

**Independent Auditor's Report on Annual Financial Information of the Company**

**To the Board of Directors of GMR KRISHNAGIRI SIR LIMITED**

**Opinion**

We have audited the accompanying statement of annual financial information ('the Statement') of M/s. GMR Krishnagiri SIR Limited (the "Company") for the year ended 31 March 2020 prepared by the Company's management to assist the management of the Holding Company in the preparation of its consolidated financial results for the year ended 31 March 2020 pursuant to the requirements of SEBI circular no. CIR/CFD/CMD1/44/2019 dated 29 March 2019 read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations: and

gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2020.

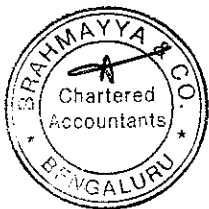
**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement 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 ('the ICAI') together with the ethical 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 Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matters:**

We draw attention to Note no. 30 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion on the standalone financial statements is not modified in respect of the above matters.



**Management Responsibilities for the Statement**

This Statement has been prepared on the basis of the annual audited financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Statement**

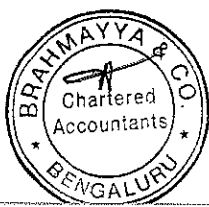
Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 the management.

Conclude on the appropriateness of the 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 Statement 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 Statement, including the disclosures, and whether the Statement represents 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.

### Other Matter(s)

The Statement includes the financial information for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

### Restriction on distribution or use

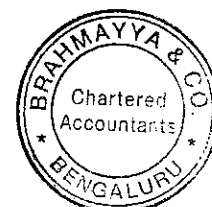
The Statement has been prepared by the Company's Management to assist the management of the Holding Company in the preparation of its consolidated financial results for the year ended 31 March 2020 pursuant to the requirements of SEBI circular no. CIR/CFD/CMD1/44/2019 dated 29 March 2019 read with Regulation 33 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time, and therefore, it may not be suitable for any other purpose. This report is issued solely for the aforementioned purpose and for the use of the group auditors, M/s Walker Chandiook & Co LLP, in their audit of consolidated financial statements of the Holding Company, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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



G. Srinivas  
Partner  
Membership number: 086761  
UDIN: 20086761AAAAAZ3764

Place: Bengaluru  
Date: 6 June, 2020



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF GMR KRISHNAGIRI SIR LIMITED  
(FORMERLY, GMR KRISHNAGIRI SEZ LIMITED)**

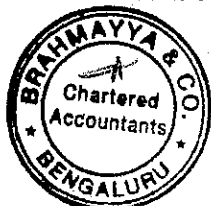
**Report on the Ind AS Financial Statements**

**Opinion**

1. We have audited the accompanying Ind AS financial statements of **M/s. GMR Krishnagiri SIR Limited** (the "**Company**"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31<sup>st</sup> March, 2020 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion:**

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



**Emphasis of Matters:**

4. We draw attention to Note no. 30 of the Ind AS financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion on the Ind AS financial statements is not modified in respect of the above matter.

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

5. The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the annual report, but does not include the financial statements and our auditor's report thereon.]

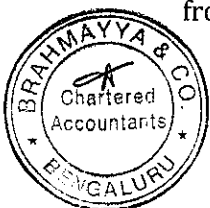
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

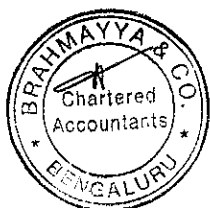
6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

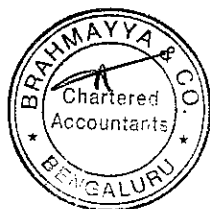
9. Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee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



- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

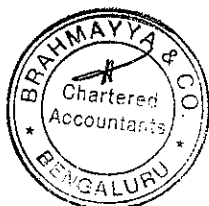
**Report on Other Legal and Regulatory Requirements:**

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



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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the board of directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2020 from being appointed as directors in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financials controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have long-term contracts including derivative contracts for which there were any material foreseeable losses;





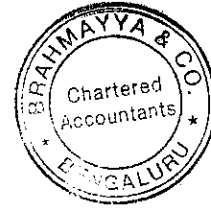
iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



**G. Srinivas**  
Partner  
Membership number: 086761  
UDIN: 20086761AAAAAY5592

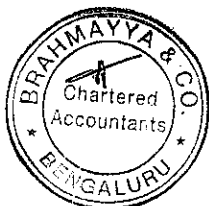
Place: Bengaluru  
Date: June 6, 2020



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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2020 we report that:

- (i) In respect of the Company's fixed assets
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (b) The Company has a program of verification to cover all the items Property, Plant and Equipment of in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The activities of the company did not involve purchase of any inventory or sale of goods during the year, and accordingly Clause(ii) of Paragraph 3 of the Order is not applicable to the company for the year.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clauses from (iii) (a) to (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.
- (vii) a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, Goods and Service Tax, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities.  
 b) According to the information and explanations given to us, there were no undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and other material statutory dues which were outstanding, as at 31 March, 2020 for a period of more than six months from the date they became payable.  
 c) According to the information and explanations given to us, there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Goods and Service Tax and Cess which have not been deposited on account of dispute.



- (viii) The company have not taken any loans or borrowings from any financial institutions, banks and Government. According to the information and explanations given by the management, we are of the opinion that the Company has not issued any debentures and neither defaulted in repayment of dues to the debentures holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration to its Manager during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

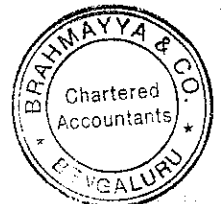
For Brahmayya & Co.,  
Chartered Accountants  
ICAI Firm registration no: 000515S



G. Srinivas  
Partner

Membership number: 086761  
UDIN: 20086761AAAAAY5592

Place: Bengaluru  
Date: June 6, 2020



**Annexure - B to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **GMR Krishnagiri SIR LTD** ("the Company") as at 31 March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

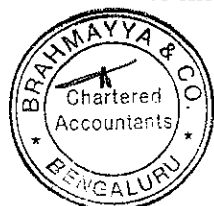
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the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

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

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

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

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial reporting includes those policies and procedures that



- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

#### **Opinion**

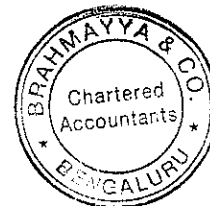
In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



**G. Srinivas**  
Partner  
Membership number: 086761  
UDIN: 20086761AAAAAY5592

Place: Bengaluru  
Date: June 6, 2020



(Amount in Rs)

GMR Krishnagiri SIR Limited					
Statement of standalone Audited Results for Quarter and Year ended March 31, 2020					
Particulars	Quarter ended			Year ended	
	31.03.20 (Refer Note 1)	31.12.19 Unaudited	31.03.19 (Refer Note 1)	31.03.20 Audited	31.03.19 Audited
<b>A Continuing Operations</b>					
<b>1 Revenue</b>					
a) Revenue from operations					
i) Other operating income					
b) Other income					
i) Others	16,15,675	15,16,645	12,43,000	63,13,861	12,84,791
<b>Total revenue</b>	<b>16,15,675</b>	<b>15,16,645</b>	<b>12,43,000</b>	<b>63,13,861</b>	<b>12,84,791</b>
<b>2 Expenses</b>					
a) Employee benefits expense	5,19,324	6,83,529	43,42,324	21,18,352	51,75,816
b) Finance costs	-	991	-	22,90,398	8,800
c) Other expenses	2,49,06,836	6,18,087	1,87,39,650	2,73,32,116	2,31,04,342
<b>Total expenses</b>	<b>2,55,07,152</b>	<b>43,32,607</b>	<b>2,00,81,371</b>	<b>3,21,41,067</b>	<b>2,82,89,279</b>
<b>3 Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)</b>	<b>(2,38,91,476)</b>	<b>1,84,035</b>	<b>(1,88,38,371)</b>	<b>(2,58,27,205)</b>	<b>(2,70,04,488)</b>
<b>4 Exceptional items</b>					
<b>5 Profit/(loss) from continuing operations before tax expenses (3 ± 4)</b>	<b>(2,38,91,476)</b>	<b>1,84,035</b>	<b>(1,88,38,371)</b>	<b>(2,58,27,205)</b>	<b>(2,70,04,488)</b>
<b>6 Tax expenses of continuing operations</b>					
a) Current tax	27,660	-	-	27,660	-
b) Prior Period tax	-	-	-	-	96,170
c) Deferred tax	-	-	-	-	-
<b>7 Profit/(loss) after tax from continuing operations (5 ± 6)</b>	<b>(2,39,19,076)</b>	<b>1,84,035</b>	<b>(1,88,38,371)</b>	<b>(2,58,54,805)</b>	<b>(2,71,00,858)</b>
<b>B Discontinued Operations</b>					
<b>8 Profit/(loss) from discontinued operations before tax expenses</b>					
<b>9 Tax expenses of discontinued operations</b>					
a) Current tax					
b) Deferred tax					
<b>10 Profit/(loss) after tax from discontinued operations (8 ± 9)</b>					
<b>11 Profit/(loss) after tax for respective periods (7 ± 10)</b>	<b>(2,39,19,076)</b>	<b>1,84,035</b>	<b>(1,88,38,371)</b>	<b>(2,58,54,805)</b>	<b>(2,71,00,858)</b>
<b>12 Other Comprehensive Income</b>					
A) (a) Items that will not be reclassified to profit or loss					
(b) Income tax relating to items that will not be reclassified to profit or loss					
B) (a) Items that will be reclassified to profit or loss					
(b) Income tax relating to items that will be reclassified to profit or loss					
<b>13 Total other comprehensive income, net of tax for the respective periods</b>					
<b>14 Total comprehensive income for the respective periods (11 ± 13) [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods]</b>	<b>(2,39,19,076)</b>	<b>1,84,035</b>	<b>(1,88,38,371)</b>	<b>(2,58,54,805)</b>	<b>(2,71,00,858)</b>
<b>15 Earnings per equity share</b>					
a) Basic & diluted EPS	(0.01)	(0.03)	(0.00)	(0.22)	(0.25)
b) Basic & diluted EPS from continuing operations	(0.01)	(0.03)	(0.00)	(0.22)	(0.25)
c) Basic & diluted EPS from discontinued operations	-	-	-	-	-

**Notes:**

01. The figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the unaudited year to date figures up to the third quarter of the relevant financial years.

