



## INDEPENDENT AUDITOR'S REPORT

To The Members of GMR Visakhapatnam International Airport Limited

Report on the Audit of Financial Statements

### Opinion

1. We have audited the accompanying financial statements of M/s. **GMR Visakhapatnam International Airport 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 material 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 ('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 loss (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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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.

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

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

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

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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.
6. In preparing the financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

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

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

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the point 15(h)(vi) below on reporting under Rule 11(g) of companies (Audit and Auditors) Rules, 2014.
  - 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 15(b) above on reporting under section 143(3)(b) of the Companies Act, 2013 and point 15(h)(vi) below on reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014.
- 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. There are no pending litigations having impact on financial statements of the Company as on March 31, 2024.
  - 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. During the year, the Company has not declared any dividend.
- vi. The Company, in respect of financial year commencing on 1 April 2023, has used 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 as described in note 28(x), the audit trail logs for direct changes in data at database level for accounting software is available only for 7 days. Further, during our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled and logs maintained.

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

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**M S**

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**Sudarshana Gupta M S**

Partner

Membership No. 223060

UDIN No: 24223060BKAJYO3531

Place: New Delhi

Date: May 22, 2024

**Appendix - A to the Independent Auditor's Report**

The Appendix referred to in Independent Auditor's 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').  
(B) The Company doesn't hold any Intangible Assets, accordingly, reporting under clause (i) (a)(B) of the order is not applicable
  - (b) The Company has a program of physical verification of PPE and right-to-use assets so to cover all the assets once every three years and to deal with material discrepancies identified on such verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't own any immovable properties 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 and Intangibles during the year.
  - (e) Accordingly to the information and explanations given to us, 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) The Company doesn't hold any inventories during the year. Hence, disclosure under clause 3(ii)(a) are not applicable.  
(b) As per the information and explanations provided to us, the Company has not availed loan towards working capital requirements in excess of five Crores on the basis of security of current assets and movable assets. Accordingly, reporting under clause 3(ii)(b) of the order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments, provided guarantee or security, granted any loans and advances in the nature of loans, secured or unsecured, to any company, firm, Limited Liability Partnership or other parties. Accordingly, reporting under this clause 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 and Accordingly, reporting under clause 3(iv) of the Order is not applicable.

- (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 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.
- (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) In our opinion and according to the information and explanations given to us, money raised by the way of term loans were applied for the purposes for which these were obtained.
- (d) During the year, the Company has not raised funds on short-term basis, accordingly, reporting under clause 3 (ix)(d) is not applicable.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(e) is not applicable.
- (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(f) 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 (including 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. Accordingly, reporting under clause 3(x)(b) is not applicable.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by



the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations provided to us, during the year, the Company has not received any whistle blower complaints.

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

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

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

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

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

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

(xvii) The Company has incurred cash losses amounting to Rs. 108.71 lakhs during the financial year covered or and also incurred cash losses amounting Rs. 1.08 Lacs in 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) The provisions with respect to Corporate Social Responsibility (CSR) are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

For **K.S. Rao & Co.,**

Chartered Accountants

ICAI Firm Registration No: 003109S

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**Sudarshana Gupta M S**

Partner

Membership No. 223060

UDIN: 24223060BKAJYO3531

Place: New Delhi

Date: May 22, 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 Visakhapatnam International Airport 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 Companies Act, 2013 ('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 with reference to financial statements 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 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

**SUDARSA** Digitally signed  
by SUDARSANA**NA GUPTA** GUPTA M S**M S** Date: 2024.05.22  
20:52:07 +05'30'**Sudarshana Gupta M S**

