31.03.2018	197,322	197,322
Additions	-	-
Disposals	-	-
As at 31.03.2019	197,322	197,322
<b>Amortization</b>		
As at 01.04.2017	96,460	96,460
Charge for the year	40,290	40,290
As at 31.03.2018	136,750	136,750
Charge for the year	37,179	37,179
As at 31.03.2019	173,929	173,929
<b>Net block</b>		
As at 31.03.2019	23,393	23,393
As at 31.03.2018	60,572	60,572





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

**5. Investments**

Particulars	31 Mar 2019	31-Mar-18
<b>Current</b>		
Liquid Investment	-	13,131,330
	-	<b>13,131,330</b>

**Details of Investment**

Particulars	31 Mar 2019		31-Mar-18	
	Units	Amount	Units	Amount
<b>Current Investment</b>				
Birla Sunlife Cash Plus Growth Direct Plan	-	-	47,195,309	13,131,330
	-	-	<b>47,195,309</b>	<b>13,131,330</b>

**6. Loans**

Particulars	31 Mar 2019	31 Mar 2018
<b>Current</b>		
Advances to employees	2,322,225	1,492,656
	<b>2,322,225</b>	<b>1,492,656</b>

**7. Other Financial Assets**

Particulars	31 Mar 2019	31 Mar 2018
<b>Non-Current</b>		
Security Deposits	17,231,530	17,231,530
Non-current bank balances	-	2,665,700
Capital Advances	23,681,446	-
	<b>40,912,976</b>	<b>19,897,230</b>
<b>Current</b>		
Advances to Suppliers/Creditors	12,173,688	12,786,317
Contract Assets	7,500,000	11,047,800
	<b>19,673,688</b>	<b>23,834,117</b>
<b>TOTAL</b>	<b>60,586,664</b>	<b>43,731,347</b>

<sup>1</sup>Financial Assets carried at amortized cost

60,586,664 43,731,347

<sup>2</sup>Financial Assets carried at fair value through other comprehensive income

- -

<sup>3</sup>Financial Assets carried at fair value through Profit & Loss Account

- -

**8. Trade Receivables**

Particulars	31 Mar 2019	31 Mar 2018
<b>Non-Current</b>		
Unsecured, considered good		
Debts overdue for six months		
Related parties	-	-
Others	-	-
	-	-
Less: Provision for Expected Credit Loss	-	-
	-	-
<b>Current</b>		
Unsecured, considered good		
Debts overdue for six months		
Related parties	47,931	-
Others	34,193,018	50,484,460
	<b>34,240,949</b>	<b>50,484,460</b>
Less: Provision for Expected Credit Loss	13,018,110	10,808,755
	<b>21,222,839</b>	<b>39,675,705</b>
<b>Other Debts</b>		
Unsecured, considered good		
Related parties	44,956,039	23,663,818
Others	44,768,311	31,271,793
	<b>89,724,350</b>	<b>54,935,611</b>
Less: Provision for Expected Credit Loss	-	-
	<b>89,724,350</b>	<b>54,935,611</b>
	<b>110,947,189</b>	<b>94,611,316</b>





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

**9. Cash and Cash Equivalents**

Particulars	31 Mar 2019	31 Mar 2018
<b>Current</b>		
<b>Balances with Banks:</b>		
In current accounts	338,092	18,413,981
In deposit accounts	34,693,165	30,000,000
Cash in Hand	-	-
Others	-	-
	<b>35,031,257</b>	<b>48,413,981</b>

1. Balance in Deposit Accounts includes Rs. 3,20,27,465 (March 31, 2018 Rs. 3,00,00,000) Fixed Deposit pledged with Karur Vyasya Bank for an overdraft facility.

2. Balance in Deposit Accounts includes Rs. 166,200 (March 31, 2018 Rs.166,200) fixed deposits kept as Margin Money against Bank Guarantees issued by the bank on behalf of the company.

**10. Other Assets**

**Non-Current**

**Non-Current**

Deferred Revenue Expenditure	1,590,975	2,483,263
Prepaid Gratuity	211,920	915,056
	<b>1,802,895</b>	<b>3,398,319</b>

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

**Current**

Capital Advances	-	-
Advances other than capital advances		
Service Tax/GST Recoverable	1,796,361	-
Deferred Revenue Expenditure	892,288	892,288
Prepaid Expenses	4,226,486	2,869,656
Interest Accrued but not due	2,928,614	1,835,707
	<b>9,843,749</b>	<b>5,597,651</b>
	<b>11,646,644</b>	<b>8,995,970</b>

**11. Income Tax Asset (Nett)**

The following table provide details of income tax assets and liabilities as of March 31, 2019 and March 31, 2018

Particulars	31 Mar 2019	31 Mar 2018
Income Tax Assets	19,654,774	12,317,854
Income Tax Liabilities	-	-
	<b>19,654,774</b>	<b>12,317,854</b>