**02. Impact of COVID-19:**

The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. Under the operational guidelines announced by the State Government, the company has obtained necessary approvals and commenced its operations gradually from 11<sup>th</sup> May 2020. As on the current date, based on the assessment, the Company has concluded that the impact of COVID-19 pandemic is not material on the carrying value of the assets of the business. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in future, the Company will continue to monitor the developments to identify significant impact, if any in the future period.

As per our report of even date

For Brahmayya & Co.,  
Firm Registration No: 0005158  
Chartered Accountants

G. Srinivas  
Partner  
Membership Number: 060761

Place: Bengaluru  
Date: 6th June, 2020



For and on behalf of the board of directors of  
GMR Krishnagiri SIR Limited

BVN Rao  
Director  
DIN: 00051167

Sanjay Kumar Jain  
Company Secretary

Place: Chennai  
Date: 6th June, 2020

Mohanrao M  
Director  
DIN: 02506274

Govind Bhat Lakshman  
Chief Financials Officer



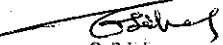
**GMR Krishnagiri SIR Limited**  
(Formerly GMR Krishnagiri SEZ Limited)

**Statement of Assets and Liabilities**

(Amount in Rs)		
Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
<b>1 ASSETS</b>		
<b>a) Non-current assets</b>		
Property, plant and equipment	26,37,374	34,10,931
Investment property under construction	6,90,68,41,233	6,31,23,87,192
Other intangible assets	44,135	1,05,435
Financial assets		
Loans and advances	26,69,100	24,40,730
Non Current taxes	4,87,598	52,292
Deferred tax assets (net)	2,77,187	2,77,187
Other non-current assets	10,62,14,621	66,09,395
<b>Total Non-Current Assets (a)</b>	<b>7,01,91,71,248</b>	<b>6,32,52,83,161</b>
<b>b) Current assets</b>		
Inventories		
Financial assets		
Cash and cash equivalents	5,32,79,256	16,33,559
Other financial assets	33,48,988	16,48,501
Other current assets	13,99,669	9,33,87,988
<b>Total Current Assets (b)</b>	<b>5,80,27,913</b>	<b>9,66,70,048</b>
<b>TOTAL ASSETS (a+b)</b>	<b>7,07,71,99,161</b>	<b>6,42,19,53,209</b>
<b>2 EQUITY AND LIABILITIES</b>		
<b>a) Equity</b>		
Equity share capital	1,17,50,00,000	1,17,50,00,000
Other equity	(5,68,72,839)	(2,47,19,036)
<b>Total equity (a)</b>	<b>1,11,81,27,161</b>	<b>1,15,02,80,964</b>
<b>b) Non-current liabilities</b>		
Financial liabilities		
Borrowings	3,54,62,20,944	3,38,44,04,944
Other financial liabilities	2,31,60,97,350	-
Provisions	43,82,876	44,60,992
<b>Total Non-current Borrowings (b)</b>	<b>5,86,67,01,170</b>	<b>3,38,88,65,936</b>
<b>c) Current liabilities</b>		
Financial liabilities		
Borrowings		
Trade Payables	94,72,429	43,52,572
Other financial Liabilities	5,52,10,523	1,84,65,34,854
Other current liabilities	2,67,98,010	3,14,07,941
Provisions	9,79,867	5,10,942
Current tax Provisions		
<b>Total Current borrowings (c)</b>	<b>9,23,70,830</b>	<b>1,88,28,06,309</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b+c)</b>	<b>7,07,71,99,161</b>	<b>6,42,19,53,209</b>

As per our report of even date

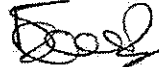
For Brahmayya & Co.,  
Firm Registration No: 0005158  
Chartered Accountants

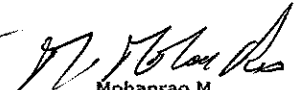
  
G. Srinivas  
Partner  
Membership Number: 086761

Place : Bengaluru  
Date: 6th June, 2020



For and on behalf of the board of directors of  
GMR Krishnagiri SIR Limited

  
BVN Rao  
Director  
DIN 00051167

  
Mohanrao M  
Director  
DIN 02506274

  
Sanjay Kumar Jain  
Company Secretary

  
Govind Bhat Padyana  
Chief Financial Officer

Place : Chennai  
Date: 6th June, 2020



**GMR Krishnagiri SIR Limited**  
(Formerly GMR Krishnagiri SEZ Limited)  
Balance Sheet as at 31st March 2020

			Amount in INR	
	Particulars	Notes	As at 31st March 2020	As at 31st March 2019
<b>I</b>	<b>ASSETS</b>			
	<b>(1) Non-current assets</b>			
	(a) Property, Plant and Equipment	3	26,37,374	34,10,931
	(b) Investment Property under construction	4	6,90,68,41,233	6,31,23,87,192
	(c) Other Intangible Assets	5	44,135	1,05,435
	(d) Financial Assets			
	(i) Loans & Advance	6	26,69,100	24,40,730
	(e) Other non-current assets	7	10,62,14,621	66,09,395
	(f) Non Current taxes	8	4,87,598	52,292
	(g) Deferred tax asset (net)	8	2,77,187	2,77,187
	<b>(2) Current assets</b>			
	(a) Financial Assets			
	(i) Cash and cash equivalents	9	5,32,79,256	16,33,559
	(ii) Other financial assets	6	33,48,988	16,48,501
	(b) Other current assets	7	13,99,669	9,33,87,988
	<b>Total Assets</b>		<b>7,07,71,99,161</b>	<b>6,42,19,53,209</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>(1) Equity</b>			
	(a) Equity Share capital	10	1,17,50,00,000	1,17,50,00,000
	(b) Other Equity	11	-5,68,72,839	-2,47,19,036
	<b>LIABILITIES</b>			
	<b>(2) Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12	3,54,62,20,944	3,38,44,04,944
	(ii) Other financial liabilities	14	2,31,60,97,350	
	(b) Provisions	16	43,82,876	44,60,992
	<b>(3) Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	13	94,72,429	43,52,572
	(ii) Other financial liabilities	14	5,52,10,523	1,84,65,34,854
	(b) Other current liabilities	15	2,67,08,010	3,14,07,941
	(c) Provisions	16	9,79,867	5,10,942
	<b>Total Equity and Liabilities</b>		<b>7,07,71,99,161</b>	<b>6,42,19,53,209</b>

The accompanying notes 1 to 34 are an integral part of the financial statements.

As per our report of even date

For Brahmayya & Co.,  
Firm Registration No: 0005155  
Chartered Accountants

G. Srinivas  
Partner  
Membership Number: 086761

Place: Bengaluru  
Date: 6th June, 2020



For and on behalf of the board of directors of  
GMR Krishnagiri SIR Limited

BVN Rao  
Director  
DIN 00051167

Sanjay Kumar Jain  
Company Secretary

Place: Chennai  
Date: 6th June, 2020

Mohanrao M  
Director  
DIN 02506274

Govind Bhat Padvana  
Chief Financials Officer





# GMR Krishnagiri SIR Limited

(Formerly GMR Krishnagiri SEZ Limited)

Statement of Profit and Loss for the year ended 31st March 2020

Particulars	Notes	Amount in INR	
		For the year ended 31 March 2020	For the year ended 31 March 2019
<b>I REVENUE</b>			
Revenue From Operations		-	-
Other Income	17	63,13,861	12,84,791
<b>Total Revenue (I)</b>		<b>63,13,861</b>	<b>12,84,791</b>
<b>II EXPENSES</b>			
Employee Benefits Expense	18	25,18,552	51,75,846
Finance Costs	19	22,90,398	8,890
Other Expenses	20	2,73,32,116	2,31,04,542
<b>Total expenses (II)</b>		<b>3,21,41,067</b>	<b>2,82,89,278</b>
<b>III Profit before exceptional items and tax (I-II)</b>		<b>-2,58,27,205</b>	<b>-2,70,04,487</b>
<b>IV Exceptional Items</b>		-	-
<b>V Profit/(loss) before tax (III-IV)</b>		<b>-2,58,27,205</b>	<b>-2,70,04,487</b>
<b>VI Tax expense:</b>			
(1) Current Tax		27,600	-
(2) Adjustments of tax relating to earlier year		-	96,370
(3) Deferred Tax		-	-
<b>VII Profit/(loss) for the period (V-VI)</b>		<b>-2,58,54,805</b>	<b>-2,71,00,857</b>
<b>VIII Other Comprehensive Income</b>			
<b>A Items that will be reclassified to profit or loss</b>			
<b>B Items that will not be reclassified to profit or loss</b>			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
<b>IX Total Comprehensive Income for the period (VII + VIII)</b>		<b>-2,58,54,805</b>	<b>-2,71,00,857</b>
(Comprising Profit (Loss) and Other Comprehensive Income for the period)			
<b>X Earnings per equity share:</b>			
(1) Basic		-0.22	-0.23
(2) Diluted		-0.22	-0.23

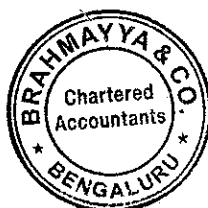
The accompanying notes 1 to 31 are an integral part of the financial statements.

