INDEPENDENT AUDITOR'S REPORT

To The Members of GMR Hospitality and Retail Limited

Report on the Audit of Financial Statements

Opinion

1. We have audited the accompanying financial statements of M/s. **GMR Hospitality and Retail Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the year ended March 31, 2023 give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2023, and its profits (financial performance including other comprehensive income), its cash flows and the changes in equity 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 Act. 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('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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors's Report thereon:

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements:

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

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

   (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

   (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

13. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

    In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration except sitting fees to its directors during the year.

14. As required by the Companies (Auditor's Report) Order, 2020 ("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 "Appendix **- 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 financial statements comply with the Indian 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 March 31, 2023, taken on record by the board of directors, none of the directors are disqualified as on March 31, 2023 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 "Appendix-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – (Refer Note 40 to the financial statements),

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

   iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

   iv.

      a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended March 31, 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Hitesh Kumar P
Partner
Membership No. 233734
UDIN No: 23233734BGRCMJ7459

Place: Hyderabad
Date: April 20, 2023

Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of Right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of PPE and right-to-use assets so to cover all the assets once every three years and no such material discrepancies were identified on such verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(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 other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) As per the information and explanations provided to us, the Company has not obtained any working capital loan during the year and accordingly reporting under this clause is not applicable.

(iii)

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year and hence reporting under this clause is not applicable.

(b) According to the information and explanations provided to us, the Company does not made any investments or granted any loans during the year and accordingly reporting under this clause is not applicable.

(c) According to the information and explanations provided to us, the Company does not made any investments or granted any loans during the year and accordingly reporting under this clause is not applicable.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) The company has extended the loans to during the year and details of the same are as follows: - (Rs. In Lakhs)

Name of the Parties	Aggregate amount of loans or advances in the nature of loans granted during the year	Aggregate Overdue amount settled by Renewal or extension or by fresh loans granted to same parties	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year	Remarks
GMR Goa International Airport Limited	-	2,000	0%	The loan has fallen due on 31st July 2022 which was initially extended till 31st October 2022. On 31st October 2022, the company has extended the loan again till 31st March 2023. The company received the due amount as on 28th March 2023.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(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 and does not have any unclaimed 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) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, customs duty, cess and other material statutory dues, as applicable, and there are no arrears of outstanding statutory dues as at March 31, 2023 for a period of more than six months form the date they become payable.

(b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute except for the below:

Name of the Statute	Nature of Dues	Amount Involved (In lakhs)	Period for which the amount Relates	Forum where Dispute is pending
APVAT Act, 2005	Value added tax	42.60	Oct 10 to June 17	Deputy Commissioner (ST), Saroor Nagar Division
Customs Act,1962	Customs Duty	1.00	AY 2020-21	Deputy Commissioner of Customs, RGIA Airport
Finance Act,1994	Service Tax	1348.04	October 2016 to June 2017	Commissioner of Customs & Central Tax (Appeals)

Income Tax Act, 1961	Goods and Service Tax	0.08	AY 2018-19	Commissioner of Income Tax (Appeals)

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

(a) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and banks.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender;
(c) The Company has applied the loans for which the loans were obtained.
(d) The company has not raised any short-term loans during the year. There reporting under this clause is not applicable.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
(f) The Company does not have subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer or debt instruments and hence the reporting under clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer issued hence the reporting under clause 3(x)(b) of the Order is not applicable.

(xi)

(a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) According to the information and explanations provided to us, during the year the company has not received any whistle blower complaints.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the books of account

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(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 as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable.

(b) In our opinion, the company is not conducting any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information explanation provided to us, the group has one CIC as a part of its group.

(xvii) The Company has not incurred cash losses during the financial year covered under the audit and the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations provided to us, provisions of section 135 related to Corporate Social Responsibility (CSR) is not applicable. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Hitesh Kumar P
Partner
Membership No: 233734
UDIN No: 23233734BGRCMJ7459

Place: Hyderabad
Date: April 20, 2023

Appendix - B to the Independent Auditors' Report

Independent Auditor's 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 M/s. GMR Hospitality and Retail Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors 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 and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements.

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements.

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal financial controls 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 **K.S Rao & Co.,**
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P
Partner
Membership No: 233734
UDIN No: 23233734BGRCMJ7459

Place: Hyderabad
Date: April 20, 2023

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Balance Sheet as at March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
(1)	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3	14,243.00	13,723.13
	(b) Capital work-in-progress	3A	1,233.61	749.68
	(c) Right-of-use assets	4	2,171.60	2,213.82
	(d) Other Intangible Assets	5	80.08	85.18
	(e)Intangible assets under development	5A	-	16.98
	(f) Financial Assets			
	Other Financial Assets	6C	80.48	2.48
	(g) Deferred Tax asset (net)	7	-	-
	(h) Non-current tax assets (net)	12	160.68	167.32
	(i) Other non current assets	11A	194.21	172.75
			18,163.66	**17,131.34**
	Current assets			
	(a) Inventories	8	5,390.95	1,099.72
	(b) Financial assets			
	(i) Investments	6A	3,411.91	1,824.81
	(ii) Trade receivables	6B	839.96	363.96
	(iii) Cash and cash equivalents	9A	747.05	1,586.30
	(iv) Other bank balances	9B	1.05	1.00
	(v) Loans	10	-	2,000.00
	(vi) Other Financial Assets	6D	562.50	259.03
	(c) Other current assets	11B	3,224.18	1,418.48
			14,177.60	**8,553.30**
	TOTAL ASSETS		**32,341.26**	**25,684.64**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	13	23,832.87	23,832.87
	(b) Other equity	14	(10,769.51)	(15,836.46)
	Total Equity		**13,063.36**	**7,996.41**
(1)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	15A	12,053.18	11,307.45
	(ia) Lease liabilities	15D	2,431.75	2,440.02
	(b) Provisions	16A	81.46	74.12
			14,566.39	**13,821.59**
(2)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	15B	507.19	130.28
	(ia) Lease liabilities	15E	519.14	436.05
	(ii) Trade payables:	15C		
	(a) total outstanding dues of micro enterprises and small enterprises		64.80	41.75
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,478.31	2,189.95
	(d) Other financial liabilities	15F	618.64	702.56
	(b) Provisions	16B	144.69	117.91
	(c)Other current liabilities	17	378.74	248.14
			4,711.51	**3,866.64**
	TOTAL EQUITY AND LIABILITIES		**32,341.26**	**25,684.64**
	Corporate Information & Significant accounting policies	1&2		

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

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

For and on behalf of the Board of Directors of
GMR Hospitality and Retail Limited

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Aman Kapoor
Director
DIN: 02261073

Pradeep Panicker
Director
DIN: 02730418

Venu Madhav Tenjarla
Chief Financial Officer

Ashish Kulkarni
Company Secretary
Membership No.:FCS10026

Place: Hyderabad
Date: April 20, 2023

Place: Hyderabad
Date: April 20, 2023

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations	18	30,498.44	13,386.66
II	Other income	19	2,177.28	857.50
III	**Total Income (I +II)**		**32,675.72**	**14,244.16**
IV	**Expenses**			
	Food and Beverages consumed	20	793.59	499.11
	Purchases of Stock In Trade		13,060.00	3,037.92
	Changes in Inventories-Stock In Trade	21	(4,259.25)	439.74
	Employee benefits expense	22	2,583.91	2,078.77
	Finance costs	25	1,313.31	1,944.19
	Depreciation and amortization expense	24	1,586.64	1,447.19
	Other expenses	23	12,525.47	5,794.14
	Total Expenses (IV)		**27,603.67**	**15,241.06**
V	**Profit/ (Loss) before tax (III- IV)**		**5,072.05**	**(996.90)**
VI	**Tax expenses**	26		
	a) Current tax		-	-
	b) Deferred tax		-	-
	Total Tax expenses		**-**	**-**
VII	**Profit/(Loss) for the year (V -VI)**		**5,072.05**	**(996.90)**
VIII	**Other comprehensive income**	27		
	i. Items that will not be reclassified to profit or loss:			
	Re-measurement gains/(losses) on defined benefit plans		(5.10)	(7.51)
	Tax relating to items that will not be reclassified to profit or loss		-	-
	Total other comprehensive income/(loss)		**(5.10)**	**(7.51)**
	Total comprehensive income (VII + VIII)		**5,066.95**	**(1,004.41)**
IX	**Earnings per equity share of par value of Rs.10 each**	28		
	Basic and diluted (Rs. per share)		**2.13**	**(0.64)**
	Corporate Information & Significant accounting policies	1&2		

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached
For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No. 003109S

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Place: Hyderabad
Date: April 20, 2023

For and on behalf of the Board of Directors of
GMR Hospitality and Retail Limited

