INDEPENDENT AUDITOR'S REPORT

To the members of GMR Corporate Affairs Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GMR Corporate Affairs Private Limited**(the **"Company"**), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cashflows and 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").

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 31st 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 31st March, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

GIRISH MURTHY & KUMAR ★ CHARTERED ACCOUNTANTS ★ 4502, High Point IV 45, Palace Road, Bangalore-1

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

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.

Responsibility of Management for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

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

In preparing the standalone 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

GIRISH MURTHY & KUMAR 4502, High Point IV 45, Palace Road, Bangalore-1 CHARTERED ACCOUNTANTS aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.

- Obtain an understanding of internal financial controls 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 standalone 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.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, High Point IV 45, Palace Road, Bangalore-1

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,

(e) On the basis of written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report

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

a. As per information and explanation given to us the company did not have any pending litigation against the company or by the company which would have impact on its financial position. Refer note.30 to Standalone IND AS financial statements.

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

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

for **GIRISH MURTHY & KUMAR**
Chartered Accountants
Firm's registration number: 000934S

A. V. Satish

A.V.SATISH KUMAR
Partner
Membership number: 26526
Bangalore

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, Hight Point IV 45, Palace Road, Bangalore-1

Date: 19th April 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of **GMR Corporate Affairs Private Limited** on the Standalone financial statements for the year ended 31st March 2019, we report that:

i. a. The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

b. The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification, carried out during the year.

(c) There are no immovable properties acquired by the Company.

ii. The nature of company's operations does not warrant requirement of holding stocks and therefore had no stocks of finished goods, stores, spare part and raw materials during/at the end of the year.

iii. In our opinion and according to the information and explanation given to us, the Company has not given any loans, secured or unsecured loans to the companies, firms, or other parties listed in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 and 186 of the Act, with respect to the loans and investments made.

v. The company has not accepted deposits from the public during the year and as such this clause is not applicable.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records, under section 148(1) of the Companies Act, 2013 in respect of the business operations carried out by the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the Company is generally regular in payment of undisputed statutory dues including Provident Fund, income tax, Goods and Services Tax, Customs Duty, Wealth tax and service tax Value added tax and cess as applicable with appropriate authorities. We are informed by the company that the provisions of Employee state insurance scheme, Investor education and protection fund, and excise duty are not applicable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Services Tax, customs duty, wealth tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

(c) Investor education and protection fund is not applicable to the Company.

viii. Based on our audit procedure and as per the information and explanation given by the management we are of the opinion that the company has not defaulted in the repayment of loan taken from the banks and financial institutions during the year. Further the company has not issued

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, High Point IV, 45, Palace Road, Bangalore-1 any debenture at any point of time and as such there are no dues outstanding at the end of the year to debenture holders.

ix. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) during the year. The term loans have been applied for the purpose for which they were obtained.

x. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice of India and according to the information and explanations given to us, we have not come across any instance of fraud by the Company or on the company by its officers or employees during this year.

xi. According to the information and explanations given to us, and based on our examination of records of the Company, the company has paid / provided managerial remuneration during the year, as per provisions of the Companies Act, 2013.

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

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

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares during this year. Company has not made any preferential allotment or private placement 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 Girish Murthy and Kumar
Chartered Accountants
FRN No: 000934S

AV Satish Kumar
Partner
Membership No: 026526

GIRISH MURTHY & KUMAR
4502, Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

Place: Bengaluru
Date: 19th April 2019

Annexure B to Auditors' Report of even date

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

We have audited the internal financial controls over financial reporting of **GMR Corporate Affairs Private Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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

GIRISH MURTHY & KUMAR 4502 High Point IV 45, Palace Road, Bangalore-1 CHARTERED ACCOUNTANTS generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Girish Murthy and Kumar
Chartered Accountants
FRN No: 026526

AV Satish Kumar
Partner
Membership No: 026526

GIRISH MURTHY & KUMAR
4502,
Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

Date: 19th April 2019
Place: Bengaluru

GMR Corporate Affairs Private Limited
CIN : U74999KA2006PTC041279

Balance Sheet As at March 31, 2019

(Amount in Rupees)

	Notes	As at 31-Mar-19	As at 31-Mar-18
Assets			
Non- current assets			
Property, plant and equipment	3	666,950	3,043,499
Investments	4	305,100,350	338,758,750
Loans	5	68,379,660	83,355,205
Other financials assets	6	12,020	12,020
Deferred tax assets (net)		31,049,799	7,165,568
Non-current tax assets (net)		11,440,115	3,698,839
Other non-current assets	7	-	494,582
		416,648,894	**436,528,463**
Current assets			
Financial assets			
Trade receivables	8	2,250,449	2,307,566
Cash and cash equivalents	9	5,691,006	1,364,409
Loans	5	151,101,901	393,280,977
Other current assets	7	4,485,641	9,198,667
		163,528,997	**406,151,619**
Total assets		**580,177,891**	**842,680,082**
Equity and liabilities			
Equity			
Equity share capital	10	50,000,000	50,000,000
Other equity	11	(186,129,878)	(113,877,740)
Total equity		**(136,129,878)**	**(63,877,740)**
Non-current liabilities			
Financial liabilities			
Borrowings	12	441,924,458	592,110,573
Provisions	13	1,904,591	196,100
		443,829,049	**592,306,673**
Current liabilities			
Financial liabilities			
Trade payables	14		
Due to Micro enterprises and small enterprises		-	-
Due to others		260,374,323	273,713,989
Other financial liabilities	15	10,791,773	35,852,838
Other current liabilities	16	1,182,975	4,671,218
Provisions	13	129,649	13,104
		272,478,720	**314,251,149**
Total liabilities		**716,307,769**	**906,557,822**
Total equity and liabilities		**580,177,891**	**842,680,082**