## 12. SHARE CAPITAL

	31 Mar 2019	31 Mar 2018
<b>Authorized shares</b>		
25,00,00,000 (25,00,00,000) equity shares of Rs. 10 each	2,500,000,000	2,500,000,000
	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Issued, subscribed and fully paid-up shares</b>		
(i) 24,40,80,868 (24,40,80,868) equity shares of Rs. 10 each fully paid up	2,440,808,680	2,440,808,680
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>2,440,808,680</b>	<b>2,440,808,680</b>

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

Equity Shares	31 Mar 2019		31 Mar 2018	
	No.	Amount	No.	Amount
At the beginning of the period	244,080,868	2,440,808,680	244,080,868	2,440,808,680
Issued During the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>244,080,868</b>	<b>2,440,808,680</b>	<b>244,080,868</b>	<b>2,440,808,680</b>

### b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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

### (d) Shares held by holding company

	31 Mar 2019	31 Mar 2018
<b>GMR Infrastructure Limited, the holding company</b>		
24,40,80,868 (Mar 31, 2018: 24,40,80,868) equity shares of Rs.10 each fully paid up	2,440,808,680	2,440,808,680

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

Equity shares of Rs.10 each fully paid	31 Mar 2019		31 Mar 2018	
	No.	% holding	No.	% holding
GMR Infrastructure Limited, the holding company	244,080,868	100%	244,080,868	100%

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

## 13. Other Equity

	31 Mar 2019	31 Mar 2018
<b>(i) Capital Reserve</b>		
Opening Balance	34,092,629	34,092,629
Add: Amount transferred from surplus balance in the statement of Profit and Loss	-	-
Less: Amount transferred	-	-
	<b>34,092,629</b>	<b>34,092,629</b>
<b>(ii) Profit &amp; Loss Account (Debit Balance)</b>		
Opening Balance	(1,094,850,228)	(1,034,039,056)
Profit/(Loss) for the period \ year	(37,189,672)	(60,811,172)
	<b>(1,132,039,900)</b>	<b>(1,094,850,228)</b>
	<b>(1,097,947,271)</b>	<b>(1,060,757,599)</b>





#### 14. Borrowings

Particulars	31 Mar 2019	31-Mar-18
<b>Non-Current</b>		
<b>Borrowings</b>		
<b>Term Loans</b>		
Indian Rupee Loans from Financial Institutions (Secured)*	294,360,944	409,755,984
	<u>294,360,944</u>	<u>409,755,984</u>
<b>Current</b>		
<b>Borrowings</b>		
<b>Short Term borrowings</b>		
Cash Credit from Bank (Secured)	-	-
Short Term Loan from Banks**	19,161,668	-
	<u>19,161,668</u>	<u>-</u>

\*Secured by way of Fully perfected exclusive charge on the Aircrafts, First charge on all current assets of the Company and Irrevocable and unconditional corporate guarantee from the Holding Company for all the amounts and obligations of the Company under the Facility

Repayment Terms: Payable in 54-Monthly Equated Instalments of Rs. 1,35,03,940 (Starting from 28-Nov-17 and ending on 28-April-2022)

Rate of Interest: 12.99% p.a. (PY 12.99% p.a.)

\*\*Secured by way of Hypothecation over Fixed Deposit Receipt (Rate of Interest: 8.50% p.a.)

#### 15. Trade Payable

Particulars	31 Mar 2019	31-Mar-18
<b>Current</b>		
<b>Trade Payables</b>		
Micro, Small and Medium Enterprises	-	-
Related parties	9,742,329	8,659,407
Others	36,834,280	32,517,430
	<u>46,576,609</u>	<u>41,176,837</u>

#### 16. Other Financials Liabilities

Particulars	31 Mar 2019	31-Mar-18
<b>Current</b>		
<b>Current Portion of Long Term Borrowings</b>		
Indian Rupee Loans from Financial Institutions (Secured)	115,395,041	101,480,211
Foreign Currency Loan (Secured)	-	-
Interest Accrued but not due on borrowings	583,313	727,776
Amount Payable to Employees	1,311,841	594,056
	<u>117,290,195</u>	<u>102,802,043</u>

#### 17. Other Liabilities

Particulars	31 Mar 2019	31-Mar-18
<b>Non-Current</b>		
Contract Liabilities	-	5,000,000
	<u>-</u>	<u>5,000,000</u>
<b>Current</b>		
Contract Liabilities	8,623,539	18,916
Statutory Dues	940,797	12,577,329
	<u>9,564,336</u>	<u>12,596,245</u>