Aman Kapoor
Director
DIN: 02261073

Pradeep Panicker
Director
DIN: 02730418

Venu Madhav Tenjarla
Chief Financial Officer

Ashish Kulkarni
Company Secretary
Membership No.:FCS10026

Place: Hyderabad
Date: April 20, 2023

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from Operating Activities		
(Loss)/profit before tax	**5,072.04**	**(996.90)**
Non-cash adjustment to reconcile profit before tax		
Depreciation and amortisation expense	1,586.64	1,447.19
Finance cost	1,301.44	1,929.87
Finance costs (fair value change in financial instruments)	11.87	14.32
Profit on sale of current investments	(113.29)	(29.40)
Gain on fair valuation of current investments	(0.99)	(7.79)
Interest income	(198.69)	(201.44)
Provisions no longer required written back	(0.35)	(89.32)
(Profit) on sale/write off of fixed assets (net)	146.38	7.21
Unrealised foreign exchange loss/(gain)	(9.86)	(1.80)
Operating (Loss)/Profit before Working Capital Changes	**7,795.19**	**2,071.94**
Adjustments for changes in working capital :		
(Decrease)/Increase in Trade payables	447.30	(134.54)
(Decrease)/Increase in provisions	39.91	38.75
(Decrease)/Increase in Other financial liabilities and other liabilities	197.39	87.02
Decrease/(Increase) in Trade receivables	(475.99)	(44.62)
Decrease/(Increase) in Inventories	(4,344.04)	447.55
(Increase) in Other Assets	(1,805.35)	(694.30)
Decrease/(Increase) in Other financial assets	(391.44)	83.05
Cash generated from operations	**1,462.97**	**1,854.85**
Direct taxes paid (net)	6.65	103.76
Net cash flow from Operating Activities (A)	**1,469.62**	**1,958.61**
Cash flows from Investing Activities		
Purchase of property, plant and equipment, including capital work-in-progress and capital advances	(2,667.89)	(1,627.15)
Interest received on loan	200.52	212.29
Investment in Fixed deposits (not forming part of cash and cash equivalents)	(0.05)	(1.00)
Repayment of Loan Given	2,000.00	-
Purchase of investments	(8,730.46)	(8,076.70)
Proceeds from sale of investments	7,258.07	7,266.92
Net cash flow (used in) Investing Activities (B)	**(1,939.81)**	**(2,225.64)**
Cash flows from Financing Activities		
Repayment of long-term borrowings	(114.27)	(11,308.00)
Proceeds from long-term borrowings	1,221.64	5,673.17
Proceeds from short-term borrowings	-	1,700.00
Repayment of short-term borrowings	-	(1,700.00)
Issue of equity shares	-	8,233.00
Finance cost paid	(988.82)	(1,617.87)
Payment of lease liability	(485.24)	(548.93)
Net cash flow (used in) financing activities (C)	**(366.69)**	**431.37**
Net increase in cash and cash equivalents (A + B + C)	**(836.88)**	**164.34**
Cash and cash equivalents at the beginning of the year	1,586.30	1,425.16
Effect of exchange differences on cash and cash equivalents held in foreign currency	(2.37)	(3.20)
Cash and cash equivalents at the end of the year	**747.06**	**1,586.30**

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Components of cash and cash equivalents		
Cash on hand	25.69	46.89
Cash in transit	30.87	-
Balance with banks		
– On current accounts	371.33	925.63
– Exchange earner's foreign currency	319.16	613.78
Total	**747.05**	**1,586.30**

Reconciliation of liabilities from financing activities for the year ended March 31, 2023

Particulars	As at March 31, 2022	Proceeds	Repayment	Fair Value Changes / Other Adjustments	As at March 31, 2023
Short Term and Long Term Borrowings	11,437.73	1,221.64	(114.27)	15.27	12,560.37
Lease liabilities	2,876.07	-	(485.24)	560.06	2,950.89
Total liabilities from financing activities	**14,313.80**	**1,221.64**	**(599.51)**	**575.33**	**15,511.26**

Reconciliation of liabilities from financing activities for the year ended March 31, 2022

Particulars	As at March 31, 2021	Proceeds/ Impact of Ind AS 116	Repayment	Fair Value Changes / Other Adjustments	As at March 31, 2022
Short Term and Long Term Borrowings	17,056.98	7,373.17	(13,008.00)	15.58	11,437.73
Lease liabilities	3,164.79	-	(548.93)	260.21	2,876.07
Total liabilities from financing activities	**20,221.77**	**7,373.17**	**(13,556.93)**	**275.79**	**14,313.80**

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached

For K.S. Rao & Co.,

Chartered Accountants
Firm Registration No. 003109S

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Place: Hyderabad
Date: April 20, 2023

For and on behalf of the Board of Directors of
GMR Hospitality and Retail Limited

Aman Kapoor
Director
DIN: 02261073

Pradeep Panicker
Director
DIN: 02730418

Venu Madhav Tenjarla
Chief Financial Officer

Ashish Kulkarni
Company Secretary
Membership No. :FCS 10026

Place: Hyderabad
Date: April 20, 2023

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

A. Equity Share Capital

Equity Shares of Rs.10 Each, Fully paid up	**No.**	**Rs. Lakhs**
As at April 01, 2021	**15,59,98,710**	**15,599.87**
Issued during the year	8,23,30,000	8,233.00
As at March 31, 2022	**23,83,28,710**	**23,832.87**
As at April 01, 2022	**23,83,28,710**	**23,832.87**
Issued during the year	-	-
As at March 31, 2023	**23,83,28,710**	**23,832.87**

B. Other Equity

	Equity component of parent company loan (A)	**Capital Reserve (B)**	**Retained Earnings (C)**	**Total D=(A+B+C)**
As at April 01, 2021	**810.86**	**548.10**	**(16,191.01)**	**(14,832.05)**
Loss for the year	-	-	(996.90)	(996.90)
Remeasurement of net defined benefit plan	-	-	(7.51)	(7.51)
As at March 31, 2022	**810.86**	**548.10**	**(17,195.42)**	**(15,836.46)**
As at April 01, 2022	**810.86**	**548.10**	**(17,195.42)**	**(15,836.46)**
Profit for the year	-	-	5,072.05	5,072.05
Remeasurement of net defined benefit plan	-	-	(5.10)	(5.10)
As at March 31, 2023	**810.86**	**548.10**	**(12,128.47)**	**(10,769.51)**

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached
For K.S. Rao & Co.,
Firm Registration No. 003109S

For and on behalf of the Board of Directors of
GMR Hospitality and Retail Limited

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Aman Kapoor
Director
DIN: 02261073

Pradeep Panicker
Director
DIN: 02730418

Venu Madhav Tenjarla
Chief Financial Officer

Ashish Kulkarni
Company Secretary
Membership No. :FCS 10026

Place: Hyderabad
Date: April 20, 2023

Place: Hyderabad
Date: April 20, 2023

1. Corporate information

GMR Hospitality and Retail Limited ("GHRL or the Company") was incorporated on September 08, 2008 as a wholly owned subsidiary of GMR Hyderabad International Airport Limited. The main objective of the Company is to carry on the business of running hotels, resorts, restaurants, lodging house, swimming pools, night clubs, exhibition halls, entertainment centers, amusement parks, wine, beer shops and departmental stores, discotheques, clubs, skating halls, boating and padding pools, gymnasiums and race courses. To establish and run shops, business centers and shopping complexes including duty free shops and customs free trade zone, either directly or through agencies to cater to the requirements of National and International passengers and tourists.

2. Significant accounting policies

2.1 Basis of preparation and presentation:

(a) **Statement of Compliance:**

The Financial Statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), notified under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and other relevant provision of the Act.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to IND AS 107 and IND AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to IND AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

(b) **Basis of measurement:**

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of reporting period. (as explained in accounting policy regarding financial instruments).

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

c) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

d) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

(e) Revenue recognition

Effective April 01, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The application of Ind AS 115 did not have any material impact on the Financial Statements.

Revenue is recognised to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances, taxes or duties collected on behalf of the government. An entity shall recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

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

- <u>Sale of goods:</u>
  Revenue from the sale of goods is recognised at the point in time when control is transferred to customers.

- <u>Income from services and sale of products:</u>
  Revenue from hotel operations comprises income by way of hotel room rent, sale of food, beverages and allied services relating to hotel and is recognised net of taxes and discounts as and when the services are provided and products are sold.

  The Company recognizes revenue on accrual basis as per the terms of the agreement and on the basis of services rendered.

- <u>Space rentals:</u>
  Space rentals have been recognised as per the terms of the contract with the customers.

- <u>Dividend income:</u>
  Revenue is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

- <u>Interest income:</u>
  Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is therate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

(f) Taxes

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

Current income tax relating to items recognised outside profit and loss is recognised outside profit and 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 provision where appropriate.

Deferred tax:
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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.

(g) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital Work in Progress are items of Property, Plant and Equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

(All amounts are in Rs. lakhs, unless otherwise stated)

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

Particulars	Years
Buildings on leasehold land	30
Leasehold improvements	19
Roads #	10
Plant and equipment	15
Electrical installations and equipment	10
Furniture and fittings	8-10
Office equipment	5
Computers and data processing units	3 – 6
Motor vehicles	8

The management has estimated, supported by technical evaluation and experience, the useful life of internal roads as 10 years.

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

The useful lives of certain plant and equipment are estimated as 8 years with respect to Kitchen equipment's. This life is lower than those indicated in Schedule II of the Companies Act, 2013.

The Company, based on assessment made by technical expert and Management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which 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.

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

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.

Individual assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

(h) Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible Assets are amortized on a straight – line basis over their useful life not exceeding six years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognized.

(i) Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases". In respect of the transition to Ind AS 116 please refer Note 36.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and Loss.

Where the company is lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company 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.

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(j) Borrowing costs

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

(k) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis and includes other directly associated costs in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit and loss.

(m) Provisions, contingent liabilities and commitments

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

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

Contingent liability is disclosed in the case of:
• A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
• A present obligation arising from past events, when no reliable estimate is possible
• A possible obligation arising from past events, unless the probability of outflow of resources is remote
Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet 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.

Retirement benefit in the form of Superannuation Fund and Employees State Insurance are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective funds.

The Company operates a defined benefit gratuity plan (partly funded) in India, which requires contribution to be made to a separately administrated fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Re-measurements, 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. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

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

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

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

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

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave as short-term employee benefit. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(o) 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 and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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 and 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 of financial instrument:
For the purpose of subsequent measurement, financial instruments of the Company are classified into categories as explained below. The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms/arrangements.

For purposes of subsequent measurement, financial assets are classified in four categories:
a. Debt instruments at amortized cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)
c. Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost:
A ‘debt instrument’ is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

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

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'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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 group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

De-recognition:
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

a) The rights to receive cash flows from the asset have expired, or
b) The Company has transferred its rights to receive cash flows from the asset, and
    i. The Company has transferred substantially all the risks and rewards of the asset, or
    ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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 financial assets and credit risk exposure on any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The Company recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and 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.

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

Financial liabilities at fair value through profit and loss

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

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. 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 and loss. The Company has not designated any financial liability as at fair value through profit and loss.

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition:
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Subsequent Measurement
For the purpose of subsequent measurement, financial instruments of the Company are classified into categories as explained below. The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms/arrangements.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(p) Cash and cash equivalents

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

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

(q) Contingent liabilities

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

Contingent assets are disclosed when the economic benefits are probable.