Partner

Membership No. 223060

UDIN No: 24223060BKAJYO3531

Place: New Delhi

Date: May 22, 2024

**GMR Visakhapatnam International Airport Limited**

CIN: U74999AP2020PLC114561

Balance Sheet as at March 31, 2024

(All amounts in Rs. Lakhs, except otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	20.58	7.78
Capital work in progress	4	66,714.80	4,252.32
Income tax assets (net)	5	-	2.53
Financial Assets			
(i) Other Financial Assets	8	234.01	-
Other non-current assets	9	35,510.79	-
<b>Current assets</b>			
Financial Assets			
(i) Investments	6	594.97	583.10
(ii) Cash and cash equivalents	7	26,231.22	70.00
(iii) Bank balance other than Cash and cash equivalents	7	-	920.00
(iv) Others	8	-	15.23
Other current assets	9	800.88	521.43
<b>Total Assets</b>		<b>1,30,107.25</b>	<b>6,372.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	10	41,100.00	6,059.00
Instruments entirely equity in nature	10	39,488.24	-
Other Equity	11	(152.56)	(47.11)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
(i) Borrowings	15	25,599.22	-
(ii) Other financial liabilities	13	12.26	11.11
Provisions	12	-	30.92
Other non-current liabilities	14	53.72	59.19
Deferred tax liabilities (net)		2.00	-
<b>Current liabilities</b>			
Financial Liabilities			
Other financial liabilities	13	22,694.51	99.41
Other current liabilities	14	1,112.08	42.74
Provisions	12	191.56	117.13
Current Tax Liability	12a	6.22	-
<b>Total Equity and Liabilities</b>		<b>1,30,107.25</b>	<b>6,372.39</b>

Summary of material accounting policies

The accompanying notes are integral part of the financial statements.

This is the audited balance sheet referred to in as per our report of even date

**As per our report of even date**

**For K.S. Rao & Co.**

Firm Registration Number : 003109S

Chartered Accountants

SUDARSANA GUPTA M S  
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**Sudarshana Gupta M S**

Partner

Membership no.: 223060

Place: New Delhi

Date : May 22, 2024

**For and on behalf of the board of directors of**

**GMR Visakhapatnam International Airport Limited**

BUCHISANU  
ASI RAJU  
GRANDHI

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Date: 2024.05.22 18:03:11 +05'30'

**GBS Raju**

Director

DIN- 00061686

Place: New Delhi

Date : May 22, 2024

MANOMAY  
RAI

**Manomay Rai**

Chief Executive Officer

PAN: AEAPR4669G

Place: Visakhapatnam

Date : May 22, 2024

DIBYARANJAN  
MISHRA

**Dibyanjan Mishra**

Company Secretary

PAN: AWQPM3786R

Place: Visakhapatnam

Date : May 22, 2024

Prabhakara  
Rao Indana

**Prabhakara Indana Rao**

Director

DIN- 03482239

Place: New Delhi

Date : May 22, 2024

SANDIP  
SINHA RAY

**Sandip S Ray**

Chief Financial Officer

PAN: AEFPR3115Q

Place: Visakhapatnam

Date : May 22, 2024

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Statement of Profit and Loss for the Year ended March 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

Particulars	Notes	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>I INCOME</b>			
Revenue From Operations		-	-
Other Income	16	164.75	38.06
<b>Total Income (I)</b>		<b>164.75</b>	<b>38.06</b>
<b>II EXPENSES</b>			
Employee Benefits Expense		-	-
Other Expenses	18	237.28	38.40
<b>Total expenses (II)</b>		<b>237.28</b>	<b>38.40</b>
<b>III Earnings/(loss) before finance cost, tax, depreciation and amortisation expenses (EBITDA) and exceptional items (I-II)</b>		<b>(72.53)</b>	<b>(0.34)</b>
Finance costs	17	1.16	0.74
Depreciation and amortisation expense		5.37	0.91
<b>IV (Loss)/Profit before exceptional items and tax</b>		<b>(79.06)</b>	<b>(1.99)</b>
<b>V Exceptional Items</b>		<b>-</b>	<b>-</b>
<b>VI (Loss)/Profit before tax (IV-V)</b>		<b>(79.06)</b>	<b>(1.99)</b>
<b>VII Tax expense:</b>			
(1) Current Tax		32.94	-
(2) Deferred Tax		2.00	-
<b>VIII (Loss)/Profit for the Year (VI-VII)</b>		<b>(114.00)</b>	<b>(1.99)</b>
<b>IX Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
<b>X Total Comprehensive Loss for the Year (VIII + IX)</b> (Comprising Profit (Loss) and Other Comprehensive Income for the Year)		<b>(114.00)</b>	<b>(1.99)</b>
<b>XI Earnings per equity share:</b>			
(1) Basic (In Rs.)	19	(0.08)	(0.00)
(2) Diluted (In Rs.)	19	(0.08)	(0.00)

The accompanying notes are integral part of the financial statements.  
This is the audited statement of profit and loss referred to in as per our report of even date.

