



INDEPENDENT AUDITOR'S REPORT

To The Members of GMR Hyderabad Aviation SEZ Limited

Report on the Audit of Financial Statements

Opinion

1. We have audited the accompanying financial statements of M/s. **GMR Hyderabad Aviation SEZ Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, 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, 2024 give the information required by the Companies Act, 2013 (the '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, 2024, and its profit (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.

Emphasis of Matter Paragraph:

4. We draw attention to the Note 38 (i) to the Financial Statements regarding the recoverability of dues from GMR Air Cargo and Aerospace Engineering Limited (GACAEL), a wholly owned subsidiary of the Company's holding company, M/s GMR Hyderabad International Airport Limited (GHIAL) . Our opinion is not modified on the above said matter.



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

5. The Company's Board of Directors are 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:

6. 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.
7. In preparing the financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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.
11. 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.

12. 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.
13. 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:

14. 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 during the year.

15. 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 extent applicable.
16. 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, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - 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, 2024 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2024 from being appointed as directors in terms of section 164(2) of the Act.
- f) With reference to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in point 16(b) above on reporting under section 143(3)(b) of the Companies Act, 2013 and point 16(h)(vi) below on reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 (as amended);
- g) 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations on its financial position in its 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, 2024.
 - 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, 2024.
- vi. Based on our examination which included test checks, the Company has used an accounting software SAP ERP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail logs for direct changes in data at database level for accounting software is available only for 7 days. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such features is enabled, and logs maintained.

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



Hitesh Kumar P
Partner

Membership No. 233734

UDIN No: 24233734BKDGKG6546



Place: Hyderabad
Date: April 23, 2024

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, 2024, 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 does not have any intangible assets.
- (b) The Company has a regular program of physical verification of its PPE for every three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the program, physical verification has been conducted during the year by engaging an outside expert, and no material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company 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) during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- (a) As per the information and explanations provided to us, the Company does not involve in the purchase or sale of inventory and accordingly reporting under this clause is not applicable.
- (b) As per the information and explanations provided to us, the Company has not taken any working capital loan during the year and accordingly reporting under this clause is not applicable.
- (iii) The company has not made investments or provided guarantees or securities or granted unsecured loans or advances in the nature of loan during the year, and accordingly reporting under Clause (iii) 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, 2024 for a period of more than six months from 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.
- (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 provided to us, the Company has not defaulted in repayment of dues to the financial institution, banks or any lender and accordingly reporting under this clause is not applicable.
- (b) According to the information and explanations provided to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) The Company has applied the term loans for which the loans were obtained.
- (d) On an overall examination of financial statements of the Company, the company does not raised any short term funds, hence reporting under this clause is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (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) is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence 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 Indian 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 two CICs 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.

(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 given to us, the company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the order is not applicable to the Company.



(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

Hitesh Kumar P
Partner

Membership No: 233734

UDIN No.: 24233734BKDGKG6546



Place: Hyderabad
Date: April 23, 2024

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 Hyderabad Aviation SEZ Limited ("the Company") as of March 31, 2024 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 Act.

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") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

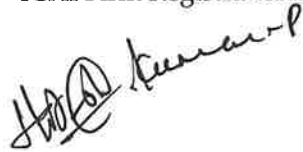
Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2024, 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 ICAI.

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



Hitesh Kumar P

Partner

Membership No: 233734

UDIN No.: 24233734BKDGKG6546



Place: Hyderabad
Date: April 23, 2024

GMR Hyderabad Aviation SEZ Limited
CIN No.U45209TG2007PLC056527
Balance sheet as at March 31, 2024
(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Non-current assets			
(a) Property, Plant and Equipment	3	20,390.04	14,000.90
(b) Capital work-in-progress	4	71.66	2,056.11
(c) Right-of-Use Assets	5	17.28	19.27
(d) Financial Assets	6		
(i) Investments		523.46	410.00
(ii) Others		32.02	1.16
(e) Non Current Tax Assets		63.32	43.01
(f) Other non-current assets	7	4,511.59	3,613.57
		25,609.37	20,144.02
Current assets			
(a) Financial Assets			
(i) Investments	8	9,542.54	5,987.73
(ii) Trade receivables	9	3,555.28	3,544.92
(iii) Cash and cash equivalents	10A	244.28	89.20
(iv) Bank balances other than (iii) above	10B	310.93	297.00
(v) Loans	11	-	1,000.00
(vi) Other Financial Asset	12	20.81	29.33
(b) Other current assets	13	168.37	137.91
		13,842.21	11,086.09
		39,451.58	31,230.11
Total Assets			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	5,160.00	5,160.00
(b) Other Equity	15	4,709.87	1,366.43
		9,869.87	6,526.43
Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16A	13,262.08	11,532.57
(ii) Lease liabilities	17	22.25	18.81
(iii) Other financial liabilities	18	1,328.13	1,160.98
(b) Deferred tax liabilities (Net)	19	1,561.82	716.14
(c) Other Non Current Liabilities	20	10,208.32	7,556.67
		26,382.60	20,985.17
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16B	788.00	501.60
(ii) Lease Liabilities	17	0.01	2.78
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	21A	9.52	30.37
(b) Total outstanding dues of Creditors other than micro enterprises and small enterprises	21B	720.59	1,135.00
(iv) Other financial liabilities	22	1,102.47	1,218.46
(b) Provisions	23	63.83	48.52
(c) Other current liabilities	24	514.69	781.78
		3,199.11	3,718.51
		39,451.58	31,230.11
Total Equity and Liabilities			
Corporate information and material accounting policies		1 & 2	

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

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

HITESH KUMAR P
Digitally signed by
HITESH KUMAR P

Hitesh Kumar P
Partner
ICAI Membership No. 233734

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

P ANAND KUMAR
Digitally signed by
P ANAND KUMAR

Anand Kumar Polamada
Director
DIN : 08540411

GOPALA KRISHNA MURTY NEMANI
Digitally signed by
GOPALA KRISHNA MURTY NEMANI

Gopala Krishna Murthy Nemani
Chief Financial Officer

Pradeep Panicker
Digitally signed by
Pradeep Panicker

Pradeep Panicker
Director
DIN : 02730418

Ganti Sai Sravanthi
Digitally signed by
Ganti Sai Sravanthi

Ganti Sai Sravanthi
Company Secretary
M.No: ACS44115

GMR Hyderabad Aviation SEZ Limited
CIN No.U45209TG2007PLC056527
Statement of profit and loss for the Year Ended March 31, 2024
(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
1 Revenue from Operations	25	7,672.33	5,895.05
2 Other Income	26	691.44	231.21
3 Total Income (1+2)		8,363.77	6,126.26
4 Expenses			
a. Concession Fees		1,076.25	837.64
b. Construction Activities		85.94	-
c. Employee Benefit Expenses	27	402.84	294.76
d. Other expenses	30	671.77	1,449.04
Total expenses (4)		2,236.80	2,581.44
5 Earnings/(loss) before finance cost, tax, depreciation and amortisation expenses (EBITDA) and exceptional items (3-4)		6,126.97	3,544.82
6 Finance Cost	28	1,007.20	1,100.02
7 Depreciation and amortisation expense	29	939.88	969.68
8 Profit/(loss) before exceptional items and tax (5-6-7)		4,179.89	1,475.12
9 Exceptional item		-	-
10 Profit/(loss) before tax (8-9)		4,179.89	1,475.12
11 Tax Expenses:			
a. Current Tax / Minimum Alternative Tax			
i. Relating to current year		-	-
ii. Relating to prior periods		(13.31)	-
b. Deferred tax liability /(Asset)			
i. On Temporary Differences		845.68	56.64
Total Tax Expenses (11)		832.37	56.64
12 Profit/ (Loss) for the year (10-11)		3,347.52	1,418.48
13 Other Comprehensive income			
i. Items that will not be reclassified subsequently to profit or loss	31	(4.08)	(3.81)
ii. Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income/(Loss) for the year (13)		(4.08)	(3.81)
14 Total Comprehensive Income for the year (12+13)		3,343.44	1,414.67
15 Earnings per equity share:			
Basic and Diluted	32	6.49	2.75
Corporate information and material accounting policies	1 & 2		