(r) Earnings per share

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

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

(All amounts are in Rs. lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	#Buildings on leasehold land	Leasehold improvements	Roads	Plant and equipment	Electrical Installations and Equipment	Furniture and fittings	Office Equipment	Computers and data processing units	Motor Vehicles	Total
Gross Block										
As at April 01, 2020	**14,660.10**	**530.24**	**24.50**	**2,199.54**	**1,730.61**	**1,573.53**	**28.54**	**333.61**	**10.80**	**21,091.47**
Additions	**11.98**	**5.48**	**-**	**2.52**	**3.18**	**6.25**	1.25	**11.92**	**-**	42.58
Disposals/Adjustments*	**15.12**	**-**	**-**	**33.94**	**-**	**24.39**	**-**	**0.07**	**-**	**73.52**
As at April 01, 2021	**14,656.96**	**535.72**	**24.50**	**2,168.12**	**1,733.79**	**1,555.39**	**29.79**	**345.46**	**10.80**	**21,060.53**
Additions	733.21	8.76	-	387.30	231.52	529.75	0.80	17.57	-	1,908.90
Disposals/Adjustments	-	-	-	35.87	-	56.31	7.43	82.09	-	181.70
As at March 31, 2022	**15,390.17**	**544.48**	**24.50**	**2,519.55**	**1,965.31**	**2,028.83**	**23.16**	**280.94**	**10.80**	**22,787.73**
Additions	**-**	**743.53**	**-**	**195.54**	**158.46**	**410.82**	**238.24**	**190.64**	**-**	1,937.23
Disposals/Adjustments	**-**	**(723.24)**	**-**	**(3.87)**	**(33.78)**	**(102.55)**	**(1.84)**	**(12.94)**	**-**	(878.23)
As at March 31, 2023	**15,390.17**	**564.77**	**24.50**	**2,711.21**	**2,089.99**	**2,337.10**	**259.56**	**458.64**	**10.80**	**23,846.74**
Depreciation										
As at April 01, 2020	**2,843.49**	**206.21**	**24.50**	**1,231.30**	**1,232.35**	**1,231.35**	**16.52**	**175.75**	**10.80**	**6,972.27**
Charge for the year	668.90	66.01	-	233.76	60.58	59.29	5.08	54.78	-	1,148.40
Disposals/Adjustments	-	-	-	21.17	-	24.46	-	0.07	-	45.70
As at April 01, 2021	**3,512.39**	**272.22**	**24.50**	**1,443.89**	**1,292.93**	**1,266.18**	**21.60**	**230.46**	**10.80**	**8,074.97**
Charge for the year	682.99	68.36	-	223.98	67.20	69.99	3.88	47.17	-	1,163.57
Disposals/Adjustments	-	-	-	28.62	-	55.84	7.43	82.05	-	173.94
As at March 31, 2022	**4,195.38**	**340.58**	**24.50**	**1,639.25**	**1,360.13**	**1,280.33**	**18.05**	**195.58**	**10.80**	**9,064.60**
Charge for the year	710.03	67.60	-	224.51	84.10	119.35	17.41	47.73	-	**1,270.72**
Disposals/Adjustments	-	(591.78)	-	(2.78)	(33.18)	(89.15)	(1.76)	(12.94)	-	**(731.58)**
As at March 31, 2023	**4,905.41**	**(183.60)**	**24.50**	**1,860.98**	**1,411.05**	**1,310.53**	**33.70**	**230.37**	**10.80**	**9,603.74**
Net block										
As at April 01, 2021	**11,144.57**	**263.50**	**-**	**724.23**	**440.86**	**289.21**	**8.19**	**115.00**	**-**	**12,985.54**
As at March 31, 2022	**11,194.79**	**203.90**	**-**	**880.30**	**605.18**	**748.50**	**5.11**	**85.36**	**-**	**13,723.13**
As at March 31, 2023	**10,484.76**	**748.37**	**-**	**850.23**	**678.94**	**1,026.57**	**225.86**	**228.27**	**-**	**14,243.00**

Building is constructed on leasehold land taken from GHIAL (holding company) who obtained land under Concession agreement with Ministry of Civil Aviation.
*Adjustments amount to Rs.15.12lacs relating to building & leasehold is on account of reversal of excess provision
The Title deeds of the immovable properties are held in the name of the Company.
The Company has not revalued Property, Plant and Equipment during the year.
The Company does not have any benami property and no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

3A. Capital work-in-progress

	As at Mar 31, 2023	As at March 31, 2022
Capital expenditure incurred on PPE (Refer note 45)	1,233.61	749.68
	1,233.61	**749.68**

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

4. Right-of-use assets

Particulars	Right-of-use assets			
	Land	**Building**	**Equipment**	**Total**
Gross Block				
Adjustments	-	-	-	-
As at April 01, 2020	**4,059.33**	**821.13**	**29.73**	**4,910.19**
Additions	-	-	-	**-**
Adjustments	1,694.90	-	-	**1,694.90**
As at April 01, 2021	2,364.43	821.13	29.73	3,215.29
Additions	-	-	-	**-**
Adjustments	-	47.46	-	**47.46**
As at March 31, 2022	**2,364.43**	**773.67**	**29.73**	**3,167.83**
Additions	**-**	**247.43**	**-**	**247.43**
Adjustments	**-**	**-**	**-**	**-**
As at March 31, 2023	**2,364.43**	**1,021.10**	**29.73**	**3,415.26**
Accumulated Depreciation				
As at April 01, 2021	**406.07**	**266.92**	**28.50**	**701.49**
Charge for the year	125.97	122.52	1.25	**249.74**
Disposals	-2.78	-	0.02	**(2.76)**
As at March 31, 2022	**534.82**	**389.44**	**29.73**	**953.99**
Charge for the year	125.97	163.7	0	**289.67**
Disposals	0	0	0	**0**
As at March 31, 2023	**660.79**	**553.14**	**29.73**	**1,243.66**
Net block				
As at March 31, 2021	**1,958.36**	**554.21**	**1.23**	**2,513.80**
As at March 31, 2022	**1,829.61**	**384.23**	**-**	**2,213.82**
As at March 31, 2023	**1,703.64**	**467.96**	**-**	**2,171.60**

GMR Hospitality and Retail Limited
CIN : U52100TG2008PLC060866
Notes to the Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

5 Other Intangible Assets

	Acquired Software
Gross Block	
As at April 01, 2021	**197.83**
Additions	10.42
Disposals	-
As at March 31, 2022	**208.25**
Additions	**21.15**
Disposals	**-**
As at March 31, 2023	**229.40**
Amortisation	
As at April 01, 2021	**89.19**
Charge for the year	33.88
Disposals	-
As at March 31, 2022	**123.07**
Charge for the period	26.25
Disposals	-
As at March 31, 2023	**149.32**
Net block	
As at March 31, 2022	**85.18**
As at March 31, 2023	**80.08**

5A Intangible assets under development

	As at March 31, 2023	As at March 31, 2022
Capital expenditure incurred on intangible assets	-	16.98
	-	**16.98**

(All amounts are in Rs. lakhs, unless otherwise stated)

6 Financial Assets

		As at March 31, 2023	As at March 31, 2022
A.	**Current investments**		
	Unquoted Mutual Fund :		
	Nil (March 31, 2022 : 732,323.606) units of face value of Rs.100 each of ICICI Prudential Mutual Fund- Liquid growth plan	0.00	839.30
	111597.753 (March 31, 2022 : Nil) units of face value of Rs.1000 each of ICICI Prudential Mutual Fund- Overnight Fund Direct growth plan	1348.64	-
	42196.680 (March 31, 2022 : 64744.553) units of face value of Rs.1,000 each of Axis Overnight Fund Direct Growth	500.27	727.63
	89864.419 (March 31, 2022 : Nil) units of face value of Rs.1,000 each of Tata Overnight Fund - Direct plan - Growth	1062.73	-
	41261.078 (March 31, 2022 : 22430.817) units of face value of Rs.1,000 each of Aditya Birla Sunlife Overnight Fund - Growth Direct plan	500.27	257.88
		3,411.91	**1,824.81**
	Aggregate fair value of unquoted investments	3,411.91	1,824.81

B. Trade Receivables

	As at March 31, 2023	As at March 31, 2022
Trade receivables:		
- Considered good - Secured	-	
- Considered good - Unsecured	839.96	363.96
Total	**839.96**	**363.96**
Less: Allowances for doubtful receivables	-	-
Total Trade Receivables	**839.96**	**363.96**

Trade Receivables are non-interest bearing except in case of delay in payment and are generally on terms of 30-90 days

Other Financial Assets

		As at March 31, 2023	As at March 31, 2022
C.	**Non Current (unsecured, considered good unless stated otherwise)**		
	Lien Marked Fixed Deposit	78.00	-
	Security deposit	2.48	2.48
		80.48	**2.48**
D.	**Current (unsecured, considered good unless stated otherwise)**		
	Other receivables	555.67	241.07
	Security deposit	4.94	7.94
	Gratuity Asset	-	-
	Interest accrued on fixed deposits	1.89	0.05
	Interest accrued on Loans	-	9.97
		562.50	**259.03**

7 Deferred tax asset (net)

	As at March 31, 2023	As at March 31, 2022
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortization charged for the period/year	(869.89)	(666.42)
Impact of difference cost and fair value of investment in Mutual Funds	-	-
Lease Assets (net of lease liabilities)	-	-
Gain on fair valuation of mutual fund	(0.25)	(2.66)
Gross Deferred Tax Liabilities (A)	**(870.14)**	**(669.08)**
Deferred tax asset		
On unabsorbed depreciation and carried forward losses	785.34	581.02
Provision for Gratuity and Leave Encashment		-
On provisions for gratuity and leave benefits	50.30	48.33
On lease rentals	34.50	39.72
Gross Deferred Tax Assets (B)	**870.14**	**669.08**
Deferred Tax Assets/(Liabilities) (A+B)	**-**	**-**

Deferred tax assets/ (liability):
For the year ended March 31, 2023:

	Opening balance	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	Closing balance
Deferred tax liability:				
Impact of difference between tax depreciation and depreciation/ amortization charged for the year	(666.42)	-	(203.47)	(869.89)
Temporary difference arising on account of fair valuation on interest free loan		-	-	-
Gain on fair valuation of mutual fund	(2.66)	-	2.41	(0.25)
Deferred tax asset:				
On unabsorbed depreciation and carried forward losses	581.02	-	204.32	785.34
On provision for Gratuity and Leave Encashment	48.33	-	1.97	50.30
On Lease rentals	39.72	-	(5.22)	34.50
	0.00	**-**	**0.00**	**0.00**