#### 18. Provisions

Particulars	31 Mar 2019	31-Mar-18
<b>Non-Current</b>		
Provision for leave benefits	3,216,583	3,370,414
	<u>3,216,583</u>	<u>3,370,414</u>
<b>Current</b>		
Provision for leave benefits	498,222	1,150,716
Accrued Expenses	33,281,603	17,590,896
	<u>33,779,825</u>	<u>18,741,612</u>
	<u>36,996,408</u>	<u>22,112,026</u>





	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>19. REVENUE FROM OPERATIONS</b>		
Service Income		
<b>Aero Income</b>		
Aircraft Charter Income	645,439,908	509,348,273
	<b>645,439,908</b>	<b>509,348,273</b>
<b>Non Aero Income</b>		
Pilot Hire Income	120,000	1,471,250
	<b>120,000</b>	<b>1,471,250</b>
<b>Revenue from Operations</b>	<b>645,559,908</b>	<b>510,819,523</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>20. OTHER INCOME</b>		
<b>Interest Income:</b>		
Interest Income on Bank deposits	2,462,691	2,941,592
Other Interest Income	826,301	1,276,611
Gain on account of foreign exchange fluctuations (Net)	-	4,491,857
Profit on Sale of Current Investment	395,127	1,222,046
Profit on Sale of Fixed Assets	14,239	70,963
Profit on fair valuation of derivatives	-	1,580,594
Other non-operating income	252,110	9,808,679
	<b>3,950,468</b>	<b>21,392,342</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>21. Operating and Other Expenses</b>		
Repair & Maintenance-Plant & Machinery	141,159,854	100,617,591
Repair & Maintenance-Others	-	328,447
Aircraft - Ground Handling Charges	18,313,975	10,596,162
Aircraft - Landing & Parking Charges	6,812,807	9,541,516
Aircraft - Route Navigation Charges	3,856,308	2,760,503
Aircraft - Other Charges	7,230,498	7,998,335
Cost of Fuel	71,707,584	50,922,739
Business Promotion	685,422	452,333
Insurance	5,065,632	5,838,212
Travelling and Conveyance	19,609,081	19,501,260
Outside Charter Aailed	135,401,569	82,800,656
Rent	893,670	974,353
Communication costs	650,556	633,993
Legal and professional fees	11,946,800	20,343,172
Rates and taxes	565,638	406,598
Pilot Hiring Expenses	2,535,420	7,981,697
Printing and stationery	133,697	167,444
Electricity and water charges	131,229	337,296
Miscellaneous expenses	757,906	616,278
Payment to auditor (Refer details below)	210,000	210,000
Loss on account of foreign exchange fluctuations (Net)	398,215	-
Provision for Expected Credit Loss	2,209,355	2,600,483
	<b>430,275,216</b>	<b>325,629,068</b>





	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>As auditor:</b>		
Audit fee	130,000	130,000
Tax audit fee	50,000	50,000
Limited review	30,000	30,000
<b>In other capacity:</b>		
Company law matters	-	-
Other services (certification fees) ( without Service tax )	-	-
	<b>210,000</b>	<b>210,000</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>22. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, wages and bonus	46,131,965	51,637,839
Contribution to provident and other fund	2,416,076	2,648,613
Gratuity expense	588,399	664,275
Staff welfare expenses	11,070,502	12,957,354
	<b>60,206,942</b>	<b>67,908,081</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>23. DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation of tangible assets	134,515,667	128,620,736
Amortization of intangible assets	40,290	40,290
	<b>134,555,957</b>	<b>128,661,026</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>24. FINANCE COST</b>		
Interest on Term Loan and Others	61,062,955	70,952,587
Bank and other finance charges	462,353	953,294
	<b>61,525,308</b>	<b>71,905,881</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>25. EARNINGS PER SHARE ( EPS )</b>		
Total Operations for the period		
Profit / (Loss) after Tax	(37,189,672)	(60,811,172)
Less : Dividends on convertible preference Shares & Tax there on	-	-
	<b>(37,189,672)</b>	<b>(60,811,172)</b>

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
<b>Net Profit / ( Loss) for Caluclation of Basic EPS</b>	<b>(37,189,672)</b>	<b>(60,811,172)</b>
No of Equity Shares	244,080,868	244,080,868

	For the Period Ended 31 Mar 2019	For the Period Ended 31 Mar 2018
Earnings Per Share	(0.15)	(0.25)
Diluted Earnings Per Share	(0.15)	(0.25)

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





**26 Capital Commitments**

	31-Mar-19	31-Mar-18
Estimated amount of Contracts remaining to be executed on capital account and not provided	-	-
	-	-