Corporate information about the Company	1	
Summary of significant accounting policies	2	

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

For Girish Murthy & Kumar
Chartered Accountants
Firm registration number: 000934S

A.V.Satish Kumar
Partner
Membership No: 26526

GIRISH MURTHY & KUMAR
4502, Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of
GMR Corporate Affairs Private Limited

Thandaveswaran .N.A
Director
DIN: 7815847

M.V.Srinivas
Director
DIN: 2477894

Satyanarayana .Y.S
CFO

Vimal Prakash
Company Secretary

GMR Corporate Affairs Pvt. Ltd.

Place : Bangalore
Date : 19th April 2019

GMR Corporate Affairs Private Limited
CIN : U74999KA2006PTC041279

Statement of Profit and loss for the period ended March 31, 2019

(Amount in Rupees)

	Notes	Period Ended 31-Mar-19	Year ended 31-Mar-18
Continuing Operations			
Income			
Revenue from operations	17	-	-
Other income	18	2,920,548	7,214,600
Total income		**2,920,548**	**7,214,600**
Expenses			
Depreciation and amortization	3	2,395,549	2,412,594
Finance cost	19	95,951,411	67,748,891
Other expenses	20	709,956	825,858
Total expenses		**99,056,916**	**70,987,343**
Profit / (loss) before exceptional items and tax from continuing operations (A-B)		**(96,136,368)**	**(63,772,743)**
Profit / (loss) before tax from continuing operations		**(96,136,368)**	**(63,772,743)**
Tax expenses of continuing operations			
Current tax		-	-
Deferred tax charge/ (credit)	22	(23,884,230)	886,851
MAT credit entitlement		-	-
(Loss) / profit after tax from continuing operations		**(72,252,138)**	**(64,659,594)**
(Loss) / profit for the year		**(72,252,138)**	**(64,659,594)**
Total comprehensive income for the year		(72,252,138)	(64,659,594)
Earnings per equity share (Rs.) from continuing operations Basic, computed on the basis of profit from continuing operations attributable to equity holders of the parent (per equity share of Rs.10 each)	21	(14.45)	(12.93)
Earnings per equity share (Rs.) from continuing operations Diluted, computed on the basis of profit attributable to equity holders of the parent (per equity share of Rs.10 each)	21	(14.45)	(12.93)

Corporate information about the Company	1
Summary of significant accounting policies	2

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

As per our report of even date

For Girish Murthy & Kumar
Chartered Accountants
Firm registration number: 000934S

A.V.Satish Kumar
Partner
Membership No: 26526

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, Hight Point IV 45, Palace Road, Bangalore-1

Place : Bangalore
Date : 19th April 2019

For and on behalf of the board of directors
GMR Corporate Affairs Private Limited

Thandaveswaran .N.A
Director
DIN: 7815847

M.V.Srinivas
Director
DIN: 2477894

Satyanarayana .Y.S
CFO

Vimal Prakash
Company Secretary

GMR Corporate Affairs Pvt. Ltd. GMR

GMR Corporate Affairs Private Limited
Cash flow statement for the period ended March 31, 2019

(Amount in Rupees)

	Period ended 31-Mar-19	Year ended 31-Mar-18
Cash flow from operating activities		
Profit before tax	-96,136,368	(63,772,743)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	2,395,549	2,412,594
Finance costs (including fair value change in financial instruments)	95,951,411	65,109,091
(Increase)/ decrease in trade receivables	57,117	(1,115,759)
(Increase)/ decrease in short term loans & advances	242,179,076	(164,413,164)
(Increase)/ decrease in long term loans & advances	14,975,545	1,823,887
(Increase)/ decrease in other current assets	4,713,026	249,195,923
(Increase)/ decrease in other financial and non-financial assets	-	-
Increase/ (decrease) in trade payables and other financial liabilities	-13,339,666	25,574,928
Increase/ (decrease) in other financial liabilities	-25,061,065	
Increase/ (decrease) in other current liabilities	-3,488,243	(27,700,724)
Increase/ (decrease) in short term liabilities	1,708,491	(65,190,201)
Increase/ (decrease) in provisions	116,545	(12,086,627)
Increase/ (decrease) in current taxes	-7,741,276	(821,359)
Increase/ (decrease) in other non current assets	494,581	(5,357,467)
	216,824,723	3,658,379
Income tax paid (net of refund)	-	-
Net cash flows from/ (used in) operating activities (A)	**216,824,723**	**3,658,379**
Investing activities		
Purchase of Non-current investments	-	-
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	-19,000	(53,118)
Sale Proceeds of Invetments	500,000	-
Net cash flows from/ (used in) investing activities (B)	**481,000**	**(53,118)**
Financing activities		
Proceeds from borrowings	(150,186,115)	60,757,252
Interest paid (gross)	(62,793,011)	(67,748,891)
Net cash flows from/ (used in) financing activities (C)	**-212,979,126**	**(6,991,639)**
Net increase/ (decrease) in cash and cash equivalents	4,326,597	(3,386,378)
Cash and cash equivalents at the beginning of the period	1,364,409	4,750,787
Cash and cash equivalents at the end of the period	**5,691,006**	**1,364,409**
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled banks:		
In current accounts	5,691,006	1,364,409
In deposit accounts		
Less - Bank overdraft	-	-
Total cash and cash equivalents (note 9)	**5,691,006**	**1,364,409**