Deferred tax assets/ (liability):
For the year ended March 31, 2023:

	Opening balance	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	Closing balance
Impact of difference between tax depreciation and depreciation/ amortization charged for the year	(868.16)	-	155.40	(712.76)
Temporary difference arising on account of fair valuation on interest free loan		-		-
Gain on fair valuation of mutual fund	(1.76)		0.93	(0.83)
Deferred tax asset:				
On unabsorbed depreciation and carried forward losses	770.11	-	(137.52)	632.59
On provision for Gratuity and Leave Encashment	31.59	-	3.77	35.36
On Lease rentals	68.22	-	(22.58)	45.64
	-	-	(0.00)	(0.00)

8 **Inventories**

	As at March 31, 2023	As at March 31, 2022
Inventories (valued at lower of cost and net realisable value)		
Retail merchandise*	5,298.21	1,039.42
Packing materials	3.66	3.20
Food & Beverages	43.63	28.20
Stores, spares & consumables	45.45	28.90
Total	5,390.95	1,099.72

*includes goods in transit of Rs. 138.08 lakhs (March 31, 2022: Rs. 190.88 lakh)

9 **Cash & cash equivalents**

		As at March 31, 2023	As at March 31, 2022
A	**Cash and cash equivalents**		
	Cash on hand	25.69	46.89
	Cash in transit	30.87	-
	Balances with banks:		
	– On current accounts	371.33	925.63
	Cheques on hand		
	– Exchange earner's foreign currency	319.16	613.78
	Total	747.05	1,586.30
B	**Other bank balances**		
	On Deposit accounts		
	– Deposits with original maturity for more than 3 months but less than or equal to 12 months.	1.05	1.00
		1.05	1.00
	Total(B)	1.05	1.00

10 **Loans**

	As at March 31, 2023	As at March 31, 2022
A. Current		
Loans		
- Considered good - Secured	-	-
- Considered good - Unsecured (Refer Note below)	-	2,000.00
- Having significant increase in credit risk	-	-
- Credit Impaired	-	-
Total	-	2,000.00

11 **Other Assets**

		As at March 31, 2023	As at March 31, 2022
A	**Non Current (unsecured, considered good unless otherwise stated)**		
	Capital Advances	187.93	166.12
	Balance with statutory/government authorities	6.12	6.12
	Prepaid expenses	0.16	0.51
	Total	194.21	172.75
B	**Current (unsecured, considered good unless otherwise stated)**		
	Advances recoverable in cash or kind	63.94	59.04
	Balance with statutory/government authorities	3,036.27	1,247.29
	Prepaid expenses	123.97	112.15
	Total	3,224.18	1,418.48

12 Non-current tax assets (net)

	As at March 31, 2023	As at March 31, 2022
Advance tax/ TDS receivables (net)	160.68	167.32
	160.68	**167.32**

13 Equity Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised share capital		
250,000,000 (as at March 31, 2022: 250,000,000) equity shares of Rs.10/- each	25,000.00	16,000.00
Increase/(decrease) during the year	-	9,000.00
Total	**25,000.00**	**25,000.00**
Issued, subscribed and fully paid-up share capital		
238,328,710 (as at March 31, 2022: 238,328,710 equity shares of Rs.10/- each fully paid up)	23,832.87	23,832.87
Total	**23,832.87**	**23,832.87**

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

	As at March 31, 2023		As at March 31, 2022	
	No's	**Rs. Lakhs**	**No's**	**Rs. Lakhs**
At the beginning of the period/year	23,83,28,710	23,832.87	15,59,98,710	15,599.87
Additions during the period/year		-	8,23,30,000	8,233.00
Outstanding at the end of the period/year	23,83,28,710	23,832.87	23,83,28,710	23,832.87

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company:

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at March 31, 2023	As at March 31, 2022
GMR Hyderabad International Airport Limited and its nominees		
238,328,710 (March 31, 2022 : 238,328,710) equity shares of Rs.10/- each fully paid up	23,83,28,710	23,83,28,710

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

	As at March 31, 2023		As at March 31, 2022	
	No's	**% holding**	**No's**	**% holding**
Equity shares of Rs.10 each fully paid				
GMR Hyderabad International Airport Limited and its nominees	23,83,28,710	100%	23,83,28,710	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

During FY2021-22, authorized share capital has been increased from Rs.16,000.00 lakhs to Rs.25,000 lakhs. Also, 8,23,30,000 equity shares of Rs.10 each were alloted on March 28, 2022 pursuant to letter of offer dated March 22, 2022 for issue of shares on rights basis.

14 Other equity

		As at March 31, 2023	As at March 31, 2022
a)	**Capital Reserve**		
	Opening Balance	548.10	548.10
	Add: Capital reserve arising on account of amalgamation	-	-
	Closing Balance	**548.10**	**548.10**
b)	**Equity component of other financial instruments**		
	Opening Balance	810.86	810.86
	Changes during the year	-	-
		-	-
	Closing Balance	**810.86**	**810.86**

		As at March 31, 2023	As at March 31, 2022
c)	**Retained earnings**		
	Opening Balance	(17,195.42)	(16,191.01)
	(Loss)/Profit for the year	5,072.05	(996.90)
	Equity Interim dividend	-	-
	Dividend distribution tax on interim dividend	-	-
	Remeasurement of net defined benefit plans	(5.10)	(7.51)
	Closing Balance	**(12,128.47)**	**(17,195.42)**
	Grand Total	**(10,769.51)**	**(15,836.46)**

15 Financial Liabilities

		As at March 31, 2023	As at March 31, 2022
A.	**Non Current borrowings**		
	Term Loans		
	Indian rupee term loan from Banks (secured)	12,053.18	11,307.45
		12,053.18	**11,307.45**
	Current Maturities of Non Current borrowings		
	Term Loans		
	Indian rupee term loan from Bank (secured)	507.19	130.28
		507.19	**130.28**
	Less: Amount disclosed under the head "short term borrowings"	(507.19)	(130.28)
	Total	-	-
B.	**Current borrowings**		
	Current Maturities of Non Current borrowings	507.19	130.28
		507.19	130.28

Notes:

a) The loan with Axis Bank carries the interest rate of 8.6% p.a (March 31, 2022: 7.70% p.a.) during the current period. During the previous period, the company has repaid the loan of Rs. 4,600.00 lakhs and has obtained a working capital term loan (WCTL) of 4,624.00 lakhs under Emergency Credit Line Guarantee Scheme (ECLGS) chargeable at 8.35% (March 31, 2022: 7.6% p.a.) with a moratorium of 2 years for principal which is repayable in 48 installments commencing from October 2023 to September 2027. The loan is secured by second charge with the existing credit facilities in terms of cash flows (including repayments) and security (Except guarantee's provided for exisiting facilities).

b) During FY 2021-22, the company has obtained Rupee Term Loan facility sanction of Rs.4,152 lakhs from ICICI Bank Ltd on September 21, 2021. The processing fees @ 0.5% amounting to Rs.20.76lakhs has been paid. The facility shall be used for incurring capital expenditure for Dutyfree division and renovation of hotel division with debt to equity ratio of 75:25. The loan will be repayable in 32 structured quarterly installments starting from June 30, 2022. The Rupee Term Loan shall be secured in favour of ICICI Bank/Security trustee by way of first pari-passu charge by way of hypothecation/charge/mortgage/security interest over immovable assets (including assignment of leasehold rights in the case of leasehold land) , current assets, fixed assets, cash flows and a pledge of equity shares of the Company held by GHIAL. The entire security shall be shared on pari-passu basis with other lenders of GHRL.

The loan with ICICI Bank carries the interest rate of MCLR + 0.25% spread which would be reset at the end of every one year from the date of disbursement.

c) During the previous year, 5,00,49,030 equity shares of GMR Hyderabad International Airport Limited have been pledged in the name of Axis Security Trustee Services Limited on behalf of borrowings from Axis Bank Ltd & ICICI Bank Ltd.

d) The Borrowings are utilized by the Company for the purpose which are obtained and there are no charges or satisfaction to be registered with ROC beyond the statutory period.

C Trade payables

	As at March 31, 2023	As at March 31, 2022
- Outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 46)	2,478.31	2,189.95
- Outstanding dues to related parties	-	-
	2,478.31	**2,189.95**
- Outstanding dues of micro enterprises and small enterprises (Refer note 46)	64.80	41.75
Total	**2,543.11**	**2,231.70**

Lease Liablities

		As at March 31, 2023	As at March 31, 2022
D	**Non Current Liabilities**		
	Lease liabilities (Refer note 36)	2,431.75	2,440.02
		2,431.75	**2,440.02**
E	**Current Liabilities**		
	Lease liabilities (Refer note 36)	519.14	436.05
		519.14	**436.05**

Other financial liabilities

		As at March 31, 2023	As at March 31, 2022
F	**Current Liabilities**		
	Retention Money	294.82	150.55
	Security deposit received from customers	56.74	20.74
	Payable for purchase of Property, plant and equipment	267.08	531.27
	Total	**618.64**	**702.56**

Breakup of financial liabilities carried at amortised cost

	As at March 31, 2023	As at March 31, 2022
Non current borrowings	11,681.55	15,692.69
Current maturities of non current borrowings	383.27	362.06
Current borrowings	-	-
Security deposit received from customers	14.12	15.12
Trade Payables	2,478.31	1,750.06
Other Payables	373.97	144.25
Total financial liabilities carried at amortised cost	**14,931.22**	**17,964.18**

(All amounts are in Rs. lakhs, unless otherwise stated)

16 Provisions

		As at March 31, 2023	As at March 31, 2022
A.	**Long Term Provisions**		
	Provision for gratuity	81.46	74.12
	Total	**81.46**	**74.12**
B.	**Short Term Provisions**		
	Provision for leave benefits	144.69	117.91
	Total	**144.69**	**117.91**

17 Other Current Liabilities

	As at March 31, 2023	As at March 31, 2022
Current Liabilities		
Statutory dues	296.96	158.65
Advance received from customers and others	81.78	89.49
Advance received from Related Party	-	-
Total	**378.74**	**248.14**

(All amounts are in Rs. lakhs, unless otherwise stated)