**As per our report of even date**  
**For K.S. Rao & Co.**  
Firm Registration Number : 003109S  
Chartered Accountants  
**SUDARSANA** Digitally signed by  
**SUDARSANA GUPTA M S**  
**GUPTA M S** Date: 2024.05.22  
20:53:40 +05'30'  
**Sudarshana Gupta M S**  
Partner  
Membership no.: 223060  
**Place: New Delhi**  
**Date : May 22, 2024**

**For and on behalf of the board of directors of**  
**GMR Visakhapatnam International Airport Limited**

**BUCHISANYASI**  
**RAJU GRANDHI**

**GBS Raju**  
Director  
DIN- 00061686  
**Place: New Delhi**  
**Date : May 22, 2024**  
**MANOMAY**  
**RAI**  
**Manomay Rai**  
Chief Executive Officer  
PAN: AEAPR4669G  
**Place: Visakhapatnam**  
**Date : May 22, 2024**  
**DIBYARANJAN**  
**MISHRA**  
**Dibyaranjan Mishra**  
Company Secretary  
PAN: AWQPM3786R  
**Place: Visakhapatnam**  
**Date : May 22, 2024**

**Prabhakara**  
**Rao Indana**

**Prabhakara Indana Rao**  
Director  
DIN- 03482239  
**Place: New Delhi**  
**Date : May 22, 2024**  
**SANDIP**  
**SINHA RAY**  
**Sandip S Ray**  
Chief Financial Officer  
PAN: AEFPR3115Q  
**Place: Visakhapatnam**  
**Date : May 22, 2024**

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Cash Flow Statement for the Year ended March 31, 2024**  
(All amounts in Rs. Lakhs, except otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I. Cash flow from operating activities:</b>		
A. Loss before tax	(79.06)	(1.99)
B. Adjustment for income/expense to be adjusted under other heads :		
Profit on sale of Mutual Funds	(119.81)	(19.80)
Depreciation	5.37	0.91
Amortisation of income on security deposits measured at amortised cost	(3.24)	(2.21)
Interest expense on non-current security deposits measured at amortised cost	1.16	0.74
MTM gain and loss on Mutual Funds	0.01	(0.82)
Interest Income	(41.70)	
C. Adjustment for Working capital requirement:		
(Increase) decrease in other assets	(551.12)	(199.54)
Increase (decrease) in provisions	43.51	5.94
Increase (decrease) in Other current Liabilities	1,067.11	4.71
Increase (decrease) in Trade Receivables	-	-
Increase (decrease) in Trade Payables	-	-
Increase (decrease) in Other Financial Liabilities	31.81	84.99
Increase (decrease) in Other Financial Asset	(234.01)	
<b>Cash Flow used in operations</b>	<b>120.04</b>	<b>(127.06)</b>
Direct taxes refund / (Paid)-(net)	(24.19)	(2.53)
<b>Net cash flow from operating activities (I)</b>	<b>95.85</b>	<b>(129.59)</b>
<b>II. Cash flows from investing activities</b>		
A. Purchase/Sale of Mutual Fund (Net)	107.93	(365.22)
B. Project related expenses (CWIP)	(75,111.52)	(1,416.97)
C. Security Deposit Received	(4.30)	-
D. Property plant and equipment (PPE)	(18.17)	(8.21)
E. Purchase of fixed deposit to be held as margin money with bank	920.00	(920.00)
F. Interest Income	41.70	-
<b>Net cash flow from/ (used in) investing activities (II)</b>	<b>(74,064.36)</b>	<b>(2,710.40)</b>
<b>III. Cash flows from financing activities</b>		
A. Increase in Share Capital	35,041.00	2,884.00
B. Other Borrowing Cost Paid	-	-
C. Proceeds from long-term borrowings	25,590.50	-
D. Proceeds from Compulsory Convertible Debentures (CCDs)	39,488.24	-
E. Proceeds from Optional Convertible Redemptional Preference shares (OCRPS)	10.00	-
<b>Net cash flow (used in) financing activities (III)</b>	<b>1,00,129.74</b>	<b>2,884.00</b>
<b>IV: Net (decrease) in cash and cash equivalents (I + II + III)</b>	<b>26,161.22</b>	<b>44.01</b>
Cash and cash equivalents at the beginning of the year	70.00	25.99
<b>V: Cash and cash equivalents at the end of the year</b>	<b>26,231.22</b>	<b>70.00</b>
<b>VI. Components of cash and cash equivalents:</b>		
a. Cash on hand		
b. Cheques, Drafts and Stamps on hand		
c. With banks:		
i. On Current Account	26,231.22	70.00
ii. Deposits with original maturity of less than three months	-	-
<b>Total cash and cash equivalents</b>	<b>26,231.22</b>	<b>70.00</b>

The accompanying notes are integral part of the financial statements.