GMR Corporate Affairs Private Limited
Cash flow statement for the period ended March 31, 2019

	Period ended 31-Mar-19	(Amount in Rupees) Year ended 31-Mar-18

Summary of significant accounting policies

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

As per our report of even date

For Girish Murthy & Kumar
Chartered Accountants
Firm registration number: 000934S

A.V.Satish Kumar
Partner
Membership No: 26526

GIRISH MURTHY & KUMAR
4502,
Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

Place : Bangalore
Date : 19th April 2019

For and on behalf of the board of directors

Srinivas

Thandaveswaran .N.A
Director
DIN: 7815847

M.V.Srinivas
Director
DIN: 2477894

Satyanarayana .Y.S
CFO

Vimal Prakash
Company Secretary

GMR Corporate Affairs Pvt. Ltd.

GMR Corporate Affairs Private Limited
Statement of changes in equity for the period ended March 31, 2019

(Amount in Rupees)

Particulars	Attributable to the equity holders				Total Equity
		Reserves and Surplus			
	Equity Share Capital	Equity Component of related party loans	Equity component of preference shares	Retained Earnings	
For the period ended March 31, 2019					
As at April 01,2018	50,000,000	51,428,965	118,208,093	(283,514,798)	(63,877,740)
Profit /(loss) for the year	-	-	-	(72,252,138)	(72,252,138)
Total comprehensive income	-	-	-	(355,766,936)	(136,129,878)
Movement during the year	-		-	-	-
As at March 31, 2019	50,000,000	51,428,965	118,208,093	(355,766,936)	(136,129,878)
For the period ended March 31, 2018					
As at April 01,2017	50,000,000	51,428,965	111,045,741	(218,855,204)	(6,380,498)
Profit /(loss) for the year	-	-	-	(64,659,594)	(64,659,594)
Deferred Tax Liability on Equity component	-	-	7,162,352	-	7,162,352
Total comprehensive income			118,208,093	(283,514,798)	(63,877,740)
Movement during the year	-	-	-	-	-
As at March 31, 2018	50,000,000	51,428,965	118,208,093	(283,514,798)	(63,877,740)

Summary of significant accounting policies **2**

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

As per our report of even date

For Girish Murthy & Kumar
Chartered Accountants
Firm registration number: 000934S

A.V.Satish Kumar
Partner
Membership No: 26526

GIRISH MURTHY & KUMAR ★ CHARTERED ACCOUNTANTS ★ 4502, Hight Point IV 45, Palace Road, Bangalore-1

Place : Bangalore
Date : 19th April 2019

For and on behalf of the board of directors
GMR Corporate Affairs Private Limited

Srinivas

Thandaveswaran .N.A
Director
DIN: 7815847

M.V.Srinivas
Director
DIN: 2477894

Satyanarayana Y.S
CFO

Vimal Prakash
Company Secretary

GMR Corporate Affairs Pvt. Ltd. ★ GMR

1 Corporate Information

GMR Corporate Affairs Private Limited (GCAPL 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 os wholly owned subsidiary of GMR Infrastructure Limited. The oobjective of the company is to carry on the business of providing corporate services including the infrastructure servicesto corporate office and other group companies

The registered office of the company is located in 25/1, Skip house, Musuem road, Bangalore, Karnataka

Information on other related party relationships of the Company is provided in Note 23

The financial statements were approved for issue in accordance with a resolution of the directors on 19th April 2019.