18 Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products		
Sale of imported products	21,508.70	8,712.43
Sale of indigenous products	535.66	142.02
Sale of food and beverages	2,538.04	1,412.02
Sale of services - room rent	5,149.98	2,785.79
Total	**29,732.38**	**13,052.26**
Other operating income		
Rental income	34.20	24.75
Other operating income/services	731.86	309.65
Total	**766.06**	**334.40**
	30,498.44	**13,386.66**

19 Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on Loan	198.69	201.44
Profit on sale of Property, Plant and Equipment	-	0.04
Profit on sale of investments in mutual funds	113.29	29.40
Gain on fair valuation of mutual fund	0.99	7.79
Sale of scrap	4.71	0.81
Interest income on Income tax refund	0.28	0.48
Gain on account of cancellation of lease	-	0.39
Provisions no longer required written back	-	39.96
Other non-operating income	1,859.32	577.19
	2,177.28	**857.50**

20 Food and Beverages consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	28.20	24.88
Add: Purchases	913.19	595.32
Less : Closing stock	(43.63)	(28.20)
Total	897.76	592.00
Less : Staff welfare Consumption	(104.17)	(92.89)
	793.59	**499.11**

21 Change In Inventory-Stock In Trade

	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchases	13,060.00	3,037.92
Opening stock	1,042.62	1,482.36
Less : Closing stock	(5,301.87)	(1,042.62)
	(4,259.25)	**439.74**

22 Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	2,019.06	1,646.19
Contribution to provident and other fund	132.72	101.84
Gratuity expense	29.97	26.67
Staff welfare expenses	402.16	304.07
	2,583.91	**2,078.77**

23 Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent	40.83	34.58
Operating Fees	418.77	155.65
Operating & maintainance expenses	612.89	331.30
Concession fee	6,671.14	2,238.51
License Fee	2.40	2.24
Manpower outsourcing charges	220.70	119.23
Electricity & water charges	963.88	692.56
Rates and taxes	195.59	287.54
Insurance	52.13	45.69
Repairs and maintenance	681.59	378.09
Advertising, selling and distribution expense	506.72	139.27
Travelling and conveyance	521.51	103.46
Communication costs	78.42	59.32
Printing and stationery	39.67	23.75
Security charges	69.60	47.81
Legal and professional fees	410.36	112.96
Management fee	738.73	239.82
Payment to auditors (net of Reimbursement)	16.27	15.40
	129.80	4.84
Loss on account of foreign exchange fluctuations (net)		
Loss on sale/writte off of Property,plant and equipment (net)	146.38	7.25
Donations	-	750.00
Miscellaneous expenses	8.09	4.87
	12,525.47	**5,794.14**

During FY 2022-23 company has made NIL contribution to Prudent Electoral Trust (formely known as Satya Electoral Trust). (31 March 2022: Rs.750 Lakhs)

Payment to auditors*		
As auditor		
Statutory Audit fees	5.30	5.30
Limited review/Certifications	6.70	6.70
Tax Audit	2.00	2.00
Reimbursement of expenses	2.27	1.40
	16.27	**15.40**

(All amounts are in Rs. lakhs, unless otherwise stated)

24 Depreciation and amortization expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of Property, plant and equipment	1,270.72	1,163.57
Amortization of intangible assets	26.25	33.88
Depreciation of Right of use assets	289.67	249.74
	1,586.64	**1,447.19**

25 Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	958.22	1,591.99
Unwinding of discount and effect of changes in discount rate on borrowings	-	-
Interest Others	-	-
Bank charges and other borrowing cost	42.47	40.21
Interest expense on lease liabilities	312.62	311.99
	1,313.31	**1,944.19**

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

	For the year ended March 31, 2023	For the year ended March 31, 2022
Tax Expenses		
(a) Current Tax	-	-
(b) Adjustment of Tax relating to earlier year	-	-
(b) Deferred tax expense	-	-
Total Tax Expense	-	-

Reconciliation of tax expenses to accounting profits is as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Accounting Profit before Tax	5,072.05	(996.90)
Applicable Tax Rate in India (%)	25.17%	25.17%
Expected Income tax expense	-	-
<u>**Adjustments:**</u>		
For brought forward losses	-	-

27 Components of Other Comprehensive Income (OCI)
The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement gain/(loss) on net defined benefit plan	(5.10)	(7.51)
Deferred tax effect on remeasurement costs	-	-
Total	**(5.10)**	**(7.51)**

(All amounts are in Rs. lakhs, unless otherwise stated)

28. Earnings per share (EPS)

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

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit for calculation of basic/diluted EPS	5072.05	(996.90)
Weighted average number of equity shares in calculating basic/diluted EPS	23,83,28,710	15,69,00,956
Earnings per share (Basic and diluted) (Rs.)	2.13	(0.64)

29. Retirement and other employee benefits

a. Defined contribution plan

Contribution to Provident and other funds under employee benefits expense are as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to provident fund	115.63	88.66
Contribution to employee state insurance	14.74	13.17
Contribution to superannuation fund & NPS	2.36	-

b. Defined benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the amounts recognised in the balance sheet.

Hotels Segment - Funded Plan

During the year, the hotel division has also invested in gratuity scheme of LIC.

i. Net employee benefit expenses (recognized in the employee benefits expenses)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	13.58	15.52
Interest cost on benefit obligation	3.05	3.39
Net employee benefit expenses	**16.63**	**18.91**

(All amounts are in Rs. lakhs, unless otherwise stated)

ii. Net liability to be recognized in the balance sheet:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	66.09	57.85
Fair Value of Plan Assets	(11.10)	(11.63)
Net liability to be recognized in the balance sheet	**54.99**	**46.22**

iii. Changes in the present value of the defined benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	57.85	65.42
Current service cost	14.44	15.52
Interest cost on benefit obligation	3.88	4.13
Benefit Payments	(6.54)	(9.32)
Net Actuarial loss/(gain) on obligation	(3.54)	(17.90)
Closing defined benefit obligation	**66.09**	**57.85**

iv. Changes in the fair value of plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening fair value of plan assets	11.63	10.82
Contribution by employer	-	-
Interest income on plan assets	0.82	0.74
Return on plan assets greater/(lesser) than discount rate	(1.35)	0.07
Benefits paid	-	-
Closing fair value of plan assets	**11.10**	**11.63**

Major Categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Investment with Life Insurance Corporation of India	100%	100%

v. Amount recognised in statement of other comprehensive income (OCI):

Particulars	As at March 31, 2023	As at March 31, 2022
Opening amount recognized in OCI	(38.23)	(20.27)
Remeasurement for the year - Obligation (gain)/loss	(0.81)	(17.96)
Closing amount recognised in OCI	**(39.04)**	**(38.23)**

(All amounts are in Rs. lakhs, unless otherwise stated)

a. Principal assumptions used in determining gratuity obligation:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.30%	7.10%
Attrition rate	5.00%	5.00%
Expected rate of salary increases	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

Expected benefit payments for the year ending:

Year ending	March 31, 2023
March 31, 2024	3.57
March 31, 2025	4.43
March 31, 2026	5.00
March 31, 2027	5.74
March 31, 2028	9.54
March 31, 2029 to March 31, 2033	70.55

c. Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	March 31, 2023	March 31, 2022
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(6.5)	(5.79)
- 1% decrease	7.75	6.85
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	7.56	6.86
- 1% decrease	(6.64)	(5.90)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	0.53	0.27
- 1% decrease	(0.66)	(0.36)

(All amounts are in Rs. lakhs, unless otherwise stated)

- **Duty Free Segment-Funded plan :**

i. Net employee benefit expenses (recognised in the employee benefits expenses)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	12.10	7.98
Interest cost on benefit obligation	1.24	(0.23)
Net employee benefit expenses	**13.34**	**7.75**

ii. Net asset to be recognized in the balance sheet:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	(85.30)	(70.37)
Fair Value of Plan Assets	58.83	42.48
Net asset/(liability) to be recognized in the balance sheet	**(26.47)**	**(27.89)**

iii. Changes in the present value of the defined benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	70.37	40.43
Current service cost	12.10	7.98
Interest cost on benefit obligation	4.74	2.56
Benefit Payments	(7.30)	(5.48)
Net Actuarial loss/(gain) on obligation – Experience	5.39	24.88
Closing defined benefit obligation	**85.30**	**70.37**

iv. Changes in the fair value of plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening fair value of plan assets	42.48	41.98
Return on plan assets greater/ (lesser) than discount rate	(0.52)	(0.59)
Acquisition Adjustment	-	-
Contribution by employer	20.68	3.78
Interest income on plan assets	3.49	2.79
Benefits Paid	(7.30)	(5.48)
Closing fair value of plan assets	**58.83**	**42.48**

Major Categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2023	March 31, 2022
Investment with Life Insurance Corporation of India	100%	100%

(All amounts are in Rs. lakhs, unless otherwise stated)

v. Amount recognised in statement of other comprehensive income (OCI):

Particulars	March 31, 2023	March 31, 2022
Opening amount recognized in OCI	32.19	6.73
Remeasurement for the year- Obligation (gain)/loss	5.91	25.46
Closing amount recognised in OCI	**38.10**	**32.19**

a. Principal assumptions used in determining gratuity obligation:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.30%	7.10%
Attrition rate	5.00%	5.00%
Expected rate of salary increases	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

Expected benefit payments for the year ending:

Year ending	March 31, 2023
March 31, 2024	5.02
March 31, 2025	6.03
March 31, 2026	6.85
March 31, 2027	8.62
March 31, 2028	9.91
March 31, 2029 to March 31, 2033	91.15

c. Sensitivity Analysis:
A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	March 31, 2023	March 31, 2022
(a) Effect of 1% change in assumed discount rate		
- 1% increase	(8.71)	(7.41)
- 1% decrease	10.38	8.87
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	10.42	8.89
- 1% decrease	(8.89)	(7.55)
(c) Effect of 1% change in assumed attrition rate		
- 1% increase	0.94	0.70
- 1% decrease	(1.11)	(0.83)

c. Liability towards compensated absence is provided based on actuarial valuation amounts to Rs.117.91 lakhs (March 31, 2021: Rs.86.65 lakhs).