**27 Contingent Liabilities**

	31-Mar-19	31-Mar-18
Bank Guarantees issued to Suppliers/service providers/Lenders	2,666,200	2,666,200
	<b>2,666,200</b>	<b>2,666,200</b>

a. One of the aircrafts of the company i.e. Falcon 2000 Ex Easy was seized by the customs authorities on 7th July, 2008 on the grounds of violation of Notification No. 21/ 2002 customs dated 1st March, 2002 as amended by Notification No. 61/2007 customs dated 3rd May 2007. On submission of Bond for Rs.112,00,00,000 and a Bank Guarantee of Rs.32,00,00,000, the customs authorities issued the release order on 16th July, 2008 and on the same day the company received the aircraft from the Customs Department. After considering the submissions made by us and the personal hearing before Commissioner of Customs (Preventive) an Order was issued in our favour dropping all the proposals initiated in the show cause notice. Accordingly, we requested the Commissioner of Customs (Preventive) to release and return the Bank Guarantee. The bank guarantee is not renewed as there is no confirmed liability against the company. Meantime the department preferred appeal along with stay application before CESTAT, New Delhi. The stay had been refused. The issue has been referred to the larger bench of CESTAT along with the similar cases and the hearing has been posted on February 16, 2016. On 12th August 2013, the aforementioned aircraft has been sold. However, the company will indemnify the other party in case of any liability that may arise due to the above. Pending the outcome, amount of liability cannot be quantified.

**28 Leases**

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

	31-Mar-19	31-Mar-18
Payments		
Lease rentals under cancelable leases ( operating )	893,670	974,353
Lease rentals under non-cancelable leases	-	-
	<b>893,670</b>	<b>974,353</b>

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

Future minimum lease payable	31-Mar-19	31-Mar-18
Not later than 1 year	2,118,336	2,225,468
Later than 1 year and not later than 5 years	609,958	567,403
Later than 5-Years	-	-
	<b>2,728,294</b>	<b>2,792,871</b>





## 29 Movement in Provisions

Amount in Rs.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) <b>Gratuity:</b>		
At the beginning of the year	(915,056)	931,368
Charge for the year	703,136	(1,846,424)
Released during the year	-	-
At the end of the year	(211,920)	(915,056)
(ii) <b>Compensated Absences</b>		
At the beginning of the year	4,521,130	6,902,852
Charge for the year	(806,325)	2,381,722
Released during the year	-	-
At the end of the year	3,714,805	4,521,130

## 30 Retirement Benefit Obligation

Amount in ₹ lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) <b>Defined Contribution Plan (Expenses)</b>		
Contribution to Provident and other funds	2,416,076	2,648,613
(ii) <b>Post-employment defined Benefit Plans (Gratuity)</b>		
<b>1. Movement in obligation</b>		
Present value obligation at the beginning of the year	(915,056)	931,968
Current service cost	658,775	648,259
Interest cost	(70,376)	15,416
Benefits paid	-	(1,429,680)
Employer's Contribution	(21,888)	-
Cost Recognised in other comprehensive income	136,625	(1,081,019)
Actuarial (gain)/loss on obligation	(0)	(0)
Present value obligation at the end of the year	(211,920)	(915,056)
<b>2. Movement in Plan Assets</b>		
<b>a. Expenses recognised in Profit &amp; Loss Statement</b>		
Current service cost	658,775	648,259
Net Interest cost	(70,376)	15,416
Expense for the year	588,399	663,675
<b>b. Recognised in Other Comprehensive Income</b>		
Opening amount recognised in OCI	-	-
Actuarial (gain)/loss on obligation	136,625	(1,081,019)
Total expenditure/(income) recognised	136,625	(1,081,019)
<b>3. Actuarial Assumptions for estimating companies defined benefit</b>		
a. Discount rate (P.A.)	7.60%	7.60%
b. Salary escalation rate (P.A.)	6%	6%
<b>4. Sensitivity Analysis</b>		
<b>Sensitivity</b>	<b>For the year ended March 31, 2019</b>	
	<b>Discount rate</b>	<b>Salary escalation rate</b>
Impact of increase in 100 basis points	(140,253)	158,179
Impact of decrease in 100 basis points	157,103	(143,336)
These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.		
<b>5.Expected Pay-out-Gratuity</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Expected benefits for April 1, 2018 to March 31, 2019	-	162,301
Expected benefits for April 1, 2019 to March 31, 2020	196,549	189,034
Expected benefits for April 1, 2020 to March 31, 2021	2,203,738	2,060,884





## Notes forming part of Financial Statements for the year ended March 31, 2019

Expected benefits for April 1, 2021 to March 31, 2022	117,376	109,274
Expected benefits for April 1, 2022 to March 31, 2023	242,577	220,538
Expected benefits for April 1, 2023 to March 31, 2024	285,210	-
Expected benefits for April 1, 2024 onward	2,828,178	2,610,512