2 Significant accounting policies

A Basis of preparation

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

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

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

B Summary of significant accounting policies

a) Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when it is:
i) It is expected to be settled in normal operating cycle
ii)It is held primarily for the purpose of trading
ii)It is held primarily for the purpose of trading
iii)It is due to be settled within twelve months after the reporting period, or
iv)There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities 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 realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

I Property, Plant and Equipments

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

Fixed Assets are stated at acquisition cost less accumulated depreciation and cumulative impairment. Such cost includes the expenditure that is directly attributable to the acquisition of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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

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

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.

c) Depreciation on Property, Plant and Equipment

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

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation charges for impaired assets is adjusted in future periods in such a manner that revised carrying amount of the asset is allocated over its remaining useful life.

d) Investment properties

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1st April 2015.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is recognised using straight line method so as to write off the cost of investment property less their residual values over their useful lives specified in schedule II to the Companies Act, 2013, or in the case of assets where useful life was determined by technical evaluation, over the life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. Freehold land and properties under construction are not depreciated.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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e) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets include software and their useful lives are assessed as either finite or indefinite.

f) **Amortisation of intangible assets**

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

Intangible assets like the Software licence are amortised over the useful life of 6 years as estimated by the management.

g) **Borrowing cost**

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

h) **Impairment of non-financial assets**

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, investment properties, intangible assets and investments in associates and joint ventures determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:
(i) in case of an individual asset, at the higher of the net selling price and the value in use; and
(ii) in case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

i) **Provisions, Contingent liabilities, Contingent assets, and Commitments**

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost."

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

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

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

j) **Financial Intruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by associates and joint ventures are measured at cost less impairment.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) **Financial Assets**

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at fair value

"Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets

"Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through profit or loss.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition."

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De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

For trade and other receivables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) Financial liabilities and equity intruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

b. De-recognition

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

Off-setting 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.

k) Cash and cash equivalents

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

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

l) Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
i) In the principal market for the asset or liability, or
ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years.

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

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

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

This note summarises accounting policy for fair value.

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m) Revenue Recognition

The Company applied Ind AS 115 for the first time from April 1, 2018. Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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.

In current financial year, Company does not have any revenue arising from contract with customers and thus there is no impact on the financial statements of the company on account this new revenue recognition standard.

Interest Income

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

Other interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable."

Dividends

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

n) Taxes

Tax expense comprises current and deferred tax.

Current Income Tax

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

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

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

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

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

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

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax law in India, which is likely to give future economic benefits in form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in balance sheet when the assets can be measured reliably and it is probable that future economic benefit associated with the assets will be realised.

o) Corporate Social Responsibility ("CSR") expenditure

The Company charges its CSR expenditure, if any, during the year to the statement of profit and loss

p) Non Convertible preference shares

Non Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the Non Convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-Non

Convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the Non Convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

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q) **Retirement and other Employee Benefits**

Short term employee benefits and defined contribution plans.

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc.,are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund.

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

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short—term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long—term employee benefit for measurement purposes. Such long—term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year—end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non—current liability.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

The company recognizes termination benefit as a liability and an expense when the company has a present obligation as a result of 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. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Remeasurements

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

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

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

r) **Earning per share**

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

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

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4 Non-current investments:

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Investment in Subsidiaries	100,000	100,000
(10,000 equity shares of Rs.10 each fully paid in GBPS)		
Nil (50,000) equity shares of Rs.10 each fully paid in GMR SEZ Infra)	-	500,000
Investment in Venture Capital Fund		
- 19,35,000 units of Infrastructure Resurrection Fund@NAV Rs.100.61/- per unit	194,680,350	188,178,750
-20,00,000 units of Infrastructure Project Development Capital@NAV Rs.55.16/- per unit	110,320,000	149,980,000
	305,100,350	**338,758,750**

5 Loans

(Amount in Rupees)

		Non-current		Current	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Security Deposit					
Unsecured, considered good					
Refundable deposit towards joint development agreement		-	-		
Security deposit - statutory authorities		-	-	-	-
Security deposit - Others*		-	-	27,520,000	15,425,000
Secured, considered good					
Refundable deposit towards joint development agreement				-	-
Security deposit - Others (secured)		-	-	-	-
Total	**(A)**	-	-	27,520,000	15,425,000
Other Loans					
Loans Receivables-Considered good -secured					
Loans to related parties		68,379,660	82,778,205	122,778,801	377,476,305
Loans to employees		-	577,000	803,100	379,672
Loans to others		-	-	-	-
Loans Receivables-Considered good -unsecured		-	-	-	-
Loans Receivables which have significant increase in		-	-	-	-
Loans Receivables-credit impaired		-	-	-	-
Total		68,379,660	83,355,205	123,581,901	377,855,977
Total		**68,379,660**	**83,355,205**	**151,101,901**	**393,280,977**

6 Other financials assets

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Interest accrued but not due	12,020	12,020	-	-
	12,020	**12,020**	-	-

7 Other current assets

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Others				
Advance to suppliers	-		77,818	877,630
Prepaid expenses	-	494,582	75,000	156,638
Balances with statutory/government authorities	-	-	4,332,823	8,164,399
	-	**494,582**	**4,485,641**	**9,198,667**

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8 Trade Receivables

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Trade Receivables -considered good-secured	-	-	-	-
Trade Receivables -considered good- unsecured - More than 6 Months	-	-	2,250,449	2,307,566
Trade Receivables which have significant increase in credit risk	-	-	-	-
Trade Receivables -credit impaired	-	-	-	-
	-	-	2,250,449	2,307,566
Total	-	-	**2,250,449**	**2,307,566**