	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial assumptions for long-term compensated absences		
Discount rate	7.10%	7.10%
Salary escalation	6.00%	6.00%
Attrition	5.00%	5.00%

30. Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company has identified two reportable segments under Ind AS 108 as follows:

a) Hotels Segment and ;
b) Duty Free Segment

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

The Chief Operating Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

GMR Hospitality and Retail Limited
CIN: U52100TG2008PLC060866
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

For the year ended March 31, 2023

PARTICULARS	Hotels	Duty Free	Inter segment eliminations	Total
REVENUE				
External Sales	7,688.02	22,044.36	-	29,732.38
Other Operating Revenue	766.06	-	-	766.06
Total Revenue	**8,454.08**	**22,044.36**		**30498.44**
RESULTS				
Operating Profit	1,762.72	2,591.73	-	4,354.45
Profit / (Loss) on Sale of Property, Plant and Equipment	-	(146.38)	-	(146.38)
Segment Results	**1762.72**	**2,445.35**	**-**	**4208.07**
Un-allocated Income/(Expenses)				
Other Income				2,177.28
Other expenses				-
Finance Costs	-	-		(1,313.31)
Tax Expense	-	-		-
Net Profit/(Loss)	**1762.72**	**2445.35**	**-**	**5,072.04**
Unallocated Assets				3,572.59
Unallocated Liabilities				12,560.37
Segment Assets	17,752.91	14,275.77	(3,323)	28,705.68
Segment Liabilities	6594.61	3,382.93	(3,323)	6,654.54
Other Information				
Capital Expenditure	1449.37	954.81		2,404.18
Depreciation and amortization expense	1,256.37	330.27		1,586.64

(All amounts are in Rs. lakhs, unless otherwise stated)

For the year ended March 31, 2022:

PARTICULARS	Hotels	Duty Free	Inter segment eliminations	Total
REVENUE				
External Sales	4,197.81	8,854.45	-	13,052.26
Other Operating Revenue	334.40	-	-	334.40
Total Revenue	**4,532.21**	**8,854.45**		**13,386.66**
RESULTS				
Operating Profit	(375.63)	1,222.65	-	847.02
Profit / (Loss) on Sale of Property, Plant and Equipment	(7.25)	0.04	-	(7.21)
Segment Results	**(382.88)**	**1,222.69**	**-**	**839.81**
Un-allocated Income/(Expenses)				
Other Income				857.47
Other expenses				(750.00)
Finance Costs	-	-		(1,944.19)
Tax Expense	-	-		-
Net Profit	**(382.88)**	**1,222.69**	**-**	**(996.91)**
Unallocated Assets				1,992.13
Unallocated Liabilities				11,437.73
Segment Assets	17,578.91	9,383.05	(3,260.00)	23,701.96
Segment Liabilities	7,181.72	2,338.28	(3,260.00)	6,260.00
Other Information				
Capital Expenditure	1501.85	549.37		2051.20
Depreciation and amortization expense	1,182.35	264.84		1,447.19

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

31. Details of transactions with related parties

A. Names of related parties and related party relationship

(i)	Holding company	GMR Hyderabad International Airport Limited (GHIAL)
(ii)	GHIAL's holding company	GMR Airports Limited (GAL)
(iii)	GAL's holding company	GMR Airports Infrastructure Limited (Formerly known as GMR Infrastructure Limited)
(iv)	Ultimate holding company	GMR Enterprises Private Limited
(v)	Fellow subsidiary companies (Where transactions have taken place during the reporting years)	GMR Air Cargo & Aerospace Engineering Limited GMR Hyderabad Aerotropolis Limited Delhi International Airport Limited GMR Kannur Duty Free Services Limited GMR Goa International Airport Limited Raxa Security Services Limited GMR Airport Developers Limited GMR Hyderabad Aviation SEZ Limited Kakinada SEZ Limited GMR Aviation Private Limited GMR Energy Trading Limited GMR Business Process and Services Private Limited GMR Logistics Park Private Limited GMR Hyderabad Vijayawada Expressways Private Limited GMR Generation Asset Limited
(vi)	Joint Venture of GMR Hyderabad International Airport Limited	Laqshya Hyderabad Airport Media Private Limited
	Enterporises where KMP and their relatives exercise significant influence	GMR School of Business GMR Family Fund Trust
(vii)	Employee benefit Plan	Hyderabad Duty Free Retail Limited – Employee Gratuity Fund Trust GMR Hospitality and Retail Limited – Hotel Division – Employee Group Gratuity Trust
(viii)	Key Managerial Personnel (KMP)	SGK Kishore, Director Rajesh Kumar Arora, Director Aman Kapoor, Director Pradeep Panicker, Director Kavitha Gudapati, Independent Director Venu Madhav Tenjarla, Chief Financial Officer Mohammed Ismail, Independent Director Ashish Kulkarni, Company Secretary Manish Narisetti, Manager
(ix)	Relative of Key Managerial Person of Holding Company	Ramadevi Bommidala

GMR Hospitality and Retail Limited
CIN: U52100TG2008PLC060866
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

B. Related party transactions

Sl. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	**Repairs and maintenance – others**		
	- GMR Hyderabad International Airport Limited	95.38	51.80
	- GMR Hyderabad Aerotropolis Limited	23.66	23.18
(ii)	**Communication costs**		
	- GMR Hyderabad International Airport Limited	5.78	13.70
	- GMR Airport Developers Limited	34.37	25.13
(iii)	**Concession fee and license fee**		
	- GMR Hyderabad International Airport Limited	6613.97	2219.85
(iv)	**Employee benefits expense**		
	- GMR Hyderabad International Airport Limited	188.98	205.71
(v)	**Cost of goods sold**		
	- GMR Hyderabad International Airport Limited	3.69	1.46
	-GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited)	7.49	1.91
(vi)	**Management fee and legal and professional fees**		
	- GMR Airports Limited	738.73	239.82
(vii)	**Security charges**		
	- Raxa Security Services Limited	62.46	47.33
(viii)	**Electricity charges and other expenses paid by the Company during the year to its related parties**		
	-GMR Hyderabad International Airport Limited	770.17	570.16
(ix)	**Property, Plant and Equipment – Additions**		
	- GMR Airport Developers Limited	82.89	28.47
(x)	**Advertisement Expenses:**		
	- Laqshya Hyderabad Airport Media Private Limited	6.57	6.92
(xi)	**Amortization of Right of Use :**		
	- GMR Hyderabad International Airport Limited	251.95	210.77
	-GMR Hyderabad Aerotropolis Limited	37.72	37.72
(xii)	**Interest of Lease Liability :**		
	- GMR Hyderabad International Airport Limited	228.09	228.39
	-GMR Hyderabad Aerotropolis Limited	84.53	83.60
(xiii)	**Loans given received back:**		
	- GMR Goa International Airport Limited	2,000.00	-
(xiv)	**Hotel services rendered:**		
	GMR Hyderabad International Airport Limited	73.78	70.71
	GMR Airports Limited	2.31	0.29
	GMR Infrastructure Limited	-	0.81
	GMR Hyderabad Aviation SEZ Limited	1.68	1.15
	GMR Hyderabad Aerotropolis Limited	3.18	2.56
	GMR Aviation Private Limited	2.63	0.65
	GMR Generation Assets Limited	0.30	-

(All amounts are in Rs. lakhs, unless otherwise stated)

Sl. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Delhi International Airport Limited	27.48	5.70
	GMR Varalakshmi foundation	-	0.44
	GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited)	55.42	52.82
	GMR School of Business	2.1	0.10
	GMR Family Fund Trust	69.48	0.99
	GMR Goa International Airport Limited	-	0.40
	GMR Hyderabad Vijayawada Expressways Ltd	1.35	0.21
(xv)	**Other income**		
	GMR Hyderabad International Airport Limited	4.22	4.08
	GMR Goa International Airport Limited	198.36	200.00
	GMR Kannur Duty Free Services Limited	763.64	289.87
	ESR GMR Logistics Park Private Limited	2.01	-
(xvi)	**Interest on unsecured loan taken from the company**		
	GMR Hyderabad International Airport Limited	-	448.16
	GMR Hyderabad Aviation SEZ Limited	-	93.98
	GMR Hyderabad Aerotropolis Limited	-	236.49
(xvii)	**Revenue Share:**		
	- GMR Hyderabad Aerotropolis Limited	59.57	20.90
(xviii)	**Key Management Personnel-**		
	Remuneration paid# -		
	1) Manish Narisetti, Manager*	82.82	66.42
	2) Venu Madhav Tenjarla, Chief Financial Officer*	33.51	26.38
	3) Ashish Kulkarni, Company Secretary	22.46	13.97
	Sitting Fees –		
	1) Kavitha Gudapati, Independent Director	0.30	0.30
	2) Mohammed Ismail, Independent Director	0.60	0.75
(xix)	**Relative of Key Managerial Person of Holding Company**		
	Rent@		
	-Ramadevi Bommidala	20.76	21.23

*Reimbursed to GMR Hyderabad International Airport Limited

(All amounts are in Rs. lakhs, unless otherwise stated)

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

C. Balances outstanding in related party accounts are as follows:

Related party transactions	As at March 31, 2023	As at March 31, 2022
Trade receivables:		
GMR Hyderabad International Airport Limited	27.52	6.42
Delhi International Airport Limited	2.38	0.11
GMR Aviation Private Limited	1.01	0.37
GMR Airports Limited	2.17	-
GMR Infrastructure Limited	-	0.81
GMR Air Cargo and Aerospace Engineering Ltd (Formerly known as GMR Aerospace Engineering Limited)	19.35	6.88
GMR Hyderabad Aviation SEZ Limited	0.7	0.73
GMR Hyderabad Aerotropolis Limited	2.24	1.05
GMR Goa International Airport Limited	-	0.40
GMR Vishakapatnam Limited	-	0.35
GMR School of Business	0.1	-
Trade payables:		
GMR Hyderabad International Airport Limited	806.81	719.94
GMR Airport Developers Limited	3.81	5.16
GMR Airports Limited	62.9	10.67
Raxa Security Services Limited	6.31	11.08
Ramadevi Bommidala	1.86	0.81
GMR Hyderabad Aerotropolis Limited	5.88	6.10
Payables for purchase of Property, Plant and Equipment:		
GMR Airport Developers Limited	16.61	26.77
Other receivables:		
GMR Hyderabad International Airport Limited	4.98	0.80
GMR Airports Limited	23.21	1.83
GMR Kannur Duty Free Services Limited	284.54	73.77
GMR Goa International Airport Limited		-
GMR Infrastructure Limited	4.72	9.44
Advance Recoverable in cash or kind		
GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited)	1.31	0.36
GMR Goa International Airport Limited		2000.00

Security deposit receivable		
GMR Hyderabad International Airport Limited	1.32	1.32
Ramadevi Bommidala	2.6	2.60
Lease Liability GMR Hyderabad International Airport Limited GMR Hyderabad Aerotropolis Limited	 2160.40 790.49	 2,086.63 789.42
Pledge of equity shares with bank against the loan taken by the Company		
GMR Hyderabad International Airport Limited *		5,004.90

* During the FY 2018-19, the Company had refinanced its long term loans taken from Aditya Birla Finance limited and India Infra Debt limited with Axis bank without change in balance repayment schedule and security terms. Accordingly, the holding Company had released the pledge of equity shares with Aditya Birla Finance Limited and India Infra Debt limited on December 18, 2018 and pledged with Axis Bank on January 8, 2019.