As per our report of even date

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

G. Srinivas  
Partner  
Membership Number: 086761

Place: Bengaluru  
Date: 6th June, 2020



For and on behalf of the board of directors of  
GMR Krishnagiri SIR Limited

BVN Rao  
Director  
DIN 00051167

Sanjay Kumar Jain  
Company Secretary

Place: Chennai  
Date: 6th June, 2020

Mohanrao M  
Director  
DIN 02506274

Govind Bhat Padyana  
Chief Financials Officer



**GMR Krishnagiri SIR Limited**

(Formerly GMR Krishnagiri SEZ Limited)

Statement of cash flows for the year ended 31 March 2020

Particulars	Amount in INR	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I. Cash flow from operating activities:</b>		
A. Profit before tax	(2,58,54,805)	(1,70,04,487)
B. Adjustment for non-cash transactions:		
a. Depreciation and amortization expenses		
b. Investment WIP written-off	2,47,04,634	1,78,02,603
	2,47,04,634	1,78,02,603
C. Adjustment for investing and financing activities:		
Interest income earned	-	-
Interest expense - fair value adjustment	(40,08,599)	(62,83,014)
	(40,08,599)	(62,83,014)
C. Adjustment for changes in working capital:		
a. Decrease / (increase) in other financial assets	(17,00,487)	(1,49,000)
b. Decrease / (increase) in other current assets	(1,04,51,622)	50,27,007
c. (Decrease) / Increase in trade payables	51,19,857	-
d. (Decrease) / Increase in other non current financial liabilities	1,45,00,000	-
e. (Decrease) / Increase in other financial liabilities	(41,89,12,820)	(5,69,98,160)
f. (Decrease) / Increase in other current liabilities	(46,99,931)	75,25,914
g. (Decrease) / Increase in provisions	3,90,809	(84,45,399)
	1,02,27,45,806	(5,24,39,638)
D. Cash generated from operations (A+B+C)	1,01,75,87,035	(6,79,24,536)
Less: Direct taxes paid (net of refunds)	(4,35,306)	(10,79,386)
<b>Net cash flow from operating activities (I)</b>	<b>1,01,71,51,729</b>	<b>(6,90,03,922)</b>
<b>II. Cash flows from investing activities</b>		
a. Purchase of property, plant and equipment, investment property	(59,07,84,468)	(60,87,89,338)
b. Sale proceeds from disposal of property, plant and equipment	-	-
c. Payments to capital creditors, other non-current assets (net of written off's)	(2,47,04,634)	2,03,74,977
d. Loans (given to) / repaid by others	(2,28,370)	-
e. Proceeds from sale of current investments	-	-
f. Interest Income received	-	-
<b>Net cash flow from/ (used in) investing activities (II)</b>	<b>(61,57,17,472)</b>	<b>(58,83,95,255)</b>
<b>III. Cash flows from financing activities</b>		
a. Proceeds from borrowings	16,13,14,137	84,18,63,944
b. Repayment of borrowings	-	-
c. Interest paid	(51,16,02,697)	-
<b>Net cash flow (used in) financing activities (III)</b>	<b>(34,97,88,560)</b>	<b>64,18,63,944</b>
<b>IV. Net (decrease) in cash and cash equivalents (I + II + III)</b>	<b>5,16,45,697</b>	<b>(1,55,35,234)</b>
Cash and cash equivalents at the beginning of the year	16,33,559	1,71,68,793
Cash and cash equivalents acquired through merger	-	-
<b>V. Cash and cash equivalents at the end of the year</b>	<b>5,32,79,256</b>	<b>16,33,559</b>
<b>IV. Components of cash and cash equivalents:</b>		
a. Cash on hand	51,934	2,51,992
b. Cheques, Drafts and Stamps on hand	-	-
c. With banks:		
i. On Current Account	5,32,27,317	13,81,967
ii. On Deposit Account having original maturity less than three months	-	-
<b>Total cash and cash equivalents</b>	<b>5,32,79,256</b>	<b>16,33,559</b>

**Notes:**

1. The above cashflow statement has been prepared under the 'Indirect Method' as set out in the IND AS - 7 on cashflow statements as referred to in section 133 of the Companies Act, 2013.

2. The above cashflow statement has been compiled from and is based on the Balance Sheet as at March 31, 2020 and the related statement of profit and loss for the year ended on that date.

As per our report of even date

For Brahmayya & Co.,  
Firm Registration No: 0005155  
Chartered Accountants

G. Srinivas  
Partner  
Membership Number: 086761

Place: Bengaluru  
Date: 6th June, 2020

For and on behalf of the board of directors of  
GMR Krishnagiri SIR Limited

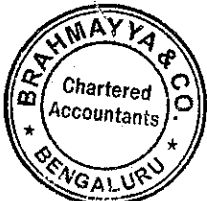
BVN Rao  
Director  
DIN: 00051167

Sanjay Kumar Jain  
Company Secretary

Place: Chennai  
Date: 6th June, 2020

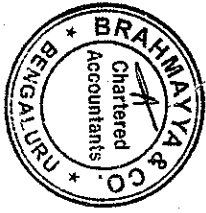
Mohanrao M  
Director  
DIN: 02506274

Govindhal Padayana  
Chief Financial Officer



**GMR Krishnagiri SIR Limited**  
**(Formerly GMR Krishnagiri SEZ Limited)**  
**Statement of Changes in Equity for the year ended 31 March 2020**  
**(Amounts in INR, unless otherwise stated)**

	Attributable to the equity holders of the parent				Total equity
	Issued capital	Equity component of loans	Reserves and surplus	Total	
<b>At 31 March 2018</b>					
Profit for the period	1,17,50,00,000	18,15,68,508	-17,29,03,673	1,18,36,64,835	1,18,36,64,835
Fair Valuation of corporate Guarantee	-	-	-2,71,00,857	-2,71,00,857	-2,71,00,857
<b>At 31 March 2019</b>					
Profit for the period	1,17,50,00,000	18,15,68,508	-62,83,014	1,15,02,80,964	1,15,02,80,964
Fair Valuation of corporate Guarantee	-	-	-20,62,87,544	-2,58,54,805	-2,58,54,805
<b>At 31 March 2020</b>					
Profit for the period	1,17,50,00,000	18,15,68,508	-2,58,54,805	1,11,81,27,161	1,11,81,27,161
Fair Valuation of corporate Guarantee	-	-	-62,98,997	-62,98,997	-62,98,997
	1,17,50,00,000	18,15,68,508	-23,84,41,347	1,11,81,27,161	1,11,81,27,161



0. Vested term deposits, unvested, with applicable interest calculated (Gross/Net/After-tax Share/Preference)

Sl No	Share Code	IC Code	Company name	Transaction Description	DL Code	Main head	Sub head	IC Div/Flt/PS	Per Issue DL	Issue Amount	Per No AS DL	Early component of dividend per share	Per No AS DL	Additional interest accrued till expense date	Total (Gross + Div AS Adjustment)	DL/Div	Per	Deferred tax on Div Adjustment (Div or Interest)
1	DL	1 E200	GMR Infrastructure Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3000000.00	14,30,00,000	3000000.00		31,00,00,000		14,30,00,000			
2	DL	1 E210	GMR SEZ & Port Solutions Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3100000.00	31,00,00,000	3100000.00		31,00,00,000		31,00,00,000			
3	DL	1 E211	GMR Infrastructure Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3100000.00	30,65,00,000	3100000.00		31,00,00,000		30,65,00,000			
4	DL	1 E212	GMR Infrastructure Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3100000.00	47,02,33,831	3100000.00		31,00,00,000		47,02,33,831			
5	DL	1 E213	GMR Infrastructure Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3000000.00	1,99,50,000	3000000.00		30,00,00,000		1,99,50,000			
6	DL	1 E214	GMR Infrastructure Limited	Dividend		Bank term deposits	Inter corporate loans and deposits	ELMTRPSA	3100000.00	70,93,17,113	3100000.00		31,00,00,000		70,93,17,113			
7																		
8																		
9																		

1. Dividend Tax

Sl No	Share Code	IC Code	Company name	Transaction Description	DL Code	Main head	Sub head	IC Div/Flt/PS	Per Issue DL	Issue Amount	Per No AS DL	DTI Interest accrued till expense date	Total (Gross + Div AS Adjustment)	DL/Div	Per	Deferred tax on Div Adjustment
1																
2																
3																

5. Bank Deposit/Bank Loan/Share/Debt/Commitment of Asset/Preference/Preference Share

Sl No	Share Code	IC Code	Company name	Transaction Description	DL Code	Main head	Sub head	IC Div/Flt/PS	Per Issue DL	Issue Amount	Per No AS DL	Early component of dividend per share	Per No AS DL	Additional interest accrued till expense date	Total (Gross + Div AS Adjustment)	DL/Div	Per	Deferred tax on Div Adjustment
1	DL	1 E200	GMR Infrastructure Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	2700000.00	1,17,50,00,000	2700000.00		1,17,50,00,000		1,17,50,00,000			
2	DL	1 E210	GMR SEZ & Port Solutions Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	1,17,50,00,000	1,17,50,00,000	1,17,50,00,000		1,17,50,00,000		1,17,50,00,000			
3	DL	1 E211	GMR Infrastructure Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	1,17,50,00,000	1,17,50,00,000	1,17,50,00,000		1,17,50,00,000		1,17,50,00,000			
4	DL	1 E212	GMR Infrastructure Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	1,17,50,00,000	1,17,50,00,000	1,17,50,00,000		1,17,50,00,000		1,17,50,00,000			
5	DL	1 E213	GMR Infrastructure Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	1,17,50,00,000	1,17,50,00,000	1,17,50,00,000		1,17,50,00,000		1,17,50,00,000			
6	DL	1 E214	GMR Infrastructure Limited	Share Capital		Bank term deposits	Share Capital	ELMTRPSA	1,17,50,00,000	1,17,50,00,000	1,17,50,00,000		1,17,50,00,000		1,17,50,00,000			

6. Investment in equity securities (including securities issued by subsidiaries of listed companies and listed financial institutions)

Sl No	Share Code	IC Code	Company name	Transaction Description	DL Code	Main head	Sub head	IC Div/Flt/PS	Per Issue DL	Issue Amount	Per No AS DL	Investment in equity securities (including securities issued by subsidiaries of listed companies and listed financial institutions)	Per No AS DL	Additional interest accrued till expense date	Total (Gross + Div AS Adjustment)	DL/Div	Per	Deferred tax on Div Adjustment
1																		
2																		
3																		



A. Receivable / Advance/Trade receivable / Deposits paid / Interest receivable

SI No	Short Code	IC Code	Company Name	Transaction Description	GL Code	Main Head	Sub Head	IC: Elim / Plus	BPC: GAAP GL	GAAP Amount	BPC: IND AS GL	Ind AS Adjustment Amount	Total (GAAP + IND AS Adjustment)	In Rs.
1	GSPIL	I.ES171	GMR SIZ & Port Holdings Limited	Reimbursement of Expenses		Other Current assets	Other receivables	ELIMT901	120002220 INP	17,95,383			17,95,383	
2	GEMNO	I.E6000	GEMNO Media Private Limited	Reimbursement of Expenses		Other Current assets	Other receivables	ELIMT901	120002220 INP	4,98,142			4,98,142	
3	GIL	I.E6000	GIL Infrastructure Limited	Reimbursement of Expenses		Other Current assets	Other receivables	ELIMT901	120002220 INP	6,00,830			6,00,830	
4	GHEI	I.E2200	GHEI Bahamondy Event Limited	Reimbursement of Expenses		Other Current assets	Other receivables	ELIMT901	120002220 INP	9,48,777			9,48,777	
5														
													11,99,381	
													4,98,142	
													6,00,830	
													9,48,777	