As per our report of even date  
For K.S. Rao & Co.  
Firm Registration Number : 003109S  
Chartered Accountants  
SUDARSHANA GUPTA M S  
Sudarshana Gupta M S  
Partner  
Membership no.: 223060  
Place: New Delhi  
Date : May 22, 2024

For and on behalf of the board of directors of  
GMR Visakhapatnam International Airport Limited

BUCHISANYASI  
RAJU GRANDHI

GBS Raju  
Director  
DIN- 00061686  
Place: New Delhi  
Date : May 22, 2024  
MANOMAY RAI  
Manomay Rai  
Chief Executive Officer  
PAN: AEAPR4669G  
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Date : May 22, 2024  
DIBYARANJAN MISHRA  
Dibyaranjan Mishra  
Company Secretary  
PAN: AWQPM3786R  
Place: Visakhapatnam  
Date : May 22, 2024

Prabhakara Rao Indana

Prabhakara Indana Rao  
Director  
DIN- 03482239  
Place: New Delhi  
Date : May 22, 2024  
SANDIP SINHA RAY  
Sandip S Ray  
Chief Financial Officer  
PAN: AEFPR3115Q  
Place: Visakhapatnam  
Date : May 22, 2024

## GMR Visakhapatnam International Airport

CIN: U74999AP2020PLC114561

### Notes to Financial Statements for the year ended Mar 31, 2024

#### 1. Corporate Information

GMR Visakhapatnam International Airport Limited ('GVIAL' or 'the Company') is a Company domiciled in India and was incorporated on May 19, 2020 under the provisions of the Companies Act, 2013, for Development, Operation and Maintenance on DBFOT basis (Design, Build, Finance, Operate and Transfer) a greenfield international airport at Bhogapuram, Vizianagaram. GMR Airports Limited ('GAL'), a subsidiary of GMR Airports Infrastructure Limited ('GIL'), holds majority shareholding in the Company. GVIAL had entered into a Concession Agreement ("Agreement") with the Government of Andhra Pradesh ("GoAP"), which gives GVIAL an exclusive right to develop, operate and maintain the Airport on a revenue sharing model for an initial term of 40 years commencing from the Appointed Date, i.e., 14th December, 2023, which can be extended by another 20 years on satisfaction of certain terms and conditions pursuant to the provisions of the agreement.

#### Basis of preparation and presentation:

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

#### Use of estimates and judgements

The preparation of Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

#### 2. Summary of Material Accounting Policies

##### Statement of compliance

The Audited Financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ('the Act').

##### 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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.

The company classifies all other assets 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.

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

#### Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Assets under installation or under construction as at the balance sheet date are shown as "Capital work-in-progress (CWIP)". However, CWIP relating to the development fund are being net off from the Development fee accrued (to the extent not utilized) and are not included in CWIP. Expenditure including finance charges directly relating to construction activity is capitalized.

Capital work in progress includes leasehold improvements under development as at the balance sheet date.

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

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on 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 statement of profit and loss when the asset is derecognised.

#### Depreciation

Property, plant and equipment are depreciated on straight line basis using the rates arrived at based on the useful lives estimated by the management.

Asset Class	Life as Per Companies Act
Computer Systems	3 Years
Computer Server	6 Years
Office Equipment	5 Years
Furniture	8 or 10 Years

#### Provisions, Contingent liabilities, Contingent assets, and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, for which 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.

Contingent liability is disclosed in the case of:

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

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

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



## **Financial Instruments**

### **Classification, initial recognition and measurement**

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

Financial instruments are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

### **Financial assets held at amortised cost**

Financial assets that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

These include trade receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

### **Financial assets held at Fair Value Through Profit and Loss (FVTPL)**

Investment in units of Mutual Funds are included within the FVTPL category are measured at fair value with changes related to investments out of equity funds is recognized in the statement of profit and loss and investments out of debt funds recognized in Capital work in progress.

On disposal of investments in units of Mutual Funds, the difference between its carrying amount and net disposal proceeds out of equity funds is charged to the statement of profit and loss and investments out of debt funds charged to Capital work in progress.