D. Outstanding guarantees at the end of the year:

Related party transactions	As at March 31, 2023	As at March 31, 2022
Corporate guarantee availed from the Holding Company against loan taken from lenders:# GMR Hyderabad International Airport Limited a) Corporate Guarantee Availed b) Guarantee Outstanding	 17,611.00 12,629.00	 17,611.00 11,501.18

Corporate guarantee originally has been taken over at Rs.12,093.75 lakhs and reduced by Rs.1,632.25 lakhs due to repayment of axis bank loan installments (as on March 31, 2022 corporate guarantee has been taken over at Rs.12,093.75 lakhs and reduced by Rs.1656.25 Lakhs due to repayment of loan).

During the previous year, the company has availed ICICI Bank Rupee Term loan of Rs.2,285.32 lakhs and reduced by Rs.114.27 lakhs due to repayment of loan (as on March 31, 2022, the loan outstanding is Rs.1063.68 lakhs) and is guaranteed by the holding company.

Note: The Company has received certain corporate group support services from its holding company, which are free of charge.

32. Significant accounting judgments, estimates and assumptions

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

Estimates and assumptions

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

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

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Further details about gratuity obligations are given in Note 29.

(iii) Contingencies
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

(iv) Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 33 and 34 for further disclosures.

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

(All amounts are in Rs. lakhs, unless otherwise stated)

33. Fair Values

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

	Carrying Value		Fair Value	
	31-Mar-23	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Financial assets				
Valued at fair value though profit or loss				
Investment in mutual fund	3411.91	1,824.81	3411.91	1,824.81
Valued at amortised cost				
Trade receivable	839.96	363.96	839.96	363.96
Loans Given	-	2,000.00	-	2,000.00
Other financial assets	642.98	261.51	642.98	261.51
Cash and cash equivalent and other bank balances	748.11	1,587.30	748.11	1,587.30
Total	**5,642.96**	**6,037.58**	**5,642.96**	**6,037.58**

Financial liabilities	**31-Mar-23**	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Valued at amortised cost				
Borrowings (including current maturities of long term borrowings)	12,560.37	11,437.73	12,560.37	11,437.73
Trade payables	2,543.11	2,231.71	2,543.11	2,231.71
Lease Liabilities	2,950.89	2,876.07	2,950.89	2,876.07
Other financial liabilities	618.64	702.56	618.64	702.56
Total	**18,673.00**	**17,248.07**	**18,673.00**	**17,257.56**

The management assessed that cash and cash equivalents, short-term borrowings, trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(All amounts are in Rs. lakhs, unless otherwise stated)

34. Fair Value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets:

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)#	(Level 2)	(Level 3)
Financial assets at fair value Investment in Mutual funds	March 31, 2023	3,411.91	3,411.91	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022:

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)#	(Level 2)	(Level 3)
Financial assets at fair value Investment in Mutual funds	March 31, 2022	1,824.81	1,824.81	-	-

The mutual funds are valued using closing NAV

There have been no transfers between Level 1 and Level 2 during the year

35. Financial risk management objectives and policies

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

a) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk:
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs.839.96 lakhs and Rs. 363.96 lakhs as of March 31, 2023, and March 31, 2022 respectively, being the total of the carrying amount of balances with trade receivables.

Trade receivables:
Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

b) Liquidity Risk

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

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

Year ended	**Less than 1 Year**	**1 to 5 years**	**> 5 Years**	**Total**
March 31, 2023				
Long term borrowing - Term loan interest thereon#	1321.01	13,118.90	1,623.83	**16,063.74**
Lease Liabilities at undiscounted value	519.14	1,471.30	3,896.29	**5,886.73**
Trade payable and other financial liabilities	3,161.75	-	-	**3,161.75**
	5,001.90	**14,590.20**	**5,520.12**	**25,112.22**

Year ended	**Less than 1 Year**	**1 to 5 years**	**> 5 Years**	**Total**
March 31, 2022				
Long term borrowing - Term loan interest thereon#	927.59	10,254.31	4,063.03	**15,244.93**
Lease Liabilities at undiscounted value	436.87	1,456.83	4,191.31	**6,085.01**
Trade and other financial liabilities	2,943.27	-	-	**2,943.27**
	4,307.73	**11,711.14**	**8,254.34**	**24,273.21**

(All amounts are in Rs. lakhs, unless otherwise stated)

Included in long-term borrowing and interest thereon are certain borrowings which are subject to variable interest rates. Amount included in the above maturity analysis assumes interest outflows based on the year end benchmark interest rates, the actual interest rates may differ based on the changes in the benchmark interest rates.

c) Market Risk

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

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company performs a comprehensive corporate interest rate management policy. The company is not exposed to significant interest rate risk as at the respective reporting dates.

- **Interest rate sensitivity**

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

Particulars	Increase in basis points and Effect on Profit before tax	Decrease in basis points and Effect on Profit before tax
March 31, 2023		
	+50	**-50**
Long term Borrowing Term loan	(60.72)	60.72
Loan from holding company	-	-
Loan from other related parties	-	-
	+50	**-50**
March 31, 2022		
Long term Borrowing Term loan	(47.28)	47.28
Loan from holding company	(22.60)	22.60
Loan from other related parties	(15.74)	15.74

e) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The duty free business of the company is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in duty free outlet and purchases from overseas suppliers in various foreign currencies.

- **Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in top five foreign currencies exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The company's exposure to foreign currency changes for all other currencies is not material.

March 31, 2023

	USD	**CHF**	**GBP**	**SAR**	**EURO**
Effect on Profit before tax (1%)	3.35	0.41	1.71	0.01	0.05
Effect on Profit before tax (-1%)	(3.35)	(0.41)	(1.71)	(0.01)	(0.05)

March 31, 2022

	USD	**CHF**	**GBP**	**SAR**	**AED**
Effect on Profit before tax (1%)	0.49	0.55	0.10	0.06	0.04
Effect on Profit before tax (-1%)	(0.49)	(0.55)	(0.10)	(0.06)	(0.04)

- **Details of unhedged foreign currency is shown below-**

Particulars	**March 31, 2023**		**March 31, 2022**	
	Amount in foreign currency	**Amount in Rs. Lakhs**	**Amount in foreign currency**	**Amount in Rs. Lakhs**
Trade payables	USD 4,51,675 CHF 67,133 EURO 14,035 GBP 1,99,629 SGD 0	371.14 60.14 12.56 202.92	USD 11,09,538 CHF 73,169 EURO 26,206 GBP Nil SGD 21,526	840.95 60.02 22.07 - 12.05
Bank balances	USD 3,88,408	319.16	USD 8,09,820	613.78
Other Receivables	USD 3,95,070 CHF 21,917 EURO 7,100 GBP 31,121	324.63 19.63 6.35 31.63	USD 1,84,647 CHF 6,216 EURO 9,669 GBP 6,563	139.95 5.10 8.14 6.53
Foreign currency on hand	AED 10.50 AUD 260.50 CAD 59.6 CHF 7 EURO 552.52 GBP 5 HKD 28 JPY 42 KWD 0 MYR 662 NZD 8 OMR 0 QAR 315	-* 0.14 0.03 0.01 0.50 0.01 -* -* - 0.12 -* - 0.07	AED 20,961 AUD 2,881 CAD 235 CHF 7 EURO 393 GBP 475 HKD 28 JPY 42 KWD 575 MYR 2 NZD 8 OMR 89 QAR 1,451	4.33 1.63 0.14 0.01 0.33 0.47 -* -* 1.44 -* -* 0.18 0.30

Particulars	March 31, 2023		March 31, 2022	
	Amount in foreign currency	Amount in Rs. Lakhs	Amount in foreign currency	Amount in Rs. Lakhs
	SAR 4,366 SGD 398.50 THB 87 USD 28,584 BAH 0 CNY 175	0.96 0.25 -* 23.48 - 0.02	SAR 21,986 SGD 394 THB 87 USD 50,440 BAH 30	4.44 0.22 -* 38.23 0.06
Loans and advances	USD 9,842 EURO 885	8.09 0.79	USD 10 GBP 644	-* 0.64
Cash in Transit	USD 37,570	30.87		

*less than thousand

36. Leases

On transition to Ind AS 116, the Company recognised the right-of-use assets and lease liabilities of Rs. 4,910.19 lakhs.