B. Payable / Trade payable / Accrual payable / Deposits received / Interest payable

SI No	Short Code	IC Code	Company Name	Transaction Description	GL Code	Main Head	Sub Head	IC: Elim / Plus	BPC: GAAP GL	GAAP Amount	BPC: IND AS GL	Ind AS Adjustment Amount	Total (GAAP + IND AS Adjustment)	In Rs.
1	GIL	I.E6000	GIL Infrastructure Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	310700150 INP	13,50,53,260			13,50,53,260	
2	GTEH	I.B3110	GMR Transham Indianan Expressways Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	320000000 INP	60,36,06,803			60,36,06,803	
3	GIL	I.E6000	GIL Infrastructure Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	320000000 INP	1,29,69,298			1,29,69,298	
4	GMRH	I.E3800	GMR Highway Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	310700150 INP	12,74,37,307			12,74,37,307	
5	HPEI	I.E5520	Heavy Power Electric Private Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	320000000 INP	21,24,443			21,24,443	
6	GPHI	I.E0121	GMR SIZ & Port Holdings Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	320000000 INP	64,580			64,580	
7	RAVA	I.E8003	Rava Security Services Limited	Interest accrued ICD		Other financial liabilities Non-current	Interest payable on inter corporate loans and deposits Non-current	ELIMT902	320000000 INP	4,59,601			4,59,601	
8	RAVA	I.E6000	Rava Security Services Limited	Security Deposit Received		Other financial liabilities Non-current	Security deposit from related parties	ELIMT903	220000150 INP	1,45,00,000			1,45,00,000	
9														
10														
11														
12														
													13,72,47,307	
													1,76,69,998	
													21,24,443	
													64,580	
													4,59,601	
													1,45,00,000	

C. Loan given to group companies / Share application money / Other advances

SI No	Short Code	IC Code	Company Name	Transaction Description	GL Code	Main Head	Sub Head	IC: Elim / Plus	BPC: GAAP GL	GAAP Amount	BPC: IND AS GL	Ind AS Adjustment Amount	Total (GAAP + IND AS Adjustment)	In Rs.
1														
2														
3														



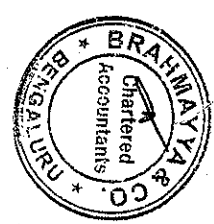
1. Right of Shareholders

Sl. No.	Share Code	Company Name	Particulars Description	IS Code	Main Type	Sub-Type	CLAW/FLIC	Particulars	Total Amount	BPC NO AS OF	Net AS Adjustment Amount	Total (Total Net AS Adjustment)
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40												
41												
42												
43												
44												
45												
46												
47												
48												
49												
50												
51												
52												
53												
54												
55												
56												
57												
58												
59												
60												
61												
62												
63												
64												
65												
66												
67												
68												
69												
70												
71												
72												
73												
74												
75												
76												
77												
78												
79												
80												
81												
82												
83												
84												
85												
86												
87												
88												
89												
90												
91												
92												
93												
94												
95												
96												
97												
98												
99												
100												

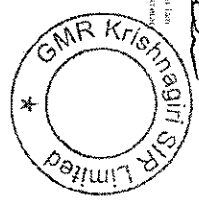
For Brahmaya & Co.  
Chartered Accountants  
Firm Registration Number: 7005315

S. Suresh  
Partner  
Membership: 086781

Place: Bangalore  
Date: 06/06/20



For and on behalf of Brahmaya & Co.  
S. Suresh  
Partner  
Membership: 086781



**A. Members**

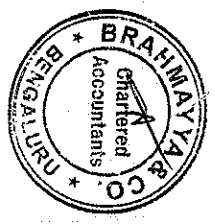
Sl. No.	Member Name	Designation	Category	Age	Gender	Religion	Marital Status	Education	Occupation	Income	Assets	Liabilities	Remarks
1	...	...	...	...	...	...	...	...	...	...	...	...	...

**B. Bankers (including pledged bank)**

Sl. No.	Bank Name	Branch	Account Type	Account No.	Balance	Collateral	Remarks
1	...	...	...	...	...	...	...

1/2 Declaration  
 Date: 21/05/2019  
 Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_

2/3 Declaration  
 Date: 21/05/2019  
 Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_



Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Designation: \_\_\_\_\_



Related Party Transaction Details  
 For the year ended March 31, 2020  
 Transaction for the period  
 GMR Krishnagiri SIR Limited  
 Company Code E5500

All the transaction during th period (loan taken/ loan given/ security deposit given/ security deposit taken/ SAM refunded/ SAM taken)

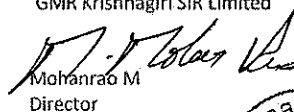
					In Rs.	
Sl No	Short Code	IC Code	Company name	Transaction Description	Amount	
1	GTTEL	I E3110	GMR Tambaram Tindivanam Expressways Limited	Interest on Loan	22,15,40,301	
2	GIL	I E6100	GMR Infrastructure Limited	Reimbursement paid	64,31,778	
3	GIL	I E6100	GMR Infrastructure Limited	Interest on Loan	7,62,23,524	
4	GIL	I E6100	GMR Infrastructure Limited	Debenture interest	1,70,86,685	
5	GIL	I E6100	GMR Infrastructure Limited	Loan taken	15,84,66,000	
6	GMRHL	I E3300	GMR Highways Limited	Interest on Loan	8,23,92,460	
7	GSPHL	I E6121	GMR SEZ & Port Holdings Limited	Reimbursement received	54,62,287	
8	GSPHL	I E6121	GMR SEZ & Port Holdings Limited	Interest on Loan	21,21,935	
9	GSPHL	I E6121	GMR SEZ & Port Holdings Limited	Loan taken	6,14,00,000	
10	GSPHL	I E6121	GMR SEZ & Port Holdings Limited	Loan Refunded	5,83,00,000	
11	RAXA	I E8000	Raxa Security Services Limited	Security charges	32,39,045	
12	RAXA	I E8000	Raxa Security Services Limited	Interest on security deposit	13,06,21,328	
13	HFEPL	I E5529	Honey Flower Estates Private Limited	Interest on Loan	19,03,919	
14	HFEPL	I E5529	Honey Flower Estates Private Limited	Loan taken	72,00,000	
15	HFEPL	I E5529	Honey Flower Estates Private Limited	Loan Refunded	69,50,000	
16	RPPL	I E5525	Radhapriya Properties Private Limited	Reimbursement paid	1,600	
17	GVF	GVF	GMR Varalakshmi Foundation	CSR Activities	9,06,214	
18	GCAPL	I E6610	GMR Corporate Affairs Private Limited	Reimbursement paid	2,89,100	
19	CPPL	I E5505	Camelia Properties Private Limited	Reimbursement paid	5,000	
20	APPL	I E5501	Advika Properties Private Limited	Reimbursement paid	585	
21	AMPPL	I E5503	Amartya Properties Private Limited	Reimbursement paid	31	
22	RAXA	I E8000	Raxa Security Services Limited	Security Deposit received	1,45,00,00,000	
23						
24						
25						
26						
27						

For Brahmayya & Co.  
 Chartered Accountants  
 Firm registration number ""0005155



G Srinivas  
 Partner  
 Membership No. 086761

For and on behalf of the Board of Directors  
 GMR Krishnagiri SIR Limited



Mohanrao M  
 Director



Sanjay Kumar Jain  
 Company Secretary



Place: Bangalore  
 Date: 06-06-2020





**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

**1. Corporate Information**

Tamil Nadu Industrial Development Corporation Limited (TIDCO), through international competitive bidding has selected GMR Infrastructure Limited (GIL) as Joint Venture Partner to develop a Multi-product Special Economic Zone (SEZ) in Krishnagiri District of Tamil Nadu, India. A Memorandum of Understanding (MOU) was entered in to with TIDCO on August 6, 2007. GIL has incorporated GMR Krishnagiri SEZ Ltd (GKSEZ) on 24<sup>th</sup> September 2007 as its wholly owned subsidiary. Due to the changes in the industrial scenario, GKSEZ decided to develop a Special Investment Region instead of the SEZ and received the approval from the appropriate Government Authorities. The name of the company has been changed to GMR Krishnagiri SIR Ltd on 05<sup>th</sup> January 2018. The company signed the Associate Sector Agreement & Service Agreements with TIDCO in July 2019. The company is planning to create the necessary infrastructure required for setting up of industries in the Region and thus promoting the industrial growth and all round development of the region. The work of land levelling, road, water facilities, power supply, street lighting, gardening etc are in progress.

The registered office of the company is located in Chennai, India.

Information on other related party relationships of the Company is provided in Note 25.

The financial statements were approved for issue in accordance with a resolution of the directors on 06.06.2020

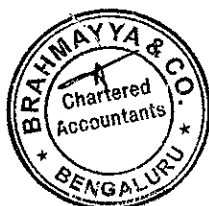
**2. Significant Accounting Policies**

**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).



**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

**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
- 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.

**b. Property, plant and equipment**

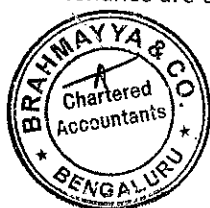
On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment as at 31 March 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on 1 April 2015.

Land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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.



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

On Transition to Ind AS, the Company has availed the optional exemption on "Long term Foreign currency Monetary items" and has accordingly continued with the policy to adjust the exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset recognised in the financial statements for the period ended 31 March 2016 ( as per previous GAAP) to the cost of the tangible asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs ('MCA') circular dated August 09, 2012, exchange differences adjusted to the cost of tangible fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

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 and certain items of building, plant and equipment, the Company, based on technical assessment made by technical expert and management estimate, believes that the useful lives of such assets are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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 Property, plant and equipment acquired under finance lease is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of lease term.

Depreciation on adjustments to the historical cost of the assets on account of foreign exchange fluctuations is provided prospectively over the residual useful life of the asset.

### 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., 1 April 2015.



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

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.

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.

### e. Intangible assets

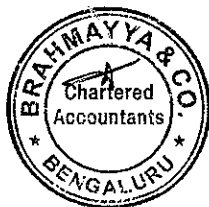
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and 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 etc and their useful lives are assessed as either finite or indefinite.

### Research and development cost:

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an 'intangible asset' when all of the below conditions are met:

- i. The technical feasibility of completing the intangible asset so that it will be available for use or sale
- ii. The Company's intention to complete the asset and use or sell it
- iii. The Company has ability to use or sell the asset
- iv. It can be demonstrated how the asset will generate probable future economic benefits
- v. Adequate technical, financial and other resources to complete the development and to use or sell the asset are available, and
- vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

### 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 (Software licences etc) 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. Leases

#### Company as a lessee:

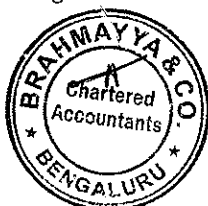
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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



**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

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

**Company as a lessor:**

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

Contingent rents are recognised as revenue in the period in which they are earned.