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

As per our report of even date

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

HITESH KUMAR P Digitally signed
by HITESH KUMAR P

Hitesh Kumar P
Partner
ICAI Membership No. 233734

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

P ANAND KUMAR Digitally signed
by P ANAND KUMAR

Anand Kumar Polamada
Director
DIN : 08540411

Pradeep Panicker Digitally signed
by Pradeep Panicker

Pradeep Panicker
Director
DIN : 02730418

GOPALA KRISHNA MURTY NEMANI Digitally signed by
GOPALA KRISHNA MURTY NEMANI

Gopala Krishna Murthy Nemani
Chief Financial Officer

Ganti Sai Sravanthi Digitally signed
by Ganti Sai Sravanthi

Ganti Sai Sravanthi
Company Secretary
M.No: ACS44115

Place : Hyderabad
Date: April 23, 2024

Place : Hyderabad
Date: April 23, 2024

GMR Hyderabad Aviation SEZ Limited

CIN No.U45209TG2007PLC056527

Cash flow statement for the Year Ended March 31, 2024

(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
I. Cash flow from operating activities:		
A. Profit before tax	4,179.89	1,475.12
B. Adjustments to reconcile (loss) / profit before tax to net cash flows		
a. Depreciation and amortization expenses	939.88	969.68
b. Expected Credit Loss	-	-
c. Excess provisions/ Credit Balances written back	(45.81)	(10.12)
d. Interest Income	(175.81)	(119.27)
e. Income from Investments:	-	
i. Change in fair value	(99.36)	(22.09)
ii. Gains on sale of investments	(362.46)	(44.38)
f. Amortisation of Deferred Income	258.09	(154.32)
g. Interest paid on borrowings (finance cost)	886.79	830.67
h. Amortisation of Upfront fee	15.79	196.86
i. Notional Interest on Security deposit	93.67	69.72
j. Lease equalisation receivable as per Ind AS 116	(1,022.78)	(934.25)
k. Interest expense on Lease liability	3.45	2.77
l. Interest Income on Finance Lease	(0.46)	311.73
	491.00	1,097.00
C. Adjustment for changes in working capital:		
a. Decrease / (increase) in trade receivables	(10.35)	1,218.06
b. Decrease / (increase) in other current assets	(30.46)	(123.03)
c. Decrease / (increase) in other Non-current assets	(758.88)	(66.98)
d. Decrease / (increase) in other financial assets	(0.31)	(411.16)
e. (Decrease) /Increase in trade payables	(389.46)	346.15
f. (Decrease) /Increase in other financial liabilities	41.69	503.44
g. (Decrease) /Increase in other current & Non current liabilities	2,126.45	2,770.27
h. (Decrease) /Increase in Provisions	11.23	10.85
	989.92	4,247.60
D. Cash generated from operations (A+B+C)	5,660.81	6,819.72
Add: Direct taxes paid /Refund	(7.00)	45.83
Net cash flow from/(used in) operating activities (I)	5,653.81	6,865.55
II. Cash flows from investing activities		
a. Purchase of fixed assets, including CWIP	(4,544.89)	(3,042.48)
b. Proceeds from sale of fixed assets	-	-
c. Proceeds from sale of financial instruments (Investments)	20,536.00	3,829.52
d. Purchase of financial instruments (Investments)	(23,629.00)	(9,480.00)
e. Interest Income received	157.74	92.30
f. Movement in other Bank Balances	(127.40)	531.84
Net cash flow from/ (used in) investing activities (II)	(7,607.55)	(8,068.82)
III. Cash flows from financing activities		
a. Proceeds from borrowings	2,500.00	12,500.00
b. Loan given to Group Company	-	(1,000.00)
c. Repayment of borrowings by Group Company (GHAL)	1,000.00	
d. Repayment of borrowings- Financial Institutions	(501.60)	(5,741.00)
e. Repayment of borrowings- Banks	-	(3,936.48)
f. Interest/charges paid for the year	(886.80)	(884.67)
g. Lease Liability payment	(2.78)	(2.78)
Net cash flow (used in) financing activities (III)	2,108.82	935.07
IV. Net Increase/ (decrease) in cash and cash equivalents (I + II + III)	155.08	(268.20)
Cash and cash equivalents at the beginning of the year	89.20	357.40
V. Cash and cash equivalents at the end of the year	244.28	89.20

GMR Hyderabad Aviation SEZ Limited
CIN No.U45209TG2007PLC056527
Cash flow statement for the Year Ended March 31, 2024
(All amounts in Indian Rupees lakhs, except as otherwise stated)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
VI. Components of cash and cash equivalents:		
a. Cash on hand		
b. With banks:		
i. On Current Account	244.28	89.20
ii. On Deposit Account having original maturity less than three months	-	
Total cash and cash equivalents	244.28	89.20

Financial Liabilities Reconciliation

Particulars	March 31, 2024	March 31, 2023
Opening Balance	12,034.17	9,203.37
Cash Flows	2,500.00	12,500.00
Repayments	(501.60)	(9,677.48)
Other adjustments	17.51	8.28
Closing Balance	14,050.08	12,034.17

Corporate information and material accounting policies **1 & 2**

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

As per our report of even date

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

HITESH KUMAR P
Digitally signed by
HITESH KUMAR P
Hitesh Kumar P

Partner
ICAI Membership No. 233734

For and on behalf of the Board of Directors of
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Gopala Krishna Murthy Nemani
Chief Financial Officer

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Ganti Sai
Sruvanthi

Ganti Sai Sruvanthi
Company Secretary
M.No: ACS44115

Place : Hyderabad
Date: April 23, 2024

Place : Hyderabad
Date: April 23, 2024

GMR Hyderabad Aviation SEZ Limited
CIN No.U45209TG2007PLC056527
Statement of changes in equity for the year ended March 31, 2024
(All amounts in Indian Rupees lakhs, except as otherwise stated)

A. Equity Share Capital

	No. in lakhs	INR in lakhs
Equity shares of INR 10 each issued, subscribed and fully paid		
At 01 April 2023	516.00	5,160.00
Issue of share capital	-	-
As at March 31, 2023	516.00	5,160.00
Issue of share capital	-	-
As at March 31, 2024	516.00	5,160.00

B. Other Equity

Particulars	Retained Earnings	Total
I. Balance as at April 01, 2022	(48.24)	(48.24)
Profit/ (Loss) for the year	1,418.48	1,418.48
Other Comprehensive income for the year	(3.81)	(3.81)
For the year ended March 31, 2023	1,366.43	1,366.43
Profit/ (Loss) for the year	3,347.52	3,347.52
Other Comprehensive income for the year	(4.08)	(4.08)
For the Year Ended March 31, 2024	4,709.87	4,709.87

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

As per our report of even date

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

HITESH
KUMAR P
Digitally signed by HITESH KUMAR P

Hitesh Kumar P
Partner
ICAI Membership No. 233734

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

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Anand Kumar Polamada
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GOPALA KRISHNA
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Gopala Krishna Murthy Nemani
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DIN : 02730418

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Ganti Sai Sravanthi
Company Secretary
M.No: ACS44115

Place : Hyderabad
Date: April 23, 2024

Place : Hyderabad
Date: April 23, 2024

1. Corporate information

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

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 23rd April 2024.