9 Cash and cash equivalents

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Balances with banks:				
– On current accounts	-	-	5,691,006	1,364,409
(A)	-	-	5,691,006	1,364,409
Total	-	-	**5,691,006**	**1,364,409**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Balances with banks:		
– On current accounts	5,691,006	1,364,409
	5,691,006	**1,364,409**

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GMR Corporate Affairs Pvt. Ltd. ★ GMR

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Notes to financial statements for the period ended March 31, 2019

10 Share Capital

	31-Mar-19	31-Mar-18
	(Amount in Rupees)	
Authorised shares		
Equity shares		
5000000 (March 31, 2018: 5000000) equity shares of Rs. 10 each	50,000,000	50,000,000
Preference shares		
150,00,000 (31-Mar-18: 150,00,000) 8% Non Cumulative redeemable Preference Shares of Rs.10/- each	150,000,000	150,000,000
Issued, subscribed and fully paid-up equity shares		
5000000 (March 31, 2018: 5000000) equity shares of Rs. 5000000 of 10 each	50,000,000	50,000,000
	50,000,000	**50,000,000**

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

	31-Mar-19		31-Mar-18	
	No of Shares in Units	(Amount in Rupees)	No of Shares in Units	(Amount in Rupees)
Equity shares				
At the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000
Issued during the year				
Outstanding at the end of the year	5,000,000	50,000,000	5,000,000	50,000,000

	31-Mar-19		31-Mar-18	
	No of Shares in Units	(Amount in Rupees)	No of Shares in Units	(Amount in Rupees)
Preference shares				
At the beginning of the year	15,000,000	150,000,000	15,000,000	150,000,000
Issued during the year				
Outstanding at the end of the year	15,000,000	150,000,000	15,000,000	150,000,000

b. Rights , preferences and restrictions attaching to each class of shares

The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. During the period ended 30th June 2016, the company has not declared dividend to equity share holders.

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.

Non cumulative redeemable Preference Shares

The preference shares are 8% Non Cumulative Redeemable shares of Rs. 10/- each. They carry a Non cumulative dividend of 8% P.A. Each holder of preference shares is entitled to preferential dividend and preferential distribution on liquidation of the Company.

Non cumulative Preference share holders do not exercise conversion option, all of them are redeemable at the end of 10th year from the date of issue. In the event of liquidation of the company before redemption of Non cumulative, their holders will have priority over equity shares in the payment of dividend and repayment of capital.

(b) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

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

	31-Mar-19	31-Mar-18
	(Amount in Rupees)	
GMR Infrastructure Ltd -Holding company		
Equity shares of Rs.10 each	50,000,000	50,000,000
8% Non cumulative redeemable Preference Shares of Rs.10/- each	150,000,000	150,000,000

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

Name of shareholder	31-Mar-19		31-Mar-18	
	No of Shares in Units	% holding	No of Shares in Units	% holding

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Equity shares of Rs.10 each fully paid up				
GMR Infrastructure Ltd -Holding company	5,000,000	100.00%	5,000,000	100.00%
Non cumulative redeemable Preference share				
GMR Infrastructure Ltd -Holding company	15,000,000	100.00%	15,000,000	100.00%

Note : 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.

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11 Other equity

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Equity Component of Preference shares		
Balance at the beginning of the year	118,208,093	111,045,741
Add:Deferred Tax Liablitiy on Equity component	-	7,162,352
Closing balance	**118,208,093**	**118,208,093**
Equity Component of Related Party Loans		
Balance at the beginning of the year	51,428,965	51,428,965
Movement during the year		
Closing balance	**51,428,965**	**51,428,965**
General Reserve		
Balance at the beginning of the year		
Add : amount transferred from surplus in the statement of profit and loss	-	-
Less: Transferred from / (to) non controlling interest		
Closing balance	-	-
Surplus in the statement of profit and loss		
Balance at the beginning of the year	(283,514,798)	(218,855,204)
Profit/(loss) for the year	(72,252,138)	(64,659,594)
Net surplus in the statement of profit and loss	**(355,766,936)**	**(283,514,798)**
Total other equity	**(186,129,878)**	**(113,877,740)**

12 Long-term Borrowings

(Amount in Rupees)

	Non-current portion		Current maturities	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Liability component of Compound Financial Instruments				
8% Non-Cumulative Redeemable Preference shares	129,407,080	113,093,195		
	129,407,080	**113,093,195**	-	-
Other loans and advances				
Loans from other related parties (unsecured)	312,517,378	479,017,378	-	-
Inter-corporate Deposit	-	-	-	-
	312,517,378	**479,017,378**	-	-
The above amount includes				
Secured borrowings	-	-	-	-
Unsecured borrowings	312,517,378	479,017,378	-	-
	441,924,458	**592,110,573**	-	-