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

**i. Inventories**

Inventories are valued as follows:

Raw materials, components, stores and spares:

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present locations and condition.

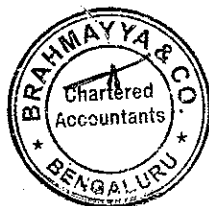
Contract work-in-progress:

Costs incurred that relate to future activities on the contract are recognised as contract work-in-progress. Contract work-in-progress comprises of construction cost and other directly attributable overheads and are measured at lower of cost and net realisable value.

Traded / Finished goods:

Traded goods are valued at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

### j. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used

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

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

### k. 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."



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

Contingent liability is disclosed in the case of:

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

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

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

### I. Retirement and other Employee Benefits

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, pension fund, superannuation fund etc. are defined contribution scheme. The Company has no obligation, other than the contribution payable.

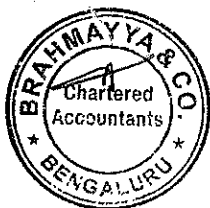
The Company recognizes contribution payable as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services 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.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through

OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

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





# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

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

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

### Long term employee benefits

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

### m. Financial Instruments

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

#### Financial assets

##### Initial recognition and measurement

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

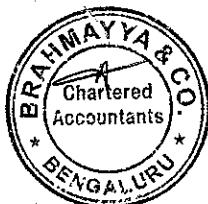
##### Subsequent measurement

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

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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



**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

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

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

Debt instrument at FVTOCI: A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- vii) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- viii) The asset's contractual cash flows represent SPPI

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

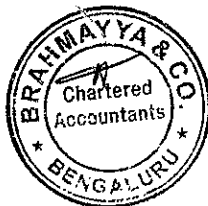
Debt instrument at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

### Impairment of financial assets

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

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

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

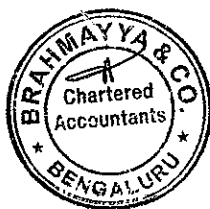
- xv) *Trade receivables or contract revenue receivables; and*
- xvi) *All lease receivables resulting from transactions within the scope of Ind AS 17*

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

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

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

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



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

xvii) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

xviii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

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

xix) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

xx) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

xxi) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

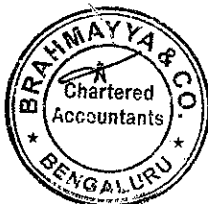
### Financial liabilities

#### Initial recognition and measurement

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

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

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



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

### Subsequent measurement

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

#### Financial liabilities at fair value through profit or loss :

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

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

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

#### Loans and borrowings :

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

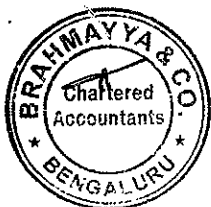
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### 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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

exchange or modification is treated as the derecognition 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 or loss.

### Reclassification of financial assets

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

### Offsetting of financial instruments

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

### Derivative financial instruments

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

### n. 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.



**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

**o. Fair value measurement**

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

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

- 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:

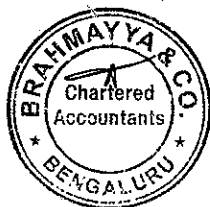
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

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.

### p. Revenue recognition

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

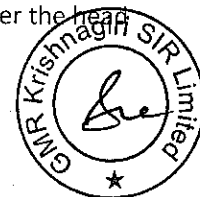
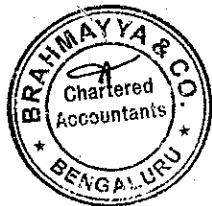
Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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

i. Income from management / technical services is recognised as per the terms of the agreement on the basis of services rendered.

ii. On disposal of current investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. Such income is included under the head 'other operating income' for companies engaged in investing activities and under the head 'other income' for other companies in the statement of profit and loss.

iii. Insurance claim is recognised on acceptance of the claims by the insurance company.





# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

Revenue earned in excess of billings has been included under 'other assets' as unbilled revenue and billings in excess of revenue has been disclosed under 'other liabilities' as unearned revenue.

Expenditure including pre-operative and other incidental expenses incurred by the Group on projects that are in the process of commissioning, being recoverable from the respective SPVs / subsidiaries incorporated for carrying out these projects, are not charged to the statement of profit and loss and are treated as advances to the respective entities.

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.

### Dividends

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

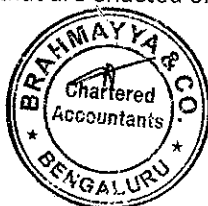
### q. Taxes

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.



# GMR Krishnagiri SIR Limited

(formerly known as GMR Krishnagiri SEZ Limited)

## Notes to Accounts

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

### Deferred tax

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

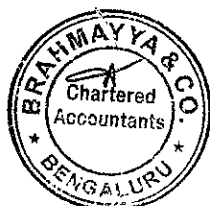
Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

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

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



**GMR Krishnagiri SIR Limited**  
(formerly known as GMR Krishnagiri SEZ Limited)  
**Notes to Accounts**

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

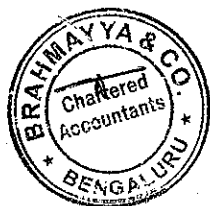
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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

**r. Corporate Social Responsibility ('CSR') expenditure**

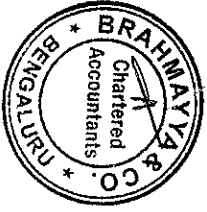
The Company charges its CSR expenditure during the year to the statement of profit and loss.



3. Property, plant and equipment

Amount in INR

Particulars	Leasehold Improvements	Furniture & fixtures	Office equipment	Vehicles	Electrical fittings	Building	Total
<b>Cost</b>							
<b>Deemed cost as at 01.04.2018</b>	<b>2,40,00,916</b>	<b>40,81,748</b>	<b>19,43,282</b>	<b>14,14,557</b>	<b>5,41,207</b>	<b>65,81,162</b>	<b>3,85,62,872</b>
Additions	-	-	1,70,868	-	-	-	1,70,868
Disposals	-	16,79,657	-	-	-	-	16,79,657
Adjustments	-	-	-	-	-	-	-
<b>As at 31.03.2019</b>	<b>2,40,00,916</b>	<b>24,02,091</b>	<b>21,14,150</b>	<b>14,14,557</b>	<b>5,41,207</b>	<b>65,81,162</b>	<b>3,70,54,084</b>
Additions	-	-	4,83,973	-	-	-	4,83,973
Disposals	-	-	99,111	1,34,640	-	-	2,33,751
<b>As at 31.03.2020</b>	<b>2,40,00,916</b>	<b>24,02,091</b>	<b>24,99,012</b>	<b>12,79,917</b>	<b>5,41,207</b>	<b>65,81,162</b>	<b>3,73,04,306</b>
<b>Depreciation</b>							
<b>As at 01.04.2018</b>	<b>2,40,00,915</b>	<b>21,05,822</b>	<b>8,22,238</b>	<b>4,15,498</b>	<b>1,66,144</b>	<b>65,51,070</b>	<b>3,40,61,688</b>
Charge for the year	-	3,50,940	4,23,820	4,00,349	55,916	30,091	12,61,115
Disposals	-	16,79,650	-	-	-	-	16,79,650
<b>As at 31.03.2019</b>	<b>2,40,00,915</b>	<b>7,77,112</b>	<b>12,46,058</b>	<b>8,15,847</b>	<b>2,22,060</b>	<b>65,81,161</b>	<b>3,36,43,153</b>
Charge for the period	-	3,28,424	4,44,478	4,08,789	55,915	-	12,37,605
Disposals	-	-	99,110	1,14,716	-	-	2,13,826
<b>As at 31.03.2020</b>	<b>2,40,00,915</b>	<b>11,05,536</b>	<b>15,91,426</b>	<b>11,09,920</b>	<b>2,77,974</b>	<b>65,81,161</b>	<b>3,46,66,932</b>
<b>Net block</b>							
As at 31.03.2020	1	12,96,556	9,07,587	1,69,997	2,63,233	1	26,37,374
As at 31.03.2019	1	16,24,979	8,68,093	5,98,710	3,19,147	1	34,10,931



**4. Investment Property under construction**

Amounts in INR

Particulars	Total
<b>Opening balance at 1 April 2018</b>	<b>5,72,01,92,293</b>
Add: Additions during the year	59,21,94,899
<b>Closing balance at 31 March 2019</b>	<b>6,31,23,87,192</b>
Add: Additions during the period	59,44,54,041
<b>Closing balance at 31st March 2020</b>	<b>6,90,68,41,233</b>
<b>Depreciation and impairment</b>	
<b>Opening balance at 1 April 2018</b>	-
Depreciation	-
<b>Closing balance at 31 March 2019</b>	-
Depreciation	-
<b>Closing balance at 31st March 2020</b>	-
<b>Net Block</b>	
at 31st March 2020	<b>6,90,68,41,233</b>
at 31st March 2019	<b>6,31,23,87,192</b>

The Company's investment properties under construction consist of Lands admeasuring 1325.369 Acres in Krishnagiri District, Tamilnadu. As at 31st March 2020(1325.369 Acres As at 31 March 2019), the fair values of the properties are INR 741.73 Cr and INR 685.47 Cr respectively. These valuations are based on valuations performed by M. Nagesh Reddy B.E, F.I.V, (an accredited independent valuer and Chartered Surveyors is specialist in valuing these types of investment properties) as on 31st March 2020. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The lands admeasuring to 687 Ac are mortgaged to LIC and 295 Ac are mortgaged to Vijay Bank Limited towards security against loans taken by Holding company GMR Infrastructure Limited. To that extent the company has restrictions on the realisability of its investment properties.

Following details of Investment property fair value is based on the fair valuation report prepared by M. Nagesh Reddy B.E, F.I.V.

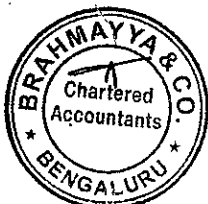
**Reconciliation of fair value**

	<b>Investment properties</b>	
	<b>Lands</b>	
	<b>INR Crore</b>	
<b>Opening balance as at 1 April 2019</b>		685.47
Fair value difference		56.26
Purchases		-
<b>Closing balance as at 31st March 2020</b>		<b>741.73</b>

**Valuation technique used -**

Beltting method has been adopted for valuation that means by applying appropriate rate per Acre for each plot considering the factors such as location, Location features, Size & shape of the land/plot availability, Topography, Soil Conditions, encumbrances, infrastructure, land use regulations, Government legislation etc. and finally average out rate per acre for entire piece of land.