2. Basis of preparation

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

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

Recent accounting pronouncements

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.1 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.

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

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment 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.

(iii) Depreciation on Property, Plant and Equipment

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

(iv) Contingencies

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

(v) Impairment of non- financial assets

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

2.3 Material accounting policies

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

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

Transactions and balances

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(d) Revenue recognition

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

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

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

- **Rental income**

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

- **Interest income**

- For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and

similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

- Interest for delayed payments from customers is accounted only when it is unconditionally accepted by the customers and on receipt basis.

(e) Concession fee

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

(f) Taxes

Current income tax

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

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

Deferred tax

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

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

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

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

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

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

(g) Property, Plant and Equipment

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

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

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

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

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

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

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

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

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

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

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

(h) Leases

Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Company as a Lessee:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below Rs. 50,000). Lease payments on

short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(i) Borrowing costs

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

(j) Impairment of non-financial assets

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

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

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(k) Provisions

General

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

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

(l) Financial instruments

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

i. Financial assets

(A) Initial recognition and measurement:

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

(B) Subsequent measurement:

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

- a) financial assets at amortised cost.
- b) financial assets at fair value through profit or loss (FVTPL).

Financial assets at amortised cost: A 'Financial asset' is measured at the amortised 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

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

Financial assets at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as at Fair Value through OCI (FVTOCI), is classified as at FVTPL.

In addition, the Company may elect to designate a Financial assets, 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'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

(C) De-recognition:

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

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

ii. Financial liabilities

(A) Initial recognition and measurement

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

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

(B) Subsequent measurement:

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

(i) Loans and borrowings:

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

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

(C) De-recognition:

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

iii. Reclassification of financial assets

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

(m) Cash and cash equivalents

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

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

(n) Contingent liabilities

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

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

(o) Earnings per share

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

(p) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment 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 in currencies consistent with the currencies of the post-employment benefit obligation.

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

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Notes to the Financial Statements for the year ended March 31, 2024
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3 Property, Plant and Equipment

Particulars	Buildings	Taxiways	Leasehold improvements	Plant and Machinery	Electrical Equipment	Data processing equipment	Furniture and fixtures	Vehicles	Office Equipment	Total
Gross Block										
As at 01 April 2022	9,910.74	84.33	3,884.78	2,979.38	1,752.58	134.31	169.25	-	15.94	18,931.31
Additions	-	-	27.37	31.60	92.26	12.91	17.83	32.02	21.66	235.64
Deletions	8.54	-	12.37	-	-	3.42	-	-	-	24.33
As at March 31, 2023	9,902.20	84.33	3,899.78	3,010.98	1,844.83	143.80	187.08	32.02	37.60	19,142.62
Additions	6,083.70	-	144.40	624.33	442.76	7.63	-	25.80	-	7,328.62
Deletions	-	-	-	-	-	0.26	-	-	0.92	1.18
As at March 31, 2024	15,985.90	84.33	4,044.18	3,635.31	2,287.59	151.17	187.08	57.82	36.68	26,470.06
Depreciation Block										
As at 01 April 2022	1,630.00	23.96	886.12	476.24	1,056.45	49.12	35.06	-	15.54	4,172.50
Charge for the year	390.63	3.10	137.23	210.38	179.03	26.63	17.12	0.66	4.46	969.22
Disposal	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	2,020.62	27.05	1,023.35	686.64	1,235.48	75.73	52.18	0.66	20.01	5,141.72
Charge for the year	400.50	3.10	140.84	229.26	112.82	23.90	18.80	5.75	4.52	939.48
Disposal	-	-	-	-	-	0.26	-	-	0.92	1.18
As at March 31, 2024	2,421.12	30.15	1,164.18	915.90	1,348.30	99.37	70.98	6.41	23.61	6,080.02
Net Block										
As at March 31, 2023	7,881.58	57.28	2,876.43	2,324.34	609.36	68.06	134.90	31.37	17.59	14,000.92
As at March 31, 2024	13,564.78	54.18	2,880.00	2,719.41	939.29	51.80	116.10	51.41	13.07	20,390.04

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Notes to the Financial Statements for the year ended March 31, 2024

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4. Capital work in progress

For the year ended March 31, 2024

Sl.No	Particulars	As at 01.04.2023	Additions	Deletions	Adjustments	As at 31.03.2024
01	Project Capital work in Progress*	1,885.34	4,994.76	6,954.95	74.85	-
02	Other Expenses					
	(i) Consultancy Expenses	53.93	117.66	138.93	-	32.66
	(ii) Rates and Taxes	115.06	-	1.21	-74.85	39.00
	(iii) Finance Cost	1.78	206.01	207.78	-	-
	(iv) Other Expenses	-	25.80	25.80	-	-
	Grand Total	2,056.11	5,344.23	7,328.68	-	71.66

For the year ended March 31, 2023

Sl.No	Particulars	As at 01.04.2022	Additions	Deletions	Adjustments	As at 31.03.2023
01	Project Capital work in Progress*	325.86	2,029.64	158.42	311.73	1,885.34
02	Other Expenses					
	(i) Consultancy Expenses	8.82	91.24	46.14	-	53.93
	(ii) Rates and Taxes	114.01	1.05	-	-	115.06
	(iii) Finance Cost	-0.00	1.78	-	-	2
	Grand Total	448.69	2,123.70	204.56	311.73	2,056.11

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

* Adjustment include written of off long outstanding CWIP balance of 311.73 lakhs incurred for Land Levelling , Interest cost etc written off to P&L at initial stage of SEZ development.

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Notes to the Financial Statements for the year ended March 31, 2024
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5. Right of use assets

For the year ended March 31, 2024

Sl. No.	Particulars	Gross Block			Depreciation Block			Net Block			
		As at 01.04.2023	Additions	Deletions	As at 31.03.2024	Up to 01.04.2023	for the year	on Deletions	As at 31.03.2024	As at 31.03.2023	
01	Lease asset	21.04	-	1.59	19.45	1.77	0.40	-	2.17	17.28	19.27
	Grand Total	21.04	-	1.59	19.45	1.77	0.40	-	2.17	17.28	19.27

For the year ended March 31, 2023

Sl. No.	Particulars	Gross Block			Depreciation Block			Net Block			
		As at 01.04.2022	Additions	Deletions	As at 31.03.2023	Up to 01.04.2022	for the year	on Deletions	As at 31.03.2023	As at 31.03.2022	
01	Lease asset	21.63	-	0.58	21.04	1.33	0.44	-	1.77	19.27	20.30
	Grand Total	21.63	-	0.58	21.04	1.33	0.44	-	1.77	19.27	20.30