<b>6. Other Information</b>		
<b>i. Current and Non-Current Liability:</b>		
The total of current and non-current liability must be equal with the total of PVO (Present value obligation) at the end of the period plus short term compensated liability if any. It has been classified in terms of "Schedule III of the Companies Act, 2013.		
Accordingly, below is the Current and Non-Current classification of Gratuity and Compensated Absences:		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Gratuity:</b>		
a. Current portion	(211,920)	(915,056)
b. Non-Current portion	-	-
<b>Compensated absences:</b>		
a. Current portion	498,222	1,150,716
b. Non-Current portion	3,216,583	3,370,414

## 31 Income tax expense and Deferred expense:

Amount in ₹ lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Income tax expense:</b>		
a. Current tax	-	-
b. Deferred tax arising from temporary differences	-	-
c. Income tax relating to earlier years	-	-
d. MAT credit entitlement	-	-
e. MAT credit withdrawn	-	-
<b>Total tax expense for the year</b>	-	-

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Effective Tax Reconciliation: -</b>		
a. Net Profit/(Loss) before taxes	(37,189,672)	(61,892,191)
b. Tax rate applicable to the company as per normal provisions	29.12%	28.84%
c. Tax expense on net profit (c = a*b)	-	-
d. Increase/(decrease) in tax expenses on account of:		
i. Non-taxable income/Exempt Income	-	-
ii. Accelerated Depreciation	92,912,521	151,437,105
iii. Expenses not allowed under income tax	1,943,996	-
iv. Deduction for expenses earlier disallowed	-	-
v. Expenses allowed under payment basis	-	-
vi. Unabsorbed business loss	(2,616,513,105)	(2,356,024,385)
vii. Other allowances	-	-
viii. Notional Income (-) Notional Expenses	-	-
ix. Other adjustments	25,522,199	-
	(2,533,324,061.00)	(2,204,587,280)
e. Tax as per normal provision under Income tax (c + d)	-	-
f. Tax rate applicable to the company as per MAT provisions	0.00%	0.00%
g. MAT Tax expense on net profit	-	-
h. Increase/(decrease) in MAT tax expenses on account of:		
i. Interest on delayed remittance of Income-tax	-	-
ii. Bad debts written off	-	-
ii. Items that will not be reclassified to profit and loss	-	-
iii. 1/5th of transition amount u/s 115JB (2C)	-	-
iv. Adjustment due to adoption of Ind AS	-	-
	-	-
<b>MAT tax provision under 115JB (g + h)</b>	-	-





Deferred taxes		Amount in Rs.	
Particulars	As at March 31, 2019	As at March 31, 2018	
<b>As on reporting date</b>			
A. On OCI Component - Deferred tax Asset/(liability)	-	-	
B. Other than OCI Component			
-Difference in WDV of fixed assets and intangibles	433,316,895	499,883,293	
-Fair value of Borrowings	-	-	
-Business Loss	761,928,616	679,477,433	
-Other disallowances	(7,129,953)	499,883,293	
<b>Deferred tax asset/(Liability)</b>	<b>1,188,115,558</b>	<b>1,679,244,019</b>	
<b>Expense/(Income) Recognised for the year ended</b>			
A. Deferred tax asset/(Liability) recognised in the statement of Profit and Loss	-	-	
B. Deferred tax recognised in the Other Comprehensive Income	-	-	
C. Deferred tax recognised in total Comprehensive Income	-	-	

### 32 Financial risk management

#### (A) Financial risk factors

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks.

##### i) 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. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings as well as deposits. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2019 and March 31, 2018.

##### ii) Credit risk

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

##### iii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the treasury department under policies approved by the board of directors. The treasury team identifies and evaluates financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, interest rate risk, and credit risk.

##### (i) Market risk

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

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The company as of now considering the materiality of the transactions have not entered into any hedging or derivative contracts.

##### (a) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The management maintains only the floating debt. Borrowings issued at variable rates expose the Company to cash flow





Notes forming part of Financial Statements for the year ended March 31, 2019

interest rate risk. As at March 31, 2019, 100% of the Company's borrowings are at a floating rate of interest (March 31, 2018: 100%).

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	Amount in Rs.
		Effect on Profit Before Tax
For the year ended March 31, 2019		
Term Loans	+25	1,278,090
	-25	(1,278,090)
For the year ended March 31, 2018		
Term Loans	+25	(1,365,500)
	-25	1,365,500

The assumed movement in basis points for interest rate sensitivity analysis is based on the company's market interest rate movement during the Financial year.

(b) Foreign currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company has transactional currency exposures arising from services provided or availed that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in USD. The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

Particulars( Currency)	Change in rate (%)	Amount in Rs.	
		For the year ended March 31, 2019	For the year ended March 31, 2018
USD Rate	5.00%	538,892	398,864
	-5.00%	(538,892)	(398,864)
EURO Rate	5.00%	16,758	7,311
	-5.00%	(16,758)	(7,311)

(ii) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and loans from financial institutions.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its major share of revenue is through customers/(Individuals) who pay for services at time of checkout. The receivables consists majorly of corporate clients who are well established and are located in various jurisdictional locations.