<b>5. Intangible Assets</b>		
<b>Particulars</b>	<b>Amounts in INR</b>	
	<b>Software</b>	<b>Total</b>
<b>Gross block</b>		
<b>As at 1.04.2018</b>		
Additions	28,18,448	28,18,448
Disposals	-	-
<b>As at 31.03.2019</b>	<b>28,18,448</b>	<b>28,18,448</b>
Additions	-	-
Disposals	-	-
<b>As at 31.03.2020</b>	<b>28,18,448</b>	<b>28,18,448</b>
<b>Amortization</b>		
<b>As at 1.04.2018</b>		
Charge for the year	25,75,098	25,75,098
Disposals	1,37,915	1,37,915
<b>As at 31.03.2019</b>	<b>27,13,013</b>	<b>27,13,013</b>
Charge for the period	61,300	61,300
Disposals	-	-
<b>As at 31.03.2020</b>	<b>27,74,313</b>	<b>27,74,313</b>
<b>Net block</b>		
<b>As at 31.03.2020</b>	<b>44,135</b>	<b>44,135</b>
<b>As at 31.03.2019</b>	<b>1,05,435</b>	<b>1,05,435</b>



6. Financial assets Loans		Amounts in INR			
		Long Term		Short Term	
		31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
<b>Carried at amortised cost</b>					
<b>Security deposits</b>					
Unsecured, considered good, to related parties					
Unsecured, considered good, to other parties					
		26,69,100	24,40,730	-	-
<b>Loans &amp; advance to related parties</b>					
Unsecured, considered good					
		-	-	33,48,988	16,48,501
<b>Total</b>		<b>26,69,100</b>	<b>24,40,730</b>	<b>33,48,988</b>	<b>16,48,501</b>

#### 7. Other Non-Current assets

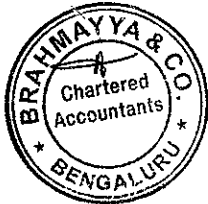
		Amounts in INR			
		Long Term		Short Term	
		31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
Advances recoverable in cash or kinds					
Prepaid expenses					
		-	-	93,337	1,22,166
Capital Advance					
		37,74,680	66,09,395	13,06,332	13,53,146
Balance with statutory / government Authorities					
		10,24,39,941	-	-	9,19,12,676
		<b>10,62,14,621</b>	<b>66,09,395</b>	<b>13,99,669</b>	<b>9,33,87,988</b>

#### 8. Current Tax

		Amounts in INR			
		Long Term		Short Term	
		31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
Advance income tax (net of provision)					
		4,87,598	52,292	-	-
		4,87,598	52,292	-	-
<b>Deferred Tax :</b>					
Mat Credit					
		2,77,187	2,77,187	-	-
		<b>2,77,187</b>	<b>2,77,187</b>	-	-
		<b>7,64,785</b>	<b>3,29,479</b>	-	-

#### 9. 'Cash and Cash Equivalent

Particulars	Amounts in INR	
	31.Mar.20	31.Mar.19
<b>Cash and cash equivalents</b>		
-Cash on hand	51,939	2,51,592
-Balances with Banks		
-In current accounts	5,32,27,317	13,81,967
<b>Total</b>	<b>5,32,79,256</b>	<b>16,33,559</b>



## 10. Share Capital

Particulars	Amounts in INR	
	31.Mar.20	31.Mar.19
<b>Authorised :</b>		
15,10,00,000 (2019:15,10,00,000) Equity Shares of Rs.10 (2019: Rs.10) each	1,51,00,00,000	1,51,00,00,000
	1,51,00,00,000	1,51,00,00,000
<b>Issued :</b>		
11,75,00,000 (2019: 11,75,00,000) Equity Shares of Rs.10 (2019: Rs. 10) each fully paid up	1,17,50,00,000	1,17,50,00,000
<b>Subscribed and Paid-up</b>		
11,75,00,000 (2019: 11,75,00,000) Equity Shares of Rs.10 (2019: Rs. 10) each fully paid up	1,17,50,00,000	1,17,50,00,000
<b>Total</b>	1,17,50,00,000	1,17,50,00,000

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

Equity Shares	31.Mar.20	
	In Numbers	Amounts in INR
At the beginning of the year	11,75,00,000	1,17,50,00,000
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>11,75,00,000</b>	<b>1,17,50,00,000</b>

Equity Shares	31.Mar.19	
	In Numbers	Amounts in INR
At the beginning of the year	11,75,00,000	1,17,50,00,000
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>11,75,00,000</b>	<b>1,17,50,00,000</b>

### b. Terms/Rights Attached to equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Every member holding equity shares shall have voting rights in proportion to his shares of the paid up equity share capital. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	31.Mar.20	
	No. of Shares held	Amounts in INR
<b>GMR Infrastructure Limited and its nominees, the immediate holding company.</b>		
11,75,00,000 (2019: 11,75,00,000) Equity Shares of Rs.10 each fully paid up	11,75,00,000	1,17,50,00,000

Name of Shareholder	31.Mar.19	
	No. of Shares held	Amounts in INR
<b>GMR Infrastructure Limited and its nominees, the immediate holding company.</b>		
11,75,00,000 (2019: 11,75,00,000) Equity Shares of Rs.10 each fully paid up	11,75,00,000	1,17,50,00,000

### d. Details of Shareholders holding more than 5% of equity shares in the Company

Name of Shareholder	31.Mar.20	
	No. of Shares held	% Holding in Class
<b>Equity shares of Rs.10 each fully paid</b>		
GMR Infrastructure Limited, the immediate holding company and its nominees.	11,75,00,000	100%

Name of Shareholder	31.Mar.19	
	No. of Shares held	% Holding in Class
<b>Equity shares of Rs.10 each fully paid</b>		
GMR Infrastructure Limited, the immediate holding company and its nominees.	11,75,00,000	100%

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.



11. Other Equity

Particulars	Amount in INR	
	31.Mar.20	31.March 2019
<b>Surplus in the statement of profit and loss</b>		
Opening balance	-20,62,87,544	-17,29,03,673
Fair Valuation of corporatee Guarantee	-62,98,997	-62,83,014
Add: Profit/(loss) for the year	-21,23,86,542	-17,91,86,687
Closing balance	-23,84,41,347	-20,62,87,544
<b>Equity component of financial liabilities</b>		
Opening balance	18,15,68,508	18,15,68,508
Adjustment for the removal of the intercompany transactions	18,15,68,508	18,15,68,508
Closing balance	-5,68,72,839	-2,47,19,036
<b>Total Other equity</b>		

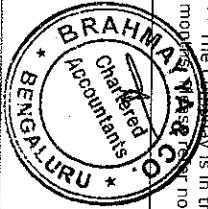
12. Financial liabilities - Borrowings

Particulars	Non - Current		Current		(Amount in Rs.)
	31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19	
<b>Unsecured borrowings</b>					
Debentures					
142 (2019: 142) 12% Cumulative Optionally Convertible Debentures of Rs.10,00,000 (2018: 10,00,000) each.	14,20,00,000	14,20,00,000	-	-	
Loans from related parties					
Loans from group company (unsecured)	3,40,42,20,944	3,24,24,04,944	-	-	
<b>Total</b>	<b>3,54,62,20,944</b>	<b>3,38,44,04,944</b>			
<b>Note:</b>					
12% Cumulative optionally convertible Debentures of Rs. 10 Lakhs Each #	14,20,00,000	14,20,00,000			
12.25 % Loan from GMR Infrastructure Limited	54,44,51,113	54,44,51,113			
11% Loan from Tambaram and Tindivaram Expressway/ Ltd *	2,00,85,00,000	2,00,85,00,000			
12.25 % Loan from Honeyflower Estates Private Limited	1,89,50,000	1,87,00,000			
12.25% Loan from GMR Highways Limited**	67,07,53,831	67,07,53,831			
12.25% loan from GMR Infrastructure Ltd.,	15,84,66,000	-			
12.25% Loan from GMR SEZ & Port Holdings Limited	31,00,000	-			
	<b>3,54,62,20,944</b>	<b>3,38,44,04,944</b>			

# The debentures are optionally convertible, at the option of the debenture holders, at any time not exceeding 120 months (the term) from the date of issue of debentures into equity shares at a valuation to be mutually agreed upon as per the valuation to be done by a reputed Chartered Accountant firm at the time of conversion. In case the option is not exercised by the debenture holder, the Debentures shall be converted by the Company into Equity Shares on the expiry of the aforesaid period.

\* 11% loan from Tambaram and Tindivaram Expressways Ltd. Along with the accrued interest has been covered into new loan at the rate 6% p.a for an additional period of one year. Hence, based on the board resolution of Tambaram and Tindivaram Expressways Ltd. loan has been classified as non current on the reporting date.

\*\* The Company is in the process of converting 12.25% loan from GMR Highways limited along with the accrued interest has been converted into new loan for an period of 18 months. For note 31 for further details.





13. Financial liabilities - Trade payables

Particulars	Amounts in INR	
	31 March 2020	31 March 2019
Trade Payable		
- Micro, Small and Medium Enterprises	-	-
- Related parties	-	-
- Others	94,72,429	43,52,572
<b>TOTAL</b>	<b>94,72,429</b>	<b>43,52,572</b>

14. Financial Liabilities

	Amounts in INR			
	Non Current		Current	
	31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
<b>Other financial liabilities at amortised cost</b>				
Interest accrued but not due on borrowings *	86.60.97.350	-	1.92.58.622	52.85.70.919
Security deposits from Related Party	1.45.00.00.000	-	-	-
Other payables	-	-	-	1.29.03.92.167
Non trade payable	-	-	3.09.06.945	2.25.24.948
Current maturity on corporate Guarantee	-	-	50.44.956	50.46.820
<b>Total other financial liabilities</b>	<b>2.31.60.97.350</b>	<b>-</b>	<b>5.52.10.523</b>	<b>1.84.65.34.854</b>
<b>Total financial liabilities</b>	<b>2.31.60.97.349.98</b>	<b>-</b>	<b>5.52.10.523</b>	<b>1.84.65.34.854</b>

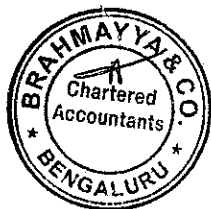
\* 11% loan from Tambaram and Tindivaram Expressways Ltd. And 12.25% loan from GMR Highways limited has been converted into new loan along with the interest accrued on the same. Hence, accrued interest on the above two loans has been classified as non-current on the reporting date.