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(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
6	Financial Asset - Non Current:		
	i. Lease Receivable	5.12	1.16
	ii. Interest Accrued on Fixed Deposits	26.90	-
	iii. Margin Money with bank	523.46	410.00
	Total	555.48	411.16
	* Debt Service Reserve is maintained in the form of fixed Deposit as per the term loan agreement with Aseem Infrastructure Finance Limited (AIFL).		
7	Other Non Current Assets		
	A. Capital Advances - Unsecured, Considered Good		
	i. Related parties	-	-
	i. Others	46.45	930.09
	Total (A)	46.45	930.09
	B. Others		
	a. Balance with Statutory Authorities	918.98	160.10
	b. Lease Equalisation Receivable	3,546.17	2,523.39
	Total (B)	4,465.15	2,683.49
	Total (A + B)	4,511.60	3,613.57
8	Investments - Current		
	Investments in Mutual Funds		
	UTI Liquid Fund Direct Plan Growth (Mar -24: 10,043.65 Units) (Mar-23: 45,950.82 Units)	329.17	-
	ABSL Overnight Direct Growth (Mar -24: 20,557.17 Units) (Mar-23: 1,69,732.43 Units)	266.23	2,057.91
	HSBC Liquid Fund Direct Growth (Mar -24: 66,577.06 Units) (Mar-23 : Nil)	1,601.83	-
	HSBC Overnight Fund Direct Growth (Mar -24: 10,051.24 Units) (Mar-23 : 58,902.31 Units)	125.93	690.92
	SBI Overnight Fund Direct Growth (Mar -24: 5,499.10 Units) (Mar-23 : 66,813.72 Units)	214.23	2,438.20
	Axis Liquid Fund Direct Growth (Mar -24: 48,682.28 Units) (Mar-23 : Nil)	1,306.50	-
	ICICI Overnight Fund Direct Plan Growth (Mar -24: 2,76,816.85 Units) (Mar-23 : Nil)	3,572.40	-
	Sundaram Liquid Fund Direct Plan Growth (Mar -24: 75,840.12 Units) (Mar-23 : Nil)	1,617.18	-
	Sundaram Overnight Fund Direct Growth (Mar -24: 40,013.88 Units) (Mar-23 : Nil)	509.07	-
	UTI Overnight Fund Direct Plan Growth (Mar -24: Nil) (Mar-23 : 26,092.95 Units)	-	800.70
	Total	9,542.54	5,987.73
9	Trade Receivables (Refer Note No. 47 & 37)		
	Unsecured, Considered Good		
	a. Related Parties	2,780.55	3,000.31
	b. Others	800.78	570.67
	Less: Expected Credit Loss	26.05	26.05
	Total	3,555.28	3,544.93

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

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Notes to the Financial Statements for the year ended March 31, 2024
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Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
10	Cash and cash equivalents		
	A. Cash and cash equivalents		
	Balances in Bank a/c's		
	Current Accounts	244.28	89.20
	Deposits with original maturity of less than three months	-	-
	Total	244.28	89.20
	B. Bank Balances other than Cash and Cash equivalents		
	Deposits with more than three months and less than twelve months maturity	310.93	297.00
	Total	310.93	297.00
11	Loans		
	a. Loans to Related Party	-	1,000.00
	Total	-	1,000.00
	* No loans or advances are due from directors or other officers of the company either severally or jointly with any other person.		
12	Other financial assets - Current		
	a. Interest accrued on bank deposits	20.50	29.33
	b. Lease Receivable	0.31	-
	Total	20.81	29.33
13	Other Current Assets:		
	a. Advance for Purchases and Expenses	74.05	59.96
	b. Advance for Expenses - Employees	0.78	2.00
	c. Balance with Statutory Authorities	92.02	42.66
	d. Prepaid Expenses	1.52	28.47
	e. Other receivables	-	4.82
	Total	168.37	137.91
14	Equity Share Capital:		
	A. Authorised Share Capital:		
	7,50,00,000 Equity Shares of Rs. 10/- each	7,500.00	7,500.00
	B. Issued, Subscribed and Fully Paid up share capital:		
	5,16,00,000 Equity Shares of Rs. 10/- each	5,160.00	5,160.00
	C. Reconciliation of the shares outstanding at the beginning and at the end of year:		
	In no. of Shares		
	At the beginning of the year	516.00	516.00
	Share Capital Issued during the year	-	-
	Outstanding at the end of the year	516.00	516.00
	In value of Shares		
	At the beginning of the year	5,160.00	5,160.00
	Share Capital Issued during the year	-	-
	Outstanding at the end of the year	5,160.00	5,160.00
	D. Rights attached to the Equity Shares:		
	The company has only one class of equity shares having a face value of Rs. 10/- per share with one vote per each share.		
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
	E. Shares held by Holding Company/Promoter:		
	M/s. GMR Hyderabad International Airport Limited	516.00	516.00
	F. Details of Shareholders holding more than 5% shares in the company:		
	Equity Shares:		
	a. M/s. GMR Hyderabad International Airport Limited	100%	100%
	As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.		

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Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
15	Other Equity		
	Retained Earnings		
	At the beginning of the year	1,366.43	(48.24)
	Profit for the year	3,343.44	1,414.67
	At the end of the year	<u>4,709.87</u>	<u>1,366.43</u>
16	Borrowings		
	A. Non Current		
	Term loan from a Bank (Secured)	-	-
	Term loan from financial institutions (Secured)	14,050.08	12,034.17
	Less: Current Maturities	788.00	501.60
	Total	<u>13,262.08</u>	<u>11,532.57</u>
	B. Current		
	Short Term Borrowings	788.00	501.60
	Total	<u>788.00</u>	<u>501.60</u>

1. During the FY 22-23, the company had availed a term loan amounting to 11,000.00 lakhs with an fixed interest rate of 7.60% p.a., which is repayable in 142 structured monthly repayments beginning from June 30, 2022.

2. During the month of March-23, Company had a sanctioned term loan facility of Rs. 6,200 lakhs from Aseem Infra. Out of which, 1,500 lakhs loan amount has been disbursed at an interest rate of 9.15% p.a i.e., 6 month MCLR SBI + Spread. which is repayable in 120 structured monthly installments starts from April 2024.

During the current FY 23-24, another Rs. 2,500 lakhs loan amount has been disbursed to the company. The interest rate has been reset to 9.20% w.e.f August 24, 2023. Furthermore, the interest rate has been increased by 0.10% w.e.f February 24, 2024. So, the current interest rate is 9.30% p.a.

3. A First ranking charge, over the following to secure the obligations (including all interest and other monies in respect thereof) by:

- a) Exclusive charge through equitable mortgage on Properties;
- b) Charge/ assignment over the entire cash flows and/or receivables, both present and future from lessees/tenants accruing to the borrower arising from Properties.
- c) Exclusive charge over moveable assets including book debts, operating cash flows, Scheduled Receivables and Escrow Account, in relation to the Properties.
- d) Corporate Guarantee from Promoter - GMR Hyderabad International Airport Limited.

4. The Borrowings are utilized for the purpose for which are borrowed and there are no charges or satisfaction to be registered with ROC beyond the statutory period.