The ageing of trade receivable is as below:

Particulars	Amount in Rs.	
	Debtors ageing	
	<180 days	>180 days
Trade receivables		
As at March 31, 2019		
Unsecured	89,724,350	34,240,949
Net Total	89,724,350	34,240,949
As at March 31, 2018		
Unsecured	54,935,611	50,484,460
Net Total	54,935,611	50,484,460

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings.





(iii) Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards long term borrowings and other financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Amount in Rs.	
	As at	As at
	March 31, 2019	31-Mar-18
	On Demand	On Demand
Trade and Other payables	36,834,280	32,517,430
Total	36,834,280	32,517,430

33 Capital management

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

The Company manages all its capital requirements through two means:

- The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.
- The company effectively manages its finances through the term loan and working capital loan it has taken from HDFC bank.
- The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 60%.

Particulars	Amount in ₹ lakhs	
	March 31, 2019	March 31, 2018
Borrowings	409,755,985	511,236,195
Net Debt	409,755,985	511,236,195
Total equity (Share capital & Other equity)	1,342,861,409	1,380,051,081
Capital and net debt	1,752,617,394	1,891,287,276
Gearing ratio (%)	23.38%	27.03%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

34 Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars		Amount in Rs.	
		As at	As at
		March 31, 2019	March 31, 2018
<b>Financial liabilities:</b>			
<b>Designated at amortised cost</b>			
Term Loans from Banks:			
Carrying amount	409,755,985	511,236,195	
Fair Value	409,755,985	511,236,195	
<b>Financial Assets:</b>			
<b>Designated at amortised cost</b>			
Security deposit			
- to related parties			
Carrying amount	17,231,530	17,231,530	
Fair value	17,231,530	17,231,530	

The management assessed that cash and cash equivalents, trade receivables, other current financial assets, trade payables, and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these





**(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.
- (iii) Investments are valued at fair value based on the Market rates available.

**(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

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

- 1) 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.
- 2) Long-term variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For variable interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

**(C) Fair Value 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 NVA (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 market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published mutual fund
- 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 maximise 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:

**Assets / Liabilities measured at fair value using significant observable inputs**

Amount in Rs.

Particulars	As at March 31, 2019		
	Level -1	Level - 2	Level - 3
<b>Financial Liabilities measured at amortised cost</b>			
Term loan from Banks/FI's	-	-	409,739,000
<b>Financial Assets measured at amortised cost</b>			
Liquid mutual funds	-	-	-
Security deposit	-	-	17,231,000

**Assets / Liabilities measured at fair value using significant observable inputs**

Amount in ₹ lakhs

Particulars	As at March 31, 2018		
	Level -1	Level - 2	Level - 3
<b>Financial Liabilities measured at amortised cost</b>			
Term loan from Banks/FI's	-	-	511,236,000
<b>Financial Assets measured at amortised cost</b>			
Liquid mutual funds	13,131,330	-	-
Security deposit	-	-	17,231,000

During the year ended March 31, 2019, March 31, 2018 and April 1, 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.

**35 Contingent Liabilities and Other Commitments**

- i) Commitments : NIL
- ii) Contingent Liabilities:

Amount in Rs.





Notes forming part of Financial Statements for the year ended March 31, 2019

	For the year ended	
	March 31, 2019	31-Mar-18
Bank Guarantees issued to Suppliers/service	2,666,200	2,666,200
Customs Duty*	320,000,000	320,000,000
<b>TOTAL</b>	<b>322,666,200</b>	<b>322,666,200</b>

\*One of the aircrafts of the company i.e. Falcon 2000 Ex Easy was seized by the customs authorities on 7th July, 2008 on the grounds of violation of Notification No. 21/ 2002 customs dated 1st March, 2002 as amended by Notification No. 61/2007 customs dated 3rd May 2007. On submission of Bond for Rs.112,00,00,000 and a Bank Guarantee of Rs.32,00,00,000, the customs authorities issued the release order on 16th July, 2008 and on the same day the company received the aircraft from the Customs Department. After considering the submissions made by us and the personal hearing before Commissioner of Customs (Preventive) an Order was issued in our favour dropping all the proposals initiated in the show cause notice. Accordingly, we requested the Commissioner of Customs (Preventive) to release and return the Bank Guarantee. The bank guarantee is not renewed as there is no confirmed liability against the company. Meantime the department preferred appeal along with stay application before CESTAT, New Delhi. The stay had been refused. The issue has been referred to the larger bench of CESTAT along with the similar cases and the hearing has been posted on February 16, 2016. On 12th