15. Other Liabilities

	Amounts in INR			
	Non Current		Current	
	31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
Statutory liabilities	-	-	2,67,08,010	3,14,07,941
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,67,08,010</b>	<b>3,14,07,941</b>

16. Provisions

	Amounts in INR			
	Long-term		Short-term	
	31.Mar.20	31.Mar.19	31.Mar.20	31.Mar.19
<b>Provision for employee benefits</b>				
Provision for Compensated Absences	34,16,904	37,91,034	9,24,421	4,51,648
Provision for Gratuity	9,65,972	6,69,958	-	-
Provision for other employee benefits	-	-	55,446	59,294
<b>Total</b>	<b>43,82,876</b>	<b>44,60,992</b>	<b>9,79,867</b>	<b>5,10,942</b>

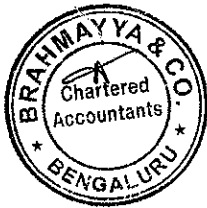


**17 Other income**

	Amounts in INR	
	Period Ended 31.Mar.20	Year Ended 31.Mar.19
<b>Other income</b>		
Provisions no longer required, written back	-	-
Interest - Others	-	-
Other non-operating income	63,13,861	12,84,791
	<b>63,13,861</b>	<b>12,84,791</b>

**18. Employee Benefits Expense**

	Amounts in INR	
	Period Ended 31.Mar.20	Year Ended 31.Mar.19
Salaries, wages and bonus	24,18,180	48,28,958
Contribution to provident and other funds	79,267	1,96,390
Gratuity expenses	-	42,642
Staff welfare expenses	21,105	1,07,856
	<b>25,18,552</b>	<b>51,75,846</b>



**20. Other expenses**

	Amounts in INR	
	Year Ended 31.Mar.20	Year Ended 31.Mar.19
Rates and taxes	13,83,318	25,19,324
Advertising and sales promotion	15,078	13,52,306
Communication costs	2,983	31,040
Printing and stationery	6,014	99,757
Director Sitting fees	60,000	75,000
Books and periodicals	-	23,123
Training Expenses	20,732	-
Recruitment expenses	9,750	-
Membership and subscriptions	60,210	1,14,200
Social welfare expenses	8,89,822	9,30,073
Brokerage expenses	-	1,23,88,153
Land Development Charges	-	30,41,262
Office Maintenance	2,46,500	1,03,785
Bank Charges	303	19,864
Board meeting expenses	3,742	5,500
Travelling and Conveyence	2,66,399	7,53,739
Legal and Professional fees	2,41,65,717	13,55,142
Payments to Auditors:		
- Audit Fee	2,01,548	2,84,623
Misc Expenses	-	7,650
<b>Total</b>	<b>2,73,32,116</b>	<b>2,31,04,542</b>

	Amounts in INR	
	Year Ended 31.Mar.20	Year Ended 31.Mar.19
<b>Payment to Auditors (Included in other expenses above)</b>		
<b>As Auditor</b>		
Audit fee	2,00,000	2,00,000
Tax audit fee		
<b>In other capacity</b>		
- Group reporting		
<b>Other services</b>		
-Reimbursement of expenses	1,548	84,623
	<b>2,01,548</b>	<b>2,84,623</b>

**19. Financial Charges**

	Year Ended 31.Mar.20	Year Ended 31.Mar.19
Interest others	22,90,398	8,890
<b>Total</b>	<b>22,90,398</b>	<b>8,890</b>



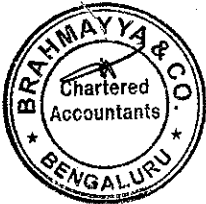
## 21. Earnings Per Share (EPS)

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that

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

Particulars	Amounts in INR	
	31.Mar.20	31.Mar.19
Profit attributable to equity holders of the parent		
Continuing operations		
Discontinued operation	-2,58,54,805	-2,71,00,857
<b>Profit attributable to equity holders of the parent for basic earnings</b>	-	-
Interest on convertible preference shares	-	-
<b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b>	-	-
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	11,75,00,000	11,75,00,000
Effect of dilution:		
Convertible preference shares	-	-
<b>Weighted average number of Equity shares adjusted for the effect of dilution *</b>	<b>11,75,00,000</b>	<b>11,75,00,000</b>
Earning Per Share (Basic) (Rs)	-0.22	-0.23
Earning Per Share (Diluted) (Rs)	-0.22	-0.23
Face value per share (Rs)	10	10



## 22. Significant accounting judgements, estimates and assumptions

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

### ESTIMATES AND ASSUMPTIONS

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

#### Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

#### Defined benefit plans (gratuity benefits)

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

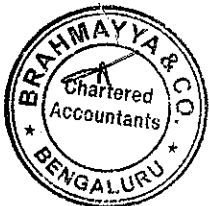
The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

Further details about gratuity obligations are given in Note 22.

#### Fair value measurement of financial instruments

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



23. Gratuity and other post-employment benefit plans

a) Defined Contribution Plans :

The Company's Contribution to Provident and Pension Fund charged to Investment properties are as follows :

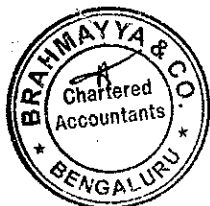
Particulars	Amount in INR	
	2019-20	2018-19
Provident and pension fund	5,78,600	8,38,559
<b>Total</b>	<b>5,78,600</b>	<b>8,38,559</b>

b) Defined Benefit Plan - Gratuity as per Actuarial Valuation as at March 31, 2020 [Funded]

Particulars	Amount in INR	
	2019-20	2018-19
<i>i) Change in defined benefit obligation</i>		
Opening defined benefit obligation		63,54,616
Current Service Cost	34,95,230	4,01,902
Interest cost	2,95,357	4,69,612
Past Service Cost	2,60,563	
Acquisition Cost/(Credit)		
Actuarial loss / (gain) on obligations - experience		(34,86,066)
Benefits paid	(3,594)	1,06,191
	(1,33,546)	(3,51,025)
Closing defined benefit obligation	<b>39,14,010</b>	<b>34,95,230</b>
<i>ii) Change in fair value of plan assets:</i>		
Fair value of Plan Assets at the beginning of the year		28,25,272
Acquisition adjustment	28,25,272	30,15,190
Interest income on plan assets		
Return on plan assets greater / (lesser) than discount rate	2,10,392	2,16,650
Contributions by employer	26,274	(77,504)
Benefits paid	19,646	21,961
	(1,33,546)	(3,51,025)
Closing fair value of plan assets	<b>29,48,038</b>	<b>28,25,272</b>
<i>iii) Amount Recognized in the Balance Sheet</i>		
Present Value of Obligation as at year end	39,14,010	34,95,230
Fair Value of plan assets at year end	29,48,038	28,25,272
Funded status	<b>9,65,972</b>	<b>6,69,958</b>
Less : Asset ceiling adjustment		
<b>Net defined benefit asset/ (liability) recognized</b>	<b>9,65,972</b>	<b>6,69,958</b>
<i>iv) Expenses recognised during the period</i>		
<i>In Investment properties</i>		
Current Service Cost	2,95,357	4,01,902
Net interest on net defined benefit liability / (asset)	2,60,563	2,52,962
<i>In Investment properties</i>		
Actuarial (gain)/loss on defined benefit obligation - Experience Adjustments		
Actuarial changes arising from changes in demographic assumptions	(3,594)	1,06,191
Actuarial changes arising from changes in financial assumptions		
Return on plan assets (greater)/less than discount rate	26,274	77,504
	<b>22,680</b>	<b>1,83,695</b>
<b>Total expense</b>	<b>5,78,600</b>	<b>8,38,559</b>
<i>v) The major category of plan assets as a percentage of the fair value of total plan assets are as follows:</i>		
Investment with Insurer managed funds	100%	100%
<i>vi) Principal actuarial assumptions used</i>		
Discount rate (p.a.)	7.60%	7.60%
Expected rate of return on plan assets (p.a.)	7.60%	7.60%
Expected rate of increase in salary	6.00%	6.00%
Attrition Rate	5.00%	5.00%
Retirement Age	60 Years	60 Years

c) Leave Encashment

Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 43,41,325 as at March 31, 2020 [March 31, 2019: Rs. 42,42,282/-].



**24 Commitments and Contingencies**

**I Contingent Liabilities**

The Company has a contingent liability towards its lands pledged against the loan availed by its holding company, GMR Infrastructure Limited as below as on 31st March 2020:

Loan availed from	31 March, 2020		31 March, 2019	
	No. of Acres pledged	Amount of loan (Rs. in crores)	No. of Acres pledged	Amount of loan (Rs. in crores)
LIC *	687	85.71	687	85.71
Bank of Baroda (Vijaya Bank)	295	171.61	295	171.61
DIAL	0	-	293	119.36
<b>Total</b>	<b>982</b>	<b>257.32</b>	<b>1,275</b>	<b>376.68</b>

\* Originally 717 Acres pledged for loan amount of Rs. 150crores borrowings, later 30 acres released and accordingly the contingent liability of the company has been reduced.