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Notes to the Financial Statements for the year ended March 31, 2024

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17. Lease liabilities

For the year ended March 31, 2024

Particulars	As at 01.04.2023	Interest expense	Payments	As at 31.03.2024
Lease Liability	21.59	3.45	2.78	22.26
Grand Total	21.59	3.45	2.78	22.26

Current and Non Current	As at 31.03.2024	As at 31.03.2023
Current (B)	0.01	2.78
Non Current (A)	22.25	18.81

For the year ended March 31, 2023

Particulars	As at 01.04.2022	Interest expense	Payments	As at 31.03.2023
Lease Liability	21.60	2.77	2.78	21.59
Grand Total	21.60	2.77	2.78	21.59

Current and Non Current	As at 31.03.2023	As at 31.03.2022
Current	2.78	2.78
Non Current	18.81	18.83

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(All amounts in Indian Rupees lakhs, except as otherwise stated)

Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
18	Other financial liabilities - Non - Current:		
	A. Security Deposits		
	a. Related Parties	27.09	24.37
	b. Others	993.68	814.77
	B. Retention money from Vendors	307.36	321.83
	Total	1,328.13	1,160.97
19	Deferred Taxes:		
	A. Net deferred tax recognised in Balance Sheet		
	a. Fair value of financial (assets)/liabilities	1,880.28	6.68
	b. Difference in WDV of fixed assets	914.59	709.45
	c. Other disallowances	3.60	-
	d. Brought Forward Losses	-1,236.65	-
	Total	1,561.82	716.14
	B. Movement in Deferred Taxes		
	a. Deferred tax (asset)/liability - Profit and loss	845.68	56.64
		845.68	56.64
20	Other Non - current liabilities:		
	A. Un-earned revenue	3,160.47	3,221.95
	B. Deferred Income	7,047.85	4,334.72
	Total	10,208.32	7,556.67
21	Trade Payables - Current: (Refer Note No. 39 & 48)		
	A. Total outstanding dues of micro enterprises and small enterprises	9.52	30.37
		9.52	30.37
	B. Total outstanding dues of Creditors other than micro enterprises and small enterprises		
	a. Related Parties	365.08	751.91
	b. Others	355.51	383.09
	Total	720.59	1,135.00
22	Other financial liabilities - Current:		
	A. Security Deposits		
	a. Related Parties	-	-
	b. Others	-	5.00
	B. Non Trade Payables		
	a. Related Parties	681.65	952.90
	b. Others*	399.32	171.33
	C. Retention money from Vendors	21.50	89.23
	Total	1,102.47	1,218.46
	*The above 'Non-Trade Payables -Others' includes Non-trade MSME vendors which amounts to Rs. 128.95 lakhs.		
23	Provisions - Current		
	Provision for Super Annuation fund	0.43	0.27
	Provision for Gratuity	9.46	6.15
	Provision for Leave Encashment	53.94	42.10
	Total	63.83	48.52
24	Other current liabilities:		
	A. Advance from Customers	4.83	-
	B. Un-earned revenue	140.85	92.36
	C. Statutory Liabilities		
	a. GST Payable	15.20	373.38
	b. Withholding Taxes Payable	59.96	85.70
	c. Statutory Dues	3.21	7.73
	D. Deferred Income	290.64	215.36
	E. Other Payables	-	7.25
	Total	514.70	781.78

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Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
25	Revenue from Operations:		
	A. Sale of Services		
	Finance Lease income	2,940.08	2,064.81
	Income from Sub-leasing Right-of-use assets	4,371.71	3,682.66
	Income from Construction services	93.79	-
	Total (A)	7,405.58	5,747.47
	B. Other Operating Income		
	a. Common Area Maintenance	247.55	147.58
	b. Utilities Recoveries	19.20	-
	Total (B)	266.75	147.58
	Total (A+B)	7,672.33	5,895.05
26	Other Income:		
	A. Interest Income		
	i. Others	168.52	54.46
	ii. Related Parties	7.29	64.81
	B. Interest Income on Finance Lease	0.46	0.02
	C. Other Non-operating Income (Net of Expenses)		
	a. Income from Investments		
	i. Change in Fair Value	99.35	22.09
	ii. Gain on Sale of Investments	362.46	44.38
	b. Provisions written back:		
	i. Excess provisions/ Credit Balances written back	45.81	10.12
	D. Management Fee	-	1.53
	E. Scrap Sales	-	32.00
	F. Miscellaneous Income	7.55	1.80
	Total	691.44	231.21
27	Employee Benefit Expenses		
	a. Salaries wages and bonus	363.22	258.89
	b. Contribution to provident and other funds	24.39	15.34
	c. Gratuity expenses	3.58	2.62
	d. Leave Encashment expenses	9.80	7.87
	e. Staff welfare expenses	1.85	10.05
	Total	402.84	294.77
28	Finance Costs		
	a. Interest on Borrowings	886.79	830.67
	b. Amortisation of Interest on Security Deposits	93.67	69.72
	c. Interest on Lease liability	3.45	2.77
	d. Other Borrowing Cost	23.29	196.86
	Total	1,007.20	1,100.02

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Note No.	Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
29	Depreciation and amortisation expense:		
	Depreciation on Property ,Plant and Equipment	939.48	969.24
	Depreciation on ROU Assets	0.40	0.44
	Total	939.88	969.68
30	Other expenses		
a.	Power and Water	-	43.92
b.	Repairs and maintenance	83.69	192.18
c.	<i>Payments to Auditors</i>	-	-
	i. As auditors	4.00	3.00
	ii. Tax Audit Services	2.16	1.27
	iii. for other Services	0.13	-
d.	Rates and Taxes	28.18	71.79
e.	<i>Others</i>		
	Insurance	27.08	24.79
	Travelling and Conveyance	98.67	260.57
	Legal and professional charges	287.50	439.83
	Communication Cost	0.98	0.66
	Printing and Stationery	0.64	0.70
	Security Charges	63.42	38.85
	Manpower outsourcing Charges	5.88	6.00
	Advertisement and Sales Promotion	7.99	4.35
	Recruitment Expenses	1.24	2.36
	Charities and donations	44.00	-
	CSR Contribution	12.48	1.20
	Vehicle running & maintenance	0.06	-
	Miscellaneous expenses	3.67	45.84
	Expenses Written off	-	311.73
	Total	671.77	1,449.04
31	Other comprehensive income:		
a.	Actuarial (Gain)/Losses on Gratuity Expense for the year	4.08	3.81
	Total	4.08	3.81

32. Earnings per share (EPS)

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Profit/(Loss) for the year attributable to the Share Holders	3,347.52	1,418.48
b. Weighted average number of equity shares of Rs. 10/-each	516.00	516.00
Earnings per equity share (Basic and Diluted) - (a) / (b)	6.49	2.75

33. Retirement and other employee benefits:**a) Defined contribution plan:**

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to provident fund	19.88	12.23
Contribution to superannuation fund	4.50	3.11
Total	24.38	15.34

b) Defined benefit plans:

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life insurance Corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (based on last drawn basic salary) for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss/OCI and amounts recognized in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost):

Particulars	31-Mar-24	31-Mar-23
Current service cost	3.20	2.51
Interest cost on benefit obligation	0.38	0.11
Net benefit expense	3.58	2.62

Amount recognized in Other Comprehensive Income (OCI):

Particulars	31-Mar-24	31-Mar-23
Other Comprehensive income	4.08	3.81

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31-Mar-24	31-Mar-23
Discount rate	7.00%	7.30%
Rate of compensation increase	6.00%	6.00%
Attrition Rate	5.00%	5.00%

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31-Mar-24	31-Mar-23
Opening defined benefit obligation	(33.71)	(24.31)
Interest cost	(2.60)	(1.73)
Current service cost	(3.20)	(2.51)
Actuarial Gain/(Loss)	(4.08)	(3.84)
Acquisitions credit/(cost)	(3.91)	(1.32)
Benefits paid	-	-
Closing defined benefit obligation	(47.50)	(33.71)

Changes in the fair value of plan assets are as follows: Rs. 38.04 Lakhs as on 31st March 2024 and Rs. 27.56 Lakhs as on 31st March 2023.