**36 Related party transactions**

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

**(A) Names of the Related parties and description of relationship:**

**1. Directors and other key management personnel**

Sl. No.	Name	Designation
i)	Mr. Madhu Tedral	Director
ii)	Mr. P.S.Nair	Director
iii)	Mr. G.Subbarao	Director
iv)	Mr. Pradeep Kumar Pareek	Chief Financial Officer
v)	Ms. Kanika Tekriwal	Chief Operating Officer
vi)	Ms. Payal Gupta	Company Secretary

**Enterprises having significant influence over the Company**

S.No	Name of the enterprise
1	GMR Infrastructure Limited (GIL) (Holding Company)
2	GMR Enterprise Private Limited (GEPL) (ultimate Holding Company)

**Enterprises under the same Management**

S.No	Name of the enterprise
1	Raxa Security Services Ltd (RSSL)
2	GMR Family Fund Trust
3	Jetsetgo Aviation Services Private Limited

**Fellow Subsidiaries**

S.N	Name of the enterprise
1	Delhi International Airport Limited
2	GMR Hyderabad International Airport Ltd.,
3	GMR Power Corporation Ltd.
4	GADL International Ltd
5	GMR Airports Limited
6	GMR Airport Developers Limited
7	GMR Male International Airport Pvt., Ltd.,
8	GMR Airport Global Limited
9	GMR Badrinath Hydro Power Generation Pvt Ltd
10	GMR Gujarat Solar Power Private Limited
11	GMR Bajoli Holi Hydropower Pvt Ltd
12	GMR Chhattisgarh Energy Private Limited
13	EMCO Energy Limited
14	GMR Kamalanga Energy Limited
15	GMR Tambaram Tindivanam Expressways Pvt Ltd
16	GMR Tuni Anakapalli Expressway Pvt Ltd





17	GMR Hotels & Resorts Limited
18	GMR Corporate Affairs Private Limited
19	GMR Vemagiri Power Generation Limited
20	Kakinada Sez Private Limited
21	GMR Consulting Services Pvt. Ltd
22	Geokno India Private limited

(B) Disclosure of transactions between the company and related parties and outstanding balances:

Related parties	Amount in Rs.	
	For the year ended	
	March 31, 2019	March 31, 2018
<b>Transactions during the year:</b>		
<b>Income from Services Rendered</b>		
Delhi International Airport Ltd	124,364,349	35,874,336
GMR Hyderabad International Airport Ltd.,	78,034,663	35,376,048
GMR Airports Limited	154,298,760	101,232,901
Jetsetgo Aviation Services Private Limited	73,902,294	23,335,909
<b>Interest on Loan:</b>		
GIL-SIL JV	826,301	-
	<b>431,426,367</b>	<b>195,819,194</b>
<b>Payment of expenses</b>		
<b>Operating Expenses</b>		
GMR Hyderabad International Airport Ltd	232,571	168,793
GMR Hotels & Resorts Limited	487,973	136,506
Raxa Security Services Ltd	1,205,837	1,542,161
Delhi International Airport Private Limited	3,069,129	2,944,430
GMR Infrastructure Limited	1,371,486	2,038,151
GMR ENTERPRISES PVT. LTD.	1,000	2,165
GMR AIRPORTS LIMITED	-	31,020
Jetsetgo Aviation Services Private Limited	61,021,239	25,027,522
	<b>67,389,235</b>	<b>31,890,749</b>
<b>Salary to Chief Financial Officer</b>	<b>3,230,580</b>	<b>2,907,178</b>
<b>Consultancy to Chief Operational Officer</b>	<b>2,400,000</b>	<b>2,400,000</b>

	Amount in Rs.	
	As at	
	March 31, 2019	31-Mar-18
<b>Balance as at the end of the year</b>		
<b>Balance receivable at the end of the period</b>		
GMR Hyderabad International Airport Ltd.,	7,098,192	6,062,250
Delhi International Airport Ltd	18,968,627	-
GMR Airport Limited	18,937,151	17,601,568
	<b>45,003,970</b>	<b>23,663,818</b>
<b>Balance payable at the end of the period</b>		
Delhi International Airport Ltd	204,276	245,561
GMR Hyderabad International Airport Ltd.,	12,355	61,604
GMR Hotels & Resorts Limited	-	14,424
Raxa Security Services Ltd	-	492,456
GMR Infrastructure Limited	9,370,153	7,845,362
GMR Aero Technic Limited	155,544	-
	<b>9,742,328</b>	<b>8,659,407</b>
<b>Security deposit given by the company</b>		
Delhi International Airport Limited (Fair Value)	1,062,114	1,062,114
Raxa Security Services Private Limited	584,000	584,000

Loans Given and Repayment thereof

Amount in Rs.