(i) Right-of-Use Assets:

Particulars	Amount (Rs.)
As at April 01, 2021	**2,513.80**
Additions	-
Depreciation/amortization for the year	(249.74)
Adjustments	(50.24)
As at March 31, 2022	**2,213.82**
As at April 01, 2022	**2,213.82**
Additions	247.46
Depreciation/amortization during the year	(289.67)
Adjustments	
As at Mar 31, 2023	**2,171.61**

(ii) **Lease Liability:**

Particulars	Total (Rs.)
As at April 01, 2021	**3,164.79**
Additions	-
Adjustments (Refer Note above)	(51.77)
Interest For the year	311.99
Repayment made during the year	(584.77)
As at 31 March 2022	**2,876.08**
As at April 01, 2022	**2,876.08**
Additions	247.43
Interest For the year	312.62
Repayment made during the year	(485.24)
As at Mar 31, 2023	**2,950.89**

(All amounts are in Rs. lakhs, unless otherwise stated)

Disclosed as:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Non-Current	2,431.75	2,440.02
Current	519.14	436.05

Following amount has been recognized in statement of profit and Loss account:

Particulars	For the period ended Mar 31, 2023	For the period ended Mar 31, 2022
Depreciation/amortization on right to use asset	289.67	249.74
Interest on lease liability	312.62	311.99
Total amount recognized in statement of profit and loss account	602.29	561.73

37. Capital Management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating. The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, equity includes issued equity capital and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (including current maturities of long term borrowings (Note 15A & G))	12,560.37	11,437.73
Cash and cash equivalents	(747.06)	(1586.30)
Net debt	**11,813.31**	**9,851.43**
Equity	**13,063.36**	**7996.41**
Net debt to equity ratio	**0.90**	**1.23**

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

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023.

38. Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Sl .No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	64.80	41.75
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

39. During the year ended Mar 31, 2023, the Company has received Goods and Services Tax (GST) refund for the period Jun 2019 to May 2021 amounting to Rs.862.92 lakhs. During the year ended Mar 31, 2022, the Company received Goods and Services Tax (GST) refund for the period Oct 2019 to Mar 2020 amounting to Rs.520.86 lakhs.

40. Commitments and Contingencies

A. Contingent Liabilities:

Below is the summary of contingent liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
-In Respect of Income Tax Matters (refer note 'a' below)	0.08	5.49
-In Respect of Indirect Tax Matters (refer note 'b' below)	1,391.64	420.67
-In Respect of Other Matters (refer note 'c' below)	5.00	5.00

a) <u>In respect of Income Tax Matters:</u>

i. During the previous year the Company had received an order for AY 2018-19 disallowing unpaid GST of Rs. 0.08 lakhs. The Company had filed an appeal against the said order with the

Commissioner of Income Tax - Appeals. Management is confident that no liability in this regard would be payable and as such no provision has been made in these financial statements.

b) <u>In respect of Indirect Tax Matters:</u>

i. Value Added Tax dispute of Rs.42.60 Lakhs (March 31, 2022: Rs.42.60 Lakhs)

The Company had filed appeals with VAT Appellate Tribunal against the orders of Deputy Commissioner and Appellate Joint Commissioner confirming the demand towards levying of Value Added Tax on usage of Audio Video Equipment's by the Hotel customers for the periods from Oct-10 to Nov-12 and Dec-12 to June -17 respectively. Further, the Company had filed reply to the SCN on May 16, 2019, on same issue and the order awaited. Based on the internal assessment, the management is confident that no provision is required to be made in the financial statements.

ii. Customs Duty dispute of Rs.1 Lakh (March 31, 2022: Rs. 1 Lakh)
During the previous year, the Company has received order from Deputy Commissioner of Customs, RGI Airport in respect of alleged stock variance. The Company filed with Commissioner of Customs & Central Tax (Appeals-1) against the order passed by Deputy Commissioner Customs, RGIA. The Commissioner Customs & Central Tax (Appeals – I) upheld the order passed by the Deputy Commissioner of Customs, RGI Airport and reduced the penalty to Rs. 1 Lakh. The Company is in the process of filing an appeal with CESTAT. Management is confident that no liability in this regard would be payable and as such no provision has been made in these financial statements.

iii. Service Tax dispute of Rs. 1,348.04 (March 31, 2022: Rs.376.99 Lakhs)
During the earlier years, the Assistant Commissioner of Central tax, Hyderabad had filed appeals with the CESTAT against the of Order in Appeals passed by the Commissioner (Appeals). During the previous year the Company has filed counters against the said appeals. Further, the Assistant Commissioner of Central tax, Hyderabad has issued a show cause notice seeking to recover the refund amount. The Company had filed its response and also filed a writ petition with Hon'ble High Court of Telangana challenging the issue of show cause notice. The Hon'ble High Court had granted interim stay of the Show Cause notice.

c) <u>In respect of other matters:</u>

i. In lieu of the judgement of Hon'ble Supreme Court dated 28 February 2019 in relation to the provisions of Section 6 of the Employees Provident Fund Act 1952, all fixed payments/allowances shall be part of Basic Wages which are paid universally, necessarily and ordinarily to employees except variable payments. There is significant uncertainty as to how the liability should be calculated as it is impacted by multiple variables, including the period of assessment, the application with respect to certain current and former employees and whether the interest and penalties may be assessed.

The Management have determined that on account of the practicality of application of the judgement and uncertainty with respect to retrospective applicability, the Company would be in a position to determine the liability if any only on receipt of further clarifications on the said judgement. The Company will take the necessary steps based on further clarifications on the above matters and accordingly is of the opinion that the amount cannot be reasonably estimated. However, as a matter of caution, the Company has made a provision on a prospective basis.

ii. One of the customer has filed the complaint against the Company for an amount of Rs.5 Lakhs during the previous year ended March 31, 2021 under Consumer Protection Act, 2019. The company has filed a reply with commission. Management is confident that no liability in this regard would be payable and as such no provision has been made in the financial statements.

B. Commitments:

a. Capital and other commitments as at March 31, 2023 Rs. 3677.90 lakhs (March 31, 2022: Rs.1187.83 lakhs).

b. As per the terms of concession agreement with GMR Hyderabad International Airport Limited (GHIAL), the Company is required to pay concession fees in the range of 23.5%-35% on its net revenue (as defined in the concession agreement) or the minimum guaranteed amount for an initial term of 15 years starting from May 17, 2010.

c. For commitments relating to lease arrangements, please refer note 36.

(All amounts are in Rs. lakhs, unless otherwise stated)

41. Financial ratios

Ratio	Numerator	Denominator	Ratio - As at 31st Mar 2023	Ratio - As at 31st Mar 2022	% Change	Reason for variance
Current ratio	Current assets	Current liabilities	3.09	2.27	36.12%	Increase in inventory due to stock level up in Dutyfree to meet increased demand
Debt-equity ratio	"Total debt	Total equity	0.96	1.43	-32.87%	Due to infusion of share capital in FY 2021-22
Debt service coverage ratio	[Non-current borrowings + Current borrowings]"	Interest expense (including capitalised) + Principal repayment (including prepayments)	7.43	1.35	450.37%	Revenue is drastically increased by 127% post covid compared to previous year
Return on equity ratio	"Earnings before depreciation and amortisation and interest	Average of total equity	48.18%	-22.75%	70.93%	Revenue is drastically increased by 127% post covid compared to previous year
Inventory turnover ratio	[Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]"	Average inventories	2.96	3.02	-1.99%	
Trade receivables turnover ratio	Profit after tax	Average trade receivables	50.67	39.18	29.33%	Previous year revenue affected due to covid.
Trade payables turnover ratio	Costs of materials consumed	Average trade payables	1.85	1.55	19.35%	
Net capital turnover ratio	Revenue from operations	"Working capital	3.18	2.80	-11.95%	Revenue is drastically increased by 127% post covid compared to previous year
Net profit ratio	Purchases	[Current assets - Current liabilities"	16.64%	-7.45%	24.09%	
Return on capital employed	Revenue from operations	Revenue from operations	29.33%	12.28%	17.05%	
Return on investment	Profit after tax	"Capital employed	21.29%	-4.18%	25.47%	

42. Ageing schedule of capital work-in-progress

As at 31 March 2023	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	1233.61				1233.61
Total	1233.61				**1233.61**

As at 31 March 2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	593.18	153.24	3.25	-	749.68
Total					**749.68**

(All amounts are in Rs. lakhs, unless otherwise stated)

43. Completion schedule of capital work-in-progress

	To be completed in				
As at 31 March 2023	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Novotel Refurbishment	1193.37	-	-	-	1193.37
Convention Center - Banquet Hall Kitchen Design	3.53	-	-	-	3.53
Transit Lounge	.68	-	-	-	0.68
Duty Free	18.83	-	17.20	-	36.03
Total					**1233.61**

	To be completed in				
As at 31 March 2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Novotel Refurbishment	4.50	-	-	-	4.50
Convention Center - Banquet Hall Kitchen Design	3.25	-	-	-	3.25
New Arrival Store	741.93	-	-	-	741.93
Total					**749.68**

44. Ageing schedule of intangible assets under development

As at 31 March 2023	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-

As at 31 March 2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	16.98	-	-	-	16.98

(All amounts are in Rs. lakhs, unless otherwise stated)

45. Ageing schedule of trade receivables

As at 31 March 2023	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	503.65	323.60	12.71	-	-	-	839.96
Total							**839.96**

As at 31 March 2022	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	315.05	47.19	1.72	-	-	-	363.96
Total							**363.96**

46. Ageing schedule of trade payables

As at 31 March 2023	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium exterprises	64.80	-	-	-	64.80
Others	2475.01	3.30	-	0.00	2,478.31
Disputed dues — MSME	-	-	-	-	-
Disputed dues — Others	-	-	-	-	-
Total					**2,543.11**

(All amounts are in Rs. lakhs, unless otherwise stated)

As at 31 March 2022	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	41.75	-	-	-	41.75
Others	2,166.94	2.02	20.98	0.00	2,189.95
Disputed dues — MSME	-	-	-	-	-
Disputed dues — Others	-	-	-	-	-
Total					**2,231.70**

47. The following are the additional disclosures as per schedule III

a) No Loan or advances given to the Directors, Promoters, KMPs and related parties which are repayable on demand or without any terms of repayment.

b) The Company does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961.

c) The Company does not have any relationship with Struck off Companies.

d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

f) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understating (whether recorded in writing or otherwise) that the Group shall:(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

.

48. Previous year/period figures have been regrouped and reclassified wherever necessary to confirm to those of the current year

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

Hitesh Kumar P
Partner
ICAI Membership No. 233734

Place: Hyderabad
Date: April 20, 2023

For and on behalf of the Board of Directors of
GMR Hospitality and Retail Limited

Aman Kapoor
Director
DIN: 02261073

Pradeep Panicker
Director
DIN: 02730418

Venu Madhav Tenjarla
Chief Financial Officer

Ashish Kulkarni
Company Secretary
M.No: FCS 10026

Place: Hyderabad
Date: April 20, 2023