Particulars	31-Mar-24	31-Mar-23
Defined benefit obligation	(47.50)	(33.71)
Fair Value of Plan assets	38.04	27.56
Net Liability	(9.46)	(6.15)

A quantitative sensitivity analysis for significant assumption is shown below:

Particulars	31-Mar-24	31-Mar-23
Discount rate		
Effect due to 1% increase in discount rate	(8.20)	(2.74)
Effect due to 1% decrease in discount rate	9.50	3.15
Salary escalation rate		
Effect due to 1% increase in attrition rate	5.30	1.81
Effect due to 1% decrease in attrition rate	(5.60)	(1.67)
Withdrawal Rate		
Effect due to 1% increase in salary increase rate	1.70	0.66
Effect due to 1% decrease in salary increase rate	(1.90)	(0.73)

The following payments are expected contributions to the defined benefit plan in the future year.

Particulars	31-Mar-24
31-Mar-25	3.25
31-Mar-26	3.22
31-Mar-27	3.20
31-Mar-28	7.72
31-Mar-29	2.93
March 31, 2030 to March 31, 2034	14.40

Particulars	31-Mar-23
31-Mar-23	2.24
31-Mar-24	2.77
31-Mar-25	2.91
31-Mar-26	3.09
31-Mar-27	10.00
March 31, 2028 to March 31, 2032	16.50

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2023: 10 years).

- c. Liability towards compensated absence is provided based on actuarial valuation amounts to Rs. 53.94 lakhs (March 31, 2023: Rs.42.10 lakhs).

34. Financial Assets - Investments (detailed disclosure)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of units	Fair Value	No. of units	Fair Value
<u>Current Investments:</u>				
A. Investment in Funds at FVTPL				
UTI Liquid Fund Direct Plan Growth	10,043.65	329.17	-	-
ABSL Overnight Direct Growth	20,557.17	266.23	1,69,732.43	2,057.91
HSBC Liquid Fund Direct Growth	66,577.06	1,601.83	-	-
HSBC Overnight Fund Direct Growth	10,051.24	125.93	58,902.31	690.92
SBI Overnight Fund Direct Growth	5,499.10	214.23	66,813.72	2,438.20
Axis Liquid Fund Direct Growth	48,682.28	1,306.50	-	-
ICICI Overnight Fund Direct Plan Growth	2,76,816.85	3,572.40	-	-
Sundaram Liquid Fund Direct Plan Growth	75,840.12	1,617.18	-	-
Sundaram Overnight Fund Direct Growth	40,013.88	509.07	-	-
UTI Overnight Fund Direct Plan Growth	-	-	26,092.95	800.70

35. Details of transactions with related parties

A. Names of related parties and related party relationship

(i)	Holding company	GMR Hyderabad International Airport Limited
(ii)	GHIAL's holding company	GMR Airports Limited
(iii)	GAL's holding company	GMR Airports Infrastructure Limited (Formerly known as GMR Infrastructure Limited)
(iv)	Ultimate holding company	GMR Enterprises Private Limited
(v)	Fellow subsidiary companies	GMR Hospitality and Retail Limited GMR Hyderabad Aerotropolis Limited GMR Air Cargo and Aerospace Engineering Limited GMR Aero Technic Limited
(vi)	Fellow Subsidiary of Holding Company(including subsidiary companies of ultimate/GAL's Holding Company)	GMR Airport Developers Limited RAXA Security Services Limited
(vii)	Enterprises where KMP of Holding company and their relatives exercise significant influence	GMR Varalakshmi Foundation
(viii)	Joint Venture of the Parent company	Laqshya Hyderabad Airport Media Private Limited
(ix)	Key Management Personnel	Pradeep Panicker - Director Anand Kumar Polamada - Director Nair P.S -Director Aman Kapoor - Additional Director Dhaval Bhatia - Manager Gopala Krishna Murthy Nemani - CFO Kandi Sreenivasulu - Company Secretary (till 19 th April 2023) Ganti Sai Sravanthi - Company Secretary (From 25 th July 2023)

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

B. Related party transactions

Sl. No.	Related Party Transactions	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
	Services received:		
1	a GMR Hyderabad International Airport Limited	1,076.38	837.64
	b GMR Hospitality and Retail Limited	4.38	1.63
	c GMR Airport Developers Limited	0.13	55.44
	d Raxa Security Services Limited	63.42	38.85
	e Laqshya Hyderabad Airport Media Private Limited	-	0.69
	f GMR Airports Limited	67.70	-
	g GMR Hyderabad Aerotropolis Limited	69.31	67.38
2	Income from Operations:		
	a GMR Air Cargo and Aerospace Engineering Limited	1,007.65	930.83

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3		Amortization of Deferred Rental Income - Security Deposit		
	a	GMR Air Cargo and Aerospace Engineering Limited	4.59	4.58
4		Interest expense on Security Deposits		
	a	GMR Air Cargo and Aerospace Engineering Limited	2.72	2.44
5		Reimbursement of expenses claimed from the Company during the year by its related parties:		
	a	GMR Hyderabad International Airport Limited	2,691.73	2,388.51
6		Depreciation on ROU Assets		
	a	GMR Hyderabad International Airport Limited	0.40	0.44
7		Interest on Lease liability		
	a	GMR Hyderabad International Airport Limited	3.45	2.77
8		Unsecured Loan Given		
	a	GMR Hyderabad Aerotropolis Limited	-	1,000.00
9		Interest Income on Loan Given		
	a	GMR Hyderabad Aerotropolis Limited	7.29	64.81
10		Capital Work in progress		
	a	GMR Airports Limited	3,955.97	918.21
	b	GMR Airport Developers Limited	56.92	-
	c	Raxa Security Services Limited	-19.26	3.86
11		Corporate Guarantee taken during the period		
	a	GMR Hyderabad International Airport Limited	1,998.40	-
12		Repayment of Loan Given		
	a	GMR Hyderabad Aerotropolis Limited	1,000.00	-
13		Credit Balances written back		
	a	Raxa Security Services Limited	-	0.40
14		Donations/CSR Expenditure		
	a	GMR Varalakshmi Foundation	12.48	1.20

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

Sl. No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Non-Current	Current	Non-Current	Current
	Balance Recoverable / (Payable):				
	a GMR Air Cargo and Aerospace Engineering company Limited	-	2,780.55	-	3,000.31
	b GMR Hyderabad International Airport Limited	-	-312.39	-	-745.78
	c GMR Airport Developers Ltd	-	-4.37	-	-
	d Raxa Security Services Limited	-	-37.56	-	-5.42
	e GMR Hyderabad Aerotropolis Limited	-	-28.85	-	-
	f GMR Hospitality & Retail Limited	-	-4.21	-	-0.70
	g GMR Airports Limited		-709.75		-952.90

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Notes to the Financial Statements for the year ended March 31, 2024

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2		<i>Security Deposit (received)/Paid from/to Company:</i>				
	a	GMR Aerospace Engineering company Limited	-27.09	-	-24.37	-
3		<i>Deferred Income - Security Deposits:</i>	-59.43	-4.58	-68.60	-4.58
	a	GMR Aerospace Engineering company Limited				
4		Issue of Share Capital				
	a	GMR Hyderabad International Airport Limited	5,160.00	-	5,160.00	-
5		Unsecured Loan				
	a	GMR Hyderabad Aerotropolis Limited	-	-	-	1,000.00
6		Mobilization Advance Given				
	a	GMR Airports Limited	-	-	832.03	-
7		Lease Liability				
	a	GMR Hyderabad International Airport Limited	22.25	0.01	18.81	2.78
8		Right of Use Asset				
	a	GMR Hyderabad International Airport Limited	17.28	-	19.27	-