Name of the Related Party	31-March-2019			Amount owed by Related Party
	Loan Given	Interest Accrued	Repayment	
GIL-SIL JV	20,000,000	826,301	20,000,000.00	826,301

Name of the Related Party	31-March-2018			Related Party
	Loans Given	Interest Accrued	Repayment	
-	-	-	-	-

37 Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2019		As at March 31, 2018	
	Foreign currency	Amount in Rs.	Foreign currency	Amount in Rs.
Borrowings	-	-	-	-
Accrued Interest	-	-	-	-
Trade Payables	USD 151,943 Euro 4,008	10,777,841 335,157	USD 108,703 Euro 1,849	7,141,455 145,753





**Notes forming part of Financial Statements for the year ended March 31, 2019**

38 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.

**39 Micro, Small and Medium Enterprises**

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

Particulars	Amount in Rs.	
	For the year ended 31-Mar-19	31-Mar-18
The principal amount due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of payments made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under MSMED Act, 2006	-	-

**40 Standards issued but not yet effective**

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 which notified Ind AS 116, Leases. The amendment rules are effective from reporting periods beginning on or after April 1, 2019. This standard replaces current guidance in Ind AS 17 and is a far reaching change in accounting by lessees in particular.

Ind AS 116 sets out the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to accounting for finance leases under Ind AS 17. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

Ind AS 116 requires lessees to recognize a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operating.

Ind AS 116 is effective for the Group in the first quarter of fiscal year 2019 using either one of two methods:

(a) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 116 (the full retrospective method); or

(b) retrospectively with the cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (April 01, 2019) and providing certain additional disclosures as defined in Ind AS 116 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on leases resulting from the application of Ind AS 116 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 116 related to leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

A reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.





**Notes forming part of Financial Statements for the year ended March 31, 2019**

**41 Recent Accounting Pronouncement:**

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

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

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

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

The Company has adopted retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results. Hence no adjustments has been done in the Financials related to the standard. However, there are significant impact related to disclosure requirement which are made as below:

**1) Disaggregated revenue Information**

Set out below is the disaggregation of the Companies revenue from contracts with customers:

Segment	31-Mar-19			31-Mar-18		
	Pilot Hiring	Chartering Services	TOTAL	Pilot Hiring	Chartering Services	TOTAL
Type of Services						
Pilot Hiring	120,000		120,000	1,471,250		1,471,250
Chartering Services		645,439,908	645,439,908		509,348,273	509,348,273
<b>Total Revenue from Contract with Customers</b>	<b>120,000</b>	<b>645,439,908</b>	<b>645,559,908</b>	<b>1,471,250</b>	<b>509,348,273</b>	<b>510,819,523</b>

Domestic Sector	120,000	642,300,032	642,420,032	1,471,250	509,348,273	510,819,523
International Sector	-	3,139,876	3,139,876	-	-	-
<b>Total Revenue from Contract with Customers</b>	<b>120,000</b>	<b>645,439,908</b>	<b>645,559,908</b>	<b>1,471,250</b>	<b>509,348,273</b>	<b>510,819,523</b>

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

Revenue	31-Mar-19			31-Mar-18		
	Pilot Hiring	Chartering Services	TOTAL	Pilot Hiring	Chartering Services	TOTAL
External Customers	120,000	214,839,842	214,959,842	1,471,250	195,819,194	197,290,444
Related Parties		430,600,066	430,600,066		313,529,079	313,529,079
<b>TOTAL</b>	<b>120,000</b>	<b>645,439,908</b>	<b>645,559,908</b>	<b>1,471,250</b>	<b>509,348,273</b>	<b>510,819,523</b>
Inter-segment adjustment and elimination	-	-	-			

Particulars	31-Mar-19	31-Mar-18
Trade Receivables	110,947,189	94,611,316
Contract Assets	7,500,000	11,047,800
Contract Liabilities	8,623,539	18,916

\*Trade receivables are generally on terms of 60 days.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	31-Mar-19	31-Mar-18
Revenue as per Contracted Price	645,559,908	510,819,523
Adjustments	-	-
<b>Revenue from Contracts with Customers</b>	<b>645,559,908</b>	<b>510,819,523</b>





Notes forming part of Financial Statements for the year ended March 31, 2019

45 Previous Year's Figures have been Regrouped/Rearranged wherever necessary.  
As per and on behalf of the Board of Directors

As per our report of even date

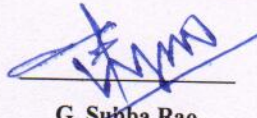
for Brahmayya & Co.

Chartered Accountants

Firm Registration No.000515S

for and on behalf of the Board of Directors

of GMR Aviation Private Limited



G. Subba Rao

Director

DIN: 00064511



P.S.Nair

Director

DIN: 00063118



G. Srinivas

Partner

Membership No.086761

Place : BANGLORE

Date : 23 APRIL, 2019



Pradeep Pareek

CFO



Payal Gupta

Company Secretary