13 Provisions

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Provision for employee benefits				
Provision for gratuity (refer note 47)	479,608	-	-	-
Provision for leave benefits	1,424,983	196,100	-	13,104
Provision for Other employee benefitts	-	-	129,649	
	1,904,591	**196,100**	**129,649**	**13,104**

14 Trade payables

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-

- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	260,374,323	273,713,989
	-	**-**	**260,374,323**	**273,713,989**

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15 Other financial liabilities

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
[illegible]				
Deposits	-	-	-	-
Interest accrued but not due on borrowings	-	-	-	-
Amount payable to employees			36,701	71,296
Non-trade payables	-	-	10,755,072	35,781,542
	-	-	**10,791,773**	**35,852,838**

16 Other liabilities

(Amount in Rupees)

	Non-current		Current	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
TDS Payable	-	-	1,160,266	3,946,641
Service Tax Payable	-	-	-	-
Other statutory dues	-	-	12,080	27,442
GST payable			-	697,135
Other Liabilities	-	-	10,629	-
	-	-	**1,182,975**	**4,671,218**

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Notes to financial statements for the period ended March 31, 2019

17 Revenue from operations

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Revenue from operations		
Other operating revenue	-	-
	-	-

18 Other income

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Rental income	525,000	2,100,000
Other non-operating income	-	62,206
Other Income - Interest on Investments - FVTPL	-	2,639,800
Miscellaneous income	2,395,548	2,412,594
	2,920,548	**7,214,600**

19 Finance cost

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Interest cost	46,477,823	53,491,729
Fair value loss on Financial Instruments- FVTPL	33,158,400	-
Notionial Interest	16,313,885	14,257,162
Bank charges	1,303	-
	95,951,411	**67,748,891**

20 Other expenses

(Amount in Rupees)

	31-Mar-19	31-Mar-18
Rates and taxes	7,986	16,637
Legal and professional fees	26,970	-
Rent	600,000	600,000
Payment to auditors (refer details below)	75,000	105,376
Director's sitting fee	-	100,250
Miscellaneous expenses	-	-
	709,956	**825,858**
Payment to auditors		
As auditor:		
Audit fee	75,000	105,376
	75,000	**105,376**
	-	-

21 Earnings per share ['EPS']

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the

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

	31-Mar-19	31-Mar-18
Profit after tax attributable to shareholders of the parent (Amount in Rupees)		
Continuing operations (Amount in Rupees)	(72,252,138)	(64,659,594)
Discontinued operations (Amount in Rupees)	-	-
Profit attributable to equity shareholders of the parent for basic/diluted earnings per share (Amount in Rupees)	**(72,252,138)**	**(64,659,594)**

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Weighted average number of equity shares of Rs.10 each outstanding during the period used in calculating basic and diluted earnings per share (No of Shares in units)	5,000,000	5,000,000
Earnings per share for continuing operations -Basic (Rs. in units)	(14.45)	(12.93)
Earnings per share for continuing operations -Diluted (Rs. in units)	(14.45)	(12.93)

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22 Deferred Tax

Deferred tax (liability) / asset comprises mainly of the following:

	31-Dec-18 Deferred tax liability	31-Mar-18 Deferred tax liability
Deferred tax liability:		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	28,871,893
Sub-total (A)	-	**28,871,893**
Deferred tax liability (net)	-	**28,871,893**
Deferred tax asset:		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,711,730	
Others	28,338,068	36,037,460
Sub-total (B)	**31,049,798**	**36,037,460**
Deferred tax asset (net)	**31,049,798**	**36,037,460**
Total (A+B)	**31,049,798**	**7,165,567**
(Deferred tax liability) / Deferred tax asset (net)	**31,049,798**	**7,165,567**

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23 Related Party Disclosure

a List of related parties

Enterprises that control the Company
GMR Infrastructure Limited (GIL)

Fellow Subsidiary Companies
GMR HYDERABAD INTERNATIONAL AIRPORT LTD. (GHIAL)
DELHI INTERNATIONAL AIRPORT LTD (DIAL)
GMR Energy Trading Ltd.(GETL)
GMR KAKINADA ENERGY PRIVATE LIMITED (GKEPL)
GMR WARORA ENERGY LIMITED (GWEL)
GMR POWER CORPORATION LIMITED (GPCL)
GMR Vemagiri Power Generation Limited (GVPGL)
GMR RAJAHMUNDRY ENERGY LIMITED (GREL)
GMR KAMALANGA ENERGY LIMITED (GKEL)
GMR MAHARASHTRA ENERGY LIMITED (GMAEL)
GMR COASTAL ENERGY PRIVATE LIMITED (GCEPL)
GMR Chattishgarh Energy Limited (GCHEPL)
GMR Londa Hydro Power Pvt Ltd. (GLHPPL)
GMR Consulting Service Pvt Ltd (GCSPL)
GMR ENERGY TRADING LTD (GETL)
GMR TAMBARAM TINDIVANAM EXPRESSWAYS LIMITED (GTTEL)
GMR HYDERABAD VIJAYAWADA EXPRESSWAYS PRIVATE LIMITED (GHVEPL)
GMR Krishnagiri SIR Limited (GKSIR)
GMR Aerostructure Services Limited (GASL)
GMR AIRPORTS LIMITED (GAL)
GMR COAL RESOURCES PTE. LTD (GCRPL)
GMR FAMILY FUND TRUST (GFFT)