D. Outstanding guarantees at the end of the year:

Sl. No.	Related Party Transactions	As at March 31, 2024	As at March 31, 2023
(i)	<i>Corporate Guarantee availed from the Holding company against Loan taken from bankers:</i> GMR Hyderabad International Airport Limited (a) Corporate Guarantee Availed (b) Guarantee Outstanding	17,200.00 14,157.40	17,200.00 12,159.00

Corporate Guarantee in detail:

Particulars	Amount
Opening as on 1st April 2023	12,159.00
Add: Addition during the year	2,500.00
	14,659.00
Less: Repayments	501.60
Closing as on 31st March 2024	14,157.40

36. Fair Values

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

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial liabilities				
Valued at Amortized Cost				
Borrowings	14,050.08	12,034.17	14,050.08	12,034.17
Other Financial Liabilities	2,430.60	2,379.44	2,430.60	2,379.44
Trade Payables	730.11	1,165.37	730.11	1,165.37
Total	17,210.79	15,578.98	17,210.79	15,578.98
Financial Assets				
Valued at FVTPL				
Investment in Mutual funds	9,542.54	5,987.73	9,542.54	5,987.73
Valued at Amortized Cost				
Loans	-	1,000.00	-	1,000.00
Trade Receivables	3,550.44	3,544.92	3,550.44	3,544.92
Cash & Bank balances	555.21	386.20	555.21	386.20
Other Financial Assets	576.29	440.49	576.29	440.49
Total	14,224.48	11,359.34	14,224.48	11,359.34

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

- (i) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project.
- (ii) Interest Rate factor has been considered at a rate of 10.13% p.a. by the company for discounting the Security deposit received from the customer from April 01, 2023 and at the rate of 10.40% p.a. towards the security deposits received from April 01, 2022.

(B) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

(C) Fair valuation hierarchy

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

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

- (ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable, then instrument is included in level 2.
- (iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

Particulars	As at March 31, 2024		
	Level-1	Level-2	Level-3
Financial Assets measured at FVTPL			
Investments in Mutual Funds	9,542.54	-	-

Particulars	As at March 31, 2023		
	Level-1	Level-2	Level-3
Financial Assets measured at FVTPL			
Investments in Mutual Funds	5,987.73	-	-

During the year ended March 31, 2024 and March 31, 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

37. Financial risk management objectives and policies

Financial Risk Management Framework

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

(i) Credit Risk

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

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs 3,550.28/- and Rs 3,544.92/- as of March 31, 2024 and March 31, 2023 respectively, being the total of the carrying amount of balances with trade receivables.

The total dues of the Company as at March 31, 2024 includes Rs. 2,780.55/- (March 31, 2023 Rs. 3,000.31/-) from GMR Air Cargo and Aerospace engineering Limited(GACAEL) formally known as GMR Aerospace engineering Limited(GAEL), a wholly owned subsidiary of the Company's holding company, M/s GMR Hyderabad International Airport Limited (GHIAL). Out of the above dues, an amount of Rs 2,774.34/- (March 31, 2023 Rs. 2,908.25/-) is outstanding for more than six months. Considering the nature of business of GACAEL and based on the business projections and contracts with Customer, management is confident that revenues of the company will improve, and the Company will be able to recover its dues. Further, GHIAL has committed the support to GACAEL in meeting its operational and financial obligations. Based on business projections and contracts entered by the company with its customers and support letter from GHIAL, the management has considered its dues from GACAEL are good of recovery and as such no provision has been made in the books of account.

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

(ii) Liquidity Risk

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

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

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at March 31, 2024						
Borrowings	-	197.00	591.00	4,252.40	9,117.00	14,157.40
Trade payables	-	730.11	-	-	-	730.11
Other financial liabilities	-	-	1,102.47	351.59	8,752.05	10,206.11
Total	-	927.11	1,693.47	4,603.99	17,869.05	25,093.62
As at March 31, 2023						
Borrowings	-	125.40	376.20	4,166.40	7,491.00	12,159.00
Trade payables	-	1,165.37	-	-	-	1,165.37
Other financial liabilities	-	-	1218.46	321.85	5,662.78	7,203.09
Total	-	1,290.77	1,599.66	4,488.25	13,153.78	20,527.46

(iii) Market Risk

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

A) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company performs a comprehensive corporate interest rate management policy. As at March 31, 2024, the Company's borrowings include both borrowings at a floating rate of and fixed rate of interest.

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

Interest rate Sensitivity	Increase/Decrease in Basis points	Effect on Profit Before Tax
For the year ended March 31, 2024	25	33.76
Term Loans	-25	(33.76)
For the year ended March 31, 2023	25	26.87
Term Loans	-25	(26.87)

38. Leases**Company as a lessee**

The Company has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipment's and certain non-cancellable operating lease agreements towards land space and office premises and hiring office equipment's and IT equipment's. The lease rentals paid during the year and the maximum obligation on the long term non - cancellable operating lease payable are as follows:

Right of Use Assets

Particulars	Amount
As at April 01, 2023	19.27
Additions	
Deletion	(1.59)
Depreciation during the year	(0.40)
As at March 31, 2024	17.28
Particulars	Amount
As at April 01, 2022	20.30
Additions	
Deletion	(0.59)
Depreciation during the year	(0.44)
As at March 31, 2023	19.27

Lease Liability

Particulars	Amount
As at April 01, 2023	21.59
Additions	
Interest for the year	3.45
Repayment made during the year	(2.78)
As at March 31, 2024	22.26

Disclosed As

Non-Current	22.25
Current	0.01

Lease Liability

Particulars	Amount
As at April 01, 2022	21.60
Additions	
Interest for the year	2.77
Repayment made during the year	(2.78)
As at March 31, 2023	21.59

Disclosed as:

Non-Current	18.81
Current	2.78

Maturity profile of lease liability

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

Year ended 31 March 2024	0 to 1 year	1 to 5 years	> 5 years	Total
Lease liabilities	2.78	11.11	108.91	122.80
Year ended 31 March 2023	0 to 1 year	1 to 5 years	> 5 years	Total
Lease liabilities	2.78	11.11	114.46	128.35

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

Particulars	FY 23-24	FY 22-23
Depreciation on right to use asset	0.40	0.44
Interest on lease liability	3.45	2.77
Expenses related to short term lease (included under other expenses)	-	-
Expenses related to low value lease (included under other expenses)	-	-
Variable lease payments (included under other expenses)	-	-
Total amount recognized in statement of profit and loss account	3.85	3.21

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Company as a lessor

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

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

Particulars	31-Mar-24	31-Mar-23
Within one year	3,844.60	2,432.43
After one year but not more than five years	17,260.43	10,962.05
More than five years	52,982.89	37,793.95

Finance Lease as - Lessor

The Company has entered into finance lease arrangement (as Lessor) with Amara Raja Batteries Limited (ARBL) for sub-sub lease of 7.18 acres of land for a period of 45 yrs and Safran Aircraft Engine Services India Pvt Ltd for sub-sub-lease of 23.50 acres of land for a period of 45 yrs.