**II Commitments**

a. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	Amounts in INR	
	31 March, 2020	31 March, 2019
	4,10,48,068	1,75,11,837



**25. Related Party transactions**

**(A) Names of Related parties and nature of related party relationships**

**(a) Fellow Subsidiaries**

GMR Tambaram Tindivanam Expressway Limited (GTTEL)  
Advika Properties Private Limited (APPL)  
Aklima Properties Private Limited (Aklima)  
Amartya Properties Private Limited (Amartya)  
Asteria Real Estates Private Limited (AREPL)  
Deepesh Properties Private Limited (DPPL)  
Dhruvi Securities Limited (Dhruvi)  
Eija Properties Private Limited (EPPL)  
Geokno India Private Limited (Geokno)  
GMR Aero Structure Limited (GASL)  
GMR Corporate Affairs Private Limited (GCAPL)  
GMR Highways Private Limited (GHPL)  
GMR Hospitality & Retail Limited (GHRL)  
GMR Hyderabad Vijayawada Expressway Private Limited (GHVEPL)  
GMR Infra Services Limited (GISL)  
GMR Kamalanga Energy Limited (GKEL)  
GMR Highways Limited (GHWL) (GMR Kishangarh Udaipur Ahmedabad Expressway Private Limited (GKUAEP) is merged with GHWL)  
GMR Pochanapalli Expressway Limited (GPEL)  
GMR Power Corporation Ltd (GPCL)  
GMR Rajamundry Energy Ltd (GREL)  
GMR SEZ & Port Holdings Limited (GSPHL)  
GMR Tuni Anakapalli Expressway Limited (GTael)  
GMR Varalakshmi Foundation GMRVF  
Idika Properties Private Limited (IPPL)  
Kakinada SEZ Limited (KSL)  
LakshmiPriya Properties Private Limited (LPPL)  
Nadira Properties Private Limited (NPPL)  
Padmapriya Properties Private Limited (PPPL)  
Prakalpa Properties Private Limited (Prakalpa)  
Radhapriya Properties Private Limited (RPPL)  
Raxa Security Services Limited (RSSL)  
Shreyadita Properties Private Limited (SPPL)  
Sreepa properties Private Limited (Sreepa)

**(b) Holding company**

GMR Infrastructure Limited  
GMR Enterprise Private Limited

**(c) Key management personnel**

Mr. Jaqadeeswara Rao M - Manager  
Mr. Govind Bhat Padvana - Chief Financial Officer  
Mr. Sanjay Kumar Jain - Company Secretary





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

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Inter Corporate Loan taken</b>		
Enterprises that control the Company - GIL	15,84,66,000	13,33,41,000
Fellow subsidiary - GHWL	-	72,40,00,000
Fellow subsidiary - HFEPL	72,00,000	1,98,00,000
Fellow subsidiary - GSPHL	6,14,00,000	-
<b>ii) Refund of Inter Corporate Loan :</b>		
Enterprises that control the Company - GIL	-	17,72,30,887
Fellow subsidiary - GTTEPL	-	-
Fellow subsidiary - Dhruvi	-	-
Fellow subsidiary - PPPL	-	-
Fellow subsidiary - GSPHPL	5,83,00,000	37,00,000
Fellow subsidiary - GASL	-	-
Fellow subsidiary - GKUAEL	-	5,32,46,169
Fellow subsidiary - HFEPL	69,50,000	11,00,000
<b>iii) Security Charges paid to :</b>		
Fellow subsidiary - RSSL	32,39,045	35,34,663
<b>vi) Interest on 12% ( previous year : 12%) Cumulative Optionally Convertible Debentures</b>		
Enterprises that control the Company - GIL	1,70,86,685	1,70,40,000
<b>vi) Interest on Inter Corporate Loan</b>		
Fellow subsidiary - PPPL	-	-
Fellow subsidiary - GTTEPL	22,15,40,301	22,09,35,000
Fellow subsidiary - Dhruvi	-	-
Fellow subsidiary - GSPHPL	21,21,935	1,11,760
Fellow subsidiary - GASL	-	-
Enterprises that control the Company - GIL	7,62,23,524	5,47,61,535
Fellow subsidiary - GHWL	8,23,92,460	5,22,93,930
Fellow subsidiary - HFEPL	19,03,919	5,22,018
<b>vi) Annual License Fee for trade license rights</b>		
Enterprises that control the Company - GHPL	-	1,120
<b>vii) Reimbursement of Expenses to:</b>		
Fellow subsidiary - CPPL	5,000	-
Fellow subsidiary - APPL	585	-
Fellow subsidiary - GMRVF	9,06,214	8,38,253
Fellow subsidiary - RPPL	1,600	1,31,27,716
Enterprises that control the Company - GIL	64,31,778	12,87,025
Fellow subsidiary - GSPHPL	-	30,254
Fellow subsidiary-GCAPL	2,89,100	12,681
Fellow subsidiary-GHRL	-	22,125
Fellow subsidiary - Amartya	31	-
<b>viii) Reimbursement of Expenses by:</b>		
Fellow subsidiary - DPPL	-	1,668
Fellow subsidiary - HFEPL	-	6,59,799
Fellow subsidiary - PPPL	-	2,36,741
Enterprises that control the Company - GIL	3,14,002	55,219
Fellow subsidiary - GSPHPL	-	5,205
Fellow subsidiary - GREL	-	9,48,777
Fellow subsidiary - NPPL	-	370
Fellow subsidiary - AREPL	-	1,468
Fellow subsidiary - GISL	-	3,900
Fellow subsidiary - APPL	-	4,134
Fellow subsidiary - Aklima	-	2,834
Fellow subsidiary - Amartya	-	1,334
Fellow subsidiary - EPPL	-	4,750
Fellow subsidiary - LPPL	-	8,800
Fellow subsidiary - IPPL	-	668
Fellow subsidiary - Prakalpa	-	300
Fellow subsidiary - SPPL	-	2,434
Fellow subsidiary - Sreepa	-	2,800
<b>x) Security deposit received to :</b>		
Fellow subsidiary - RSSL	1,45,00,00,000	-
<b>xi) Refund of Security deposit received to :</b>		
Fellow subsidiary - RSSL	-	43,75,31,905
Relatives of Director - B Rammadevi	-	2,01,000
<b>xii) Interest on Security deposit :</b>		
Fellow subsidiary - RSSL	13,06,21,328	14,84,12,756



(C) Outstanding Balances at the year-end :

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Allotment of Equity Share Capital</b>		
Holding Company – GIL	1,17,50,00,000	1,17,50,00,000
<b>ii) 12% Cumulative Optionally Convertible Debentures</b>		
Holding Company – GIL	14,20,00,000	14,20,00,000
<b>iii) Interest due on 12% (Previous year: 12%) Cumulative Optionally Convertible Debentures</b>		
Holding Company – GIL	1,70,40,000	1,70,40,000
<b>iv) Inter Corporate Loan taken / Security deposit</b>		
Fellow subsidiary – GTTEPL	2,00,85,00,000	2,00,85,00,000
Fellow subsidiary – GHWL	67,07,53,831	67,07,53,831
Fellow subsidiary – HFEPL	1,89,50,000	1,87,00,000
Holding Company – GIL	70,29,17,113	54,44,51,113
Fellow subsidiary – GSPHPL	31,00,000	-
Fellow subsidiary – RSSL	4,59,601	-
<b>v) Interest due on Inter Corporate Loan</b>		
Fellow subsidiary – GTTEPL	60,36,06,803	40,42,20,532
Fellow subsidiary – GHWL	12,74,37,307	4,67,10,704
Holding Company – GIL	13,50,53,240	6,01,88,766
Fellow subsidiary – HFEPL	21,24,443	4,10,917
Fellow subsidiary – GSPHPL	64,580	-
Fellow subsidiary – Padmapriya	-	-
<b>vi) Rental deposit</b>		
Relatives of Director - B Rammadevi	-	-
<b>vii) Debtors / Receivable</b>		
Holding Company – GIL	6,00,830	6,76,195
Fellow subsidiary – PPPL	-	-
Fellow subsidiary – Geokno	4,98,142	4,98,142
Fellow subsidiary-GHPL	-	16,305
Fellow subsidiary-GPCL	-	543
Fellow subsidiary-GSPHL	17,99,381	-
Fellow subsidiary-GCAPL	-	6,681
Fellow subsidiary-GREL	9,48,777	9,48,777
<b>viii) Creditors / payable</b>		
Fellow subsidiary – RSSL	-	1,29,03,92,166
<b>viii) Security Deposit received</b>		
Fellow subsidiary – RSSL	1,45,00,00,000	-



**26 Fair values**

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

**27 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.

**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 2020 and 31 March 2019.

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

► 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 2020 and 31 March 2019.

**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.



## 28 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt:

	Amount in INR	
	At 31 March 2020	At 31 March 2019
Borrowings	3,54,62,20,944	3,38,44,04,944
Total debt	3,54,62,20,944	3,38,44,04,944
Capital Components		
Share Capital	1,17,50,00,000	1,17,50,00,000
Other equity	-5,68,72,839	-2,47,19,036
Total Capital	1,11,81,27,161	1,15,02,80,964
Capital and net debt	4,66,43,48,105	4,53,46,85,908
Gearing ratio (%)	76%	75%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.



29. Effective tax reco

Income tax expenses in the statement of profit and loss consist of the following:		
	Year ended 31.Mar.20	Year ended 31.Mar.19
<b>Tax expenses</b>		
Current tax	-	-
Deferred tax	-	-
<b>Total taxes</b>	-	-
<b>Effective Tax Reconciliation for the year ended March 31, 2019</b> (Amount in Rupees , unless otherwise stated)		
	Year ended 31.Mar.20	Year ended 31.Mar.19
<b>Income tax</b>		
<b>Accounting profit before tax</b>	<b>-2,58,27,205</b>	<b>-2,70,04,487</b>
Tax rate	25.75%	25.75%
<b>Tax at the applicable tax rate of 25.75% (March 31, 2019: 25.75%)</b>	<b>(66,50,505)</b>	<b>(69,53,655)</b>
Deferred tax**	66,50,505	69,53,655
<b>At the effective income tax rate</b>	<b>0</b>	<b>0</b>
<b>Total tax expense reported in the statement of profit and loss</b>	<b>27,600</b>	<b>0</b>
**Deferred tax asset has not been recognized on brought forward losses as there is no probability/convincing or other evidence that sufficient taxable profits will be available against which DTA will be adjusted.		

30. The Company has assessed the possible effects that may arise from the COVID-19 pandemic on the business. Under the operational guidelines announced by the State Government, the company has obtained necessary approvals and commenced its operations gradually from 11th May 2020. As on the current date, based on the assessment, the Company has concluded that the impact of COVID - 19 pandemic is not material on the carrying value of the assets of the business. Due to the nature of the pandemic and the resultant operational guidelines that may be announced by the governments in future, the Company will continue to monitor the developments to identify significant impact, if any in the future period

31. 12.25% Loan taken from GMR Highways amounting to Rs.67.07 Cr along with accrued interest of Rs. 12.74 Cr will be matured in the month of august 2020. However, Based on the mutual consent of the both companies principle along with the accrued interest has been converted into a new loan for an additional period of 18 months subject to approval from board of GMR Highways limited. Hence, based on the same this loan has been classified as non-current.

32.As on the reporting date, Current liabilities are more than current assets by Rs. 3.43 Cr. However, management is expecting that the additional funds required to meet the excess liabilities will be supported by its parent company and considering the business plan of the company i.e. infrastructure development which has a high growth potential in future which will generate required revenues.

33. Company is engaged in development of investment property (Land). Hence, segment reporting is not applicable.

34. Previous year figures has been regrouped or rearranged wherever necessary to confirm to current year classification.