Key Management Personnel
Mr. Govind Bhat
Mr.B V Suresh Babu

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

Sl.No.		Particulars	2018-19	2017-18
(A)		Transactions during the year		
	1	Rental Income		
		GMR Energy Trading Ltd.(GETL)	37,500	
		GMR KAMALANGA ENERGY LIMITED (GKEL)	60,000	
		GMR RAJAHMUNDRY ENERGY LIMITED (GREL)	60,000	
		GMR Consulting Service Pvt Ltd (GCSPL)	37,500	
		GMR POWER CORPORATION LIMITED (GPCL)	60,000	
		GMR Vemagiri Power Generation Limited (GVPGL)	60,000	
		GMR KAKINADA ENERGY PRIVATE LIMITED (GKEPL)	37,500	
		GMR MAHARASHTRA ENERGY LIMITED (GMAEL)	37,500	
		GMR COASTAL ENERGY PRIVATE LIMITED (GCEPL)	37,500	
		GMR Londa Hydro Power Pvt Ltd. (GLHPPL)	37,500	
		GMR Chattishgarh Energy Limited (GCHEPL)	60,000	
	2	Expenses		
		GMR FAMILY FUND TRUST (GFFT)	600,000	600,000
		GMR Aerostructure Services Limited (GASL)	46,477,823	53,491,729
	3	Cross Charge to GIL	18,215,630	
	4	Notional Interest on Preference share capital	16,313,885	
(B)		Amount Receivable/(Payable)		
		GMR HYDERABAD INTERNATIONAL AIRPORT LTD.	(110,430)	0

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	GMR HYDERABAD AIRPOR	(144,689)	(144,689)
	GMR AEROSPACE ENGINEERING LIMITED	266,969,111	-
	DELHI INTERNATIONAL	(19,756)	(19,756)
	GMR Energy Trading Ltd.	378,123	337,623
	GMR KAKINADA ENERGY PRIVATE LIMITED	168,540	305,040
	GMR WARORA ENERGY LI	(29,894,300)	(44,292,845)
	GMR POWER CORPORATIO	18,310,556	724,792
	GMR Vemagiri Power Generation	968,584	911,784
	GMR RAJAHMUNDRY ENER	(15,910,640)	(15,957,440)
	GMR KAMALANGA ENERGY	15,288,279	903,370
	GMR COASTAL ENERGY PRIVATE LIMITED.	100,624	233,375
	GMR Chattishgarh Energy Limited	25,728,032	915,488
	GMR Londa Hydro Power Pvt Ltd.	362,326	333,076
	GMR Consulting Service Pvt Ltd.	162,000	132,816
	GMR ENERGY TRADING LTD	11,754,603	287,625
	GMR TAMBARAM TINDIVANAM EXPRESSWAYS	4,203,068	4,282,673
	GMR HYDERABAD VIJAYAWADA	263,188	(6,282,812)
	GMR Krishnagiri SIR Limited	(12,681)	-
	GMR Infrastucture Limited	(57,279,760)	(44,152,009)
	GMR AIRPORTS LIMITED	71,485	71,485
	Gateways For India Airpor	1,180,000	-
	GMR COAL RESOURCES PTE. LTD	376,378	376,378
	GMR Business Process and Services Private Limited	100,000	-
	GMR FAMILY FUND TRUST	46,100,000	181,230,675
	GMR Maharshtra Energy	-	132,750
	GMR CHENNAI OUTER RI	-	(6,529,500)
	GMR KISHANGARH UDAIPUR AHMEDABAD	-	3,600,764
	DHRUVI SECURITIES PV	-	(564,103)

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24 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. 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 other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, and derivative financial instruments.

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

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

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

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

B. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have fluctuating interest rate borrowings, thus company does not have any interest rate risk.

C. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have exposure to foreign currency payable or receivable balances and hence it does not have any foreign currency risk.

D. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

E. Liquidity risk

Maturity profile of the Group's financial liabilities based on contractual undiscounted payments as on 31st March 2019

(Amount in Rupees)

Particulars	Within 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2019				
Borrowings	-			-
Trade and other payables	260,374,323			260,374,323
Other financial liabilities	10,791,773			10,791,773
Total	**271,166,096**	-	-	**271,166,096**
Year ended March 31, 2018				
Borrowings				-
Trade and other payables	273,713,989			273,713,989
Other financial liabilities	35,852,838			35,852,838
Total	**309,566,827**	-	-	**309,566,827**
Year ended March 31, 2018				