Particulars	Minimum lease receivable	P.V of minimum lease receivable	Minimum lease receivable	P.V of minimum lease receivable
	As at March 31, 2024		As at March 31, 2023	
(i) Receivable not later than one year	0.32	0.31	0.07	0.07
(ii) Receivable later than 1 year and not later than 5 years	1.46	1.10	0.32	0.23
(iii) Receivable later than 5 years	45.32	4.00	9.86	0.78
Total	47.10	5.41	10.25	1.07
Less: future finance income	41.69		9.18	
Present value of minimum lease receivable	5.41		1.07	
Amount recognised in Statement of Profit and Loss			As at March 31, 2024	As at March 31, 2023
Particulars			Amount	Amount
Income on finance lease transaction			2,940.08	2,064.81
Interest Income recognized during the year			0.46	0.02

39. Capital Management

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

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

Particulars	March 31, 2024	March 31, 2023
Borrowings including interest accrued on borrowing	14,050.08	12,034.17
Net debt (A)	14,050.08	12,034.17
Equity Share Capital	5,160.00	5160.00
Other Equity	4,709.87	1,366.43
Total Equity (B)	9,869.87	6,526.43
Total Equity and Debt (C = A+B)	23,919.95	18,560.60
Gearing ratio (A/C)	0.59	0.65

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, 2024.

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:

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	9.52	30.37
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
Total	9.52	30.37

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Notes to the Financial Statements for the year ended March 31, 2024

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

40. Borrowings (Undiscounted)

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Term loans				
From banks -				
Indian rupee term loans (secured)	-	-	-	-
From financial institutions				
Indian rupee term loans (secured)	13,369.40	11,657.40	788.00	501.60
Total	13,369.40	11,657.40	788.00	501.60

Repayment details

	Interest rates range (p.a.)	Amount outstanding as at March 31, 2024	Repayable within		
			1 year	1 to 5 years	>5 years
Term loans					
From banks					
Indian rupee term loans (secured)	-	-	-	-	-
From financial institutions					
Indian rupee term loans (secured)	7.60%	10,157.40	528.00	2,996.40	6,633.00
Indian rupee term loans (secured)	9.30%	4,000.00	260.00	1,256.00	2,484.00
Total		14,157.40	788.00	4,252.40	9,117.00

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Notes to the Financial Statements for the year ended March 31, 2024

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

41. Commitments and Contingencies

A. Contingent Liabilities:

Nil

B. Commitments:

- a. **Capital Commitments:** Estimated Value of contracts remaining to be executed on capital account not provided for (Net of Advances) Rs. Nil (March 31, 2023: Rs. 3,987.47).
- b. **Other Commitments:** Revenue share @ 25% of the lease rentals earned on land leased by the company is payable to GMR Hyderabad International Airport Limited.

42. Details of Un-Hedged foreign currency: Rs Nil (March 31 2023: Rs Nil)

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

44. The Company has presented profit/ (loss) before finance costs, taxes, depreciation, amortisation expense and exceptional items as EBIDTA.

45. Financial Ratios

Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Change	Reason for Variance
Current ratio	Current Assets	Current Liabilities	4.33	2.98	45.13%	Increased due to increase in investment in mutual funds as the company has received upfront lease rentals and Interest free Security Deposit from Safran Aircraft Engine w.r.t finance lease transaction.
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.42	1.84	-22.80%	
Debt Service Coverage ratio	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs	Interest expense (including capitalised) + Principal repayment (including prepayments)	3.79	0.31	1110.39%	During FY 22-23, there was a refinance of term loans.
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.41	0.24	16.46%	
Inventory turnover ratio	Costs of materials consumed	Average inventories	NA	NA	NA	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.16	1.42	52.29%	Increase due to increase in new customers i.e., Safran Aircraft Engine and Schneider Electric
Trade Payable Turnover Ratio	Trade expenses	Average Trade Payables	NA	NA	NA	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	0.72	0.80	-9.91%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.44	0.25	18.92%	
Return on Capital Employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.20	0.13	7.00%	
Return on Investment	Profit after tax	Equity share capital + Instruments entirely equity in nature + Securities premium	0.34	0.22	12.18%	

46A Ageing schedule of capital work-in-progress

As at 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
FMC Technip Project	21.64	-	-	-	21.64
Miscellaneous Project	50.02	-	-	-	50.02
Grand Total	71.66	-	-	-	71.66

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Snow Project	1,119.89	-	-	-	1,119.89
Sky Root	898.93	17.52	-	-	916.46
Miscellaneous Project	19.76	-	-	-	19.76
Grand Total	2,038.59	17.52	-	-	2,056.11

46B Completion schedule of capital work-in-progress

As at 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	71.66	-	-	-	71.66
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,036.35	19.76	-	-	2,056.11
Projects temporarily suspended	-	-	-	-	-

47 Ageing schedule of trade receivables

As at 31 March 2024	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	291.06	395.12	94.46	11.42	5.92	2,757.31	3,555.28
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	26.05	26.05
Less: Allowance for credit loss							(26.05)
Total							3,555.28

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	337.39	182.32	19.21	-	12.53	2,993.47	3,544.92
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	26.05	26.05
Less: Allowance for credit loss							(26.05)
Total							3,544.92

48 Ageing schedule of trade payables

As at 31 March 2024	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	9.52	-	-	-	9.52
Others	603.36	23.82	1.91	91.50	720.59
Total					730.11

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 enterprises	30.37	-	-	-	30.37
Others	1,041.80	1.71	2.81	88.69	1,135.00
Total					1,165.37

49 Schedule on Corporate Social Responsibility

Particulars	Amount (₹ in lakhs)	Remarks
(i) amount required to be spent by the company during the year,	12.48	
(ii) amount of expenditure incurred,	12.48	
(iii) shortfall at the end of the year,	-	
(iv) total of previous years shortfall,	-	
(v) reason for shortfall,	-	
(vi) nature of CSR activities,	-	
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the	-	

50 The following are the additional disclosures

- a. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. 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
- c. 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
- d. The Company has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- e. The Company has not declared wilful defaulter by any bank of financial institution of other lender.
- f. 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.
- g. The Company does not have any relationship with Struck off Companies.
- h. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- i. Title Deeds of immovable properties are held in the name of the company except for Leasehold assets.
- j. During the year, the company has not revalued any property, plant and equipment.
- k. No charges or satisfactions are required to be registered with ROC beyond the statutory period.

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Notes to the Financial Statements for the year ended March 31, 2024
(All amounts in Rupees in lakhs, unless otherwise stated)

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

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

HITESH Digitally
signed by
KUMAR HITESH
P KUMAR P
Hitesh Kumar P
Partner
ICAI Membership No. 233734

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

P ANAND Digitally signed
by P ANAND
KUMAR KUMAR
Anand Kumar Polamada
Director
DIN: 08540411

Pradeep Digitally signed
by Pradeep
Panicker Panicker
Pradeep Panicker
Director
DIN: 02730418

GOPALA Digitally signed by
KRISHNA GOPALA KRISHNA
MURTY NEMANI MURTY NEMANI
GopalaKrishna Murthy Nemani
Chief Financial Officer

Ganti Sai Digitally
signed by
Sravanthi Ganti Sai
Sravanthi
Ganti Sai Sravanthi
Company Secretary
M.No: ACS44115

Place: Hyderabad
Date: April 23, 2024

Place: Hyderabad
Date: April 23, 2024