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25 Fair Value Measurements

The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2019			As at March 31, 2018		
	Fair value through statement of profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised cost	Fair value through statement of profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised cost
Financial assets						
Investments (other than investments in subsidiaries, associates and joint ventures)						
- 19,35,000 units of Infrastructure Resurrection	193,500,000			193,500,000		
-20,00,000 units of Infrastructure Project Development	200,000,000			200,000,000		
Loans			219,481,561			476,636,182
Trade receivables			2,250,449			2,307,566
Cash and cash equivalents			5,691,006			1,364,409
Other financial assets			12,020			12,020
Total	**393,500,000**	-	**227,435,036**	**393,500,000**	-	**480,320,177**
Financial liabilities						
Borrowings			441,924,458			592,110,573
Trade payables			260,374,323			273,713,989
Other financial liabilities			10,791,773			35,852,838
Total	-	-	713,090,554	-	-	**901,677,400**

26 Fair Value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to intial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying amount	Fair Value			Carrying amount	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Investments (other than investments in subsidiaries, associates and joint ventures)	-	-		-	-	-	-	-
(10,000 equity shares of Rs.10 each fully paid in GBPS & GMR SEZ Infra) NAV 10	100,000			100,000	100,000	-	-	100,000
- 19,35,000 units of Infrastructure Resurrection Fund@NAV Rs.100/- per unit	193,500,000	-	194,680,350		193,500,000	-	188,178,750	
-20,00,000 units of Infrastructure Project Development Capital@NAV Rs.100/- per unit	200,000,000	-	110,320,000		200,000,000	-	149,980,000	
Loans	219,481,561	-		219,481,561	476,636,182			476,636,182
Trade receivables	2,250,449	-		2,250,449	2,307,566			2,307,566
Cash and cash equivalents	5,691,006	-		5,691,006	1,364,409			1,364,409
Other financials assets	12,020	-		12,020	12,020			12,020
Total	**621,035,036**	-	**305,000,350**	**227,535,036**	**873,920,177**	-	**338,158,750**	**480,420,177**
Financial liabilities								
Borrowings	441,924,458			441,924,458	592,110,573			592,110,573
Trade payables	260,374,323			260,374,323	273,713,989			273,713,989
Other financial liabilities	10,791,773			10,791,773	35,852,838			35,852,838
Total	**713,090,554**	-	-	**713,090,554**	**901,677,400**	-	-	**901,677,400**

GIRISH MURTHY & KUMAR
4502,
High Point IV
45, Palace Road,
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CHARTERED ACCOUNTANTS

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GMR Corporate Affairs Pvt. Ltd.

27 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and heathy capital ratios in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

		31-Mar-19	31-Mar-18
Borrowings		441,924,458	592,110,573
Net debt	(i)	**441,924,458**	**592,110,573**
Share Capital		50,000,000	50,000,000
Other Equity		(186,129,878)	(113,877,740)
Total capital	(ii)	**(136,129,878)**	**(63,877,740)**
Capital and net debt	(iii= i+ii)	**305,794,580**	**528,232,833**
Gearing ratio (%)	(i/iii)	144.52%	112.09%

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 period.

28 Segment reporting

The Chief Operating Decision Maker reviews the operations of the Company primarily as a business of procurement of land, which is considered to be the only reportable segment by the management. Hence, there are no additional disclosures to be provided under IND AS 108 'Operating Segments'.

29 Capital commitments

Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances Rs.NIL (Mar'18 – Rs.NIL).

30 Pending litigations

The Company does not have any pending litigations which would impact its financial position.

31 Standards/ Ammendments issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company

A. Ind AS 116 Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019

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

Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12, 'Income taxes'
Prepayment Features with Negative Compensation, Amendments to Ind AS 109, Financial Instruments.
Plan Amendment, Curtailment or Settlement, Amendments to Ind AS 19, Employee Benefits.

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Corporate Affairs Pvt. Ltd. ★ GMR

Annual Improvements to Ind AS

•Ind AS 23, 'Borrowing Cost'- clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

•Ind AS 103, 'Business Combination'- clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The acquirer should re-measure its previously held interest in the joint operation at fair value at the acquisition date.

•Ind AS 111, 'Joint arrangements'- clarified that the party obtaining joint control of a business that is a joint operation should not measure its previously held interest in joint operation.

•Ind AS 12, 'Income Taxes'- clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends.

Previously, it was unclear whether the income tax consequences of dividend should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

The interpretation is effective for annual periods beginning on or after April 1, 2019.

32 Foreseeable losses

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

33 MSME Dues

There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at March 31, 2019. This information, as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the company.

As per our report of even date

For Girish Murthy & Kumar
Chartered Accountants
Firm registration number: 000934S

A.V.Satish Kumar
Partner
Membership No:26526

GIRISH MURTHY & KUMAR ★ CHARTERED ACCOUNTANTS ★ 4502, Hight Point IV 45, Palace Road, Bangalore-1

Place : Bangalore
Date : 19th April 2019

For and on behalf of the board of directors
GMR Corporate Affairs Private Limited

Thandaveswaran .N.A
Director
DIN: 7815847

M.V.Srinivas
Director
DIN: 2477894

Satyanarayana .Y.S
CFO

Vimal Prakash
Company Secretary

GMR Corporate Affairs Pvt. Ltd.