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

### **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost or at fair value through profit and loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Company's financial liabilities include trade and other payables.

### **Loans and borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. When the liabilities are derecognised as well as through the EIR amortisation process, Gains and losses during construction period are recognized in Capital Work in Progress and after the asset being put to use, Gains and losses are recognised in statement of profit and loss.

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

### **Derecognition of financial liability**

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

### **Offsetting of financial instruments**

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

### **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.

### **Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

#### **Taxes on income**

##### ***Current income tax***

Tax expense comprises current and deferred tax.

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

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

Current income tax relating to items 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 provisions where appropriate.

##### ***Deferred tax***

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

Deferred tax 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.

#### **Segment information**

The Company has only one reportable business segment, which is operation of airport and providing allied services and operates in a single business segment. Accordingly, the amounts appearing in the Financial Statements relate to the Company's single business segment.

#### **Earning per share**

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

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

#### **EBITDA**

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

**(This space has been intentionally left blank)**

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Statement of Changes in Equity for the Year ended March 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

Particulars	Equity share capital	Instruments entirely equity in nature	Other Equity			Total Equity	
			Reserves and Surplus		Share Application Money		Total other equity
			Retained Earnings	Other Reserve			
Opening balances as at 1 Apr 2022	3,175.00	-	(45.12)	-	-	3,129.88	
Share Issued	2,884.00	-	-	(2,884.00)	-	-	
Application Money received during the period	-	-	(1.99)	-	2,884.00	2,884.00	
(Loss) / Profit for the year	-	-	(47.11)	-	(1.99)	-1.99	
<b>Balance as at March 31, 2023</b>	<b>6,059.00</b>	<b>-</b>	<b>(92.22)</b>	<b>-</b>	<b>(2.98)</b>	<b>6,011.89</b>	
Opening balances as at 1 Apr 2023	6,059.00	39,488.24	(47.11)	-	-	6,011.89	
Increase during the year	-	-	-	-	-	39,488.24	
Application Money received during the Year	-	-	(114.00)	35,041.00	(35,041.00)	35,041.00	
Share Issued	35,041.00	-	-	-	(114.00)	-	
(Loss) / Profit for the Year	-	-	-	8.55	-	8.55	
Equity component of (OCRPS)	-	-	(161.10)	8.55	-	8.55	
<b>Balance as at March 31, 2024</b>	<b>41,100.00</b>	<b>39,488.24</b>	<b>(253.30)</b>	<b>43.55</b>	<b>(152.56)</b>	<b>80,435.68</b>	

The accompanying notes are integral part of the financial statements.

As per our report of even date

For K.S. Rao & Co.

Firm Registration Number : 003109S

Chartered Accountants

SUDARSANA

Digitally signed by SUDARSANA GUPTA M S

GUPTA M S / 49239\*

Sudarshana Gupta M S

Partner

Membership no. : 223060

Place: New Delhi

Date : May 22, 2024

For and on behalf of the board of directors of

GMR Visakhapatnam International Airport Limited

BUCHISANYASI

RAJU GRANDHI

Digitally signed by RAJU GRANDHI

MANOMAY RAO

MANOMAY RAO

Director

DIN-00061686

Place: New Delhi

Date : May 22, 2024

Prabhakara Rao Indana

Prabhakara Indana Rao

Director

DIN-03482239

Place: New Delhi

Date : May 22, 2024

SANDIP S RAY

SANDIP S RAY

Chief Executive Officer

PAN: AEAPR4669G

Place: Visakhapatnam

Date : May 22, 2024

Dibyaranjan Mishra

Dibyaranjan Mishra

Company Secretary

PAN: AWQPM3786R

Place: Visakhapatnam

Date : May 22, 2024

**GMR Visakhapatnam International Airport Limited**  
CIN: U74999AP2020PLC114561  
**Notes to Financial Statements for the year ended Mar 31, 2024**

<b>3 Property, plant and equipment</b>				<b>(Amount in lakhs)</b>
	<b>Computers</b>	<b>Furniture</b>	<b>Office Equipment</b>	<b>Property, Plant and Equipment Total</b>
<b>Cost</b>				
<b>As at April 1,2022</b>	<b>0.64</b>	-	-	<b>0.64</b>
Additions	8.21	-	-	8.21
Disposals	-	-	-	-
<b>As at March 31, 2023</b>	<b>8.85</b>	-	-	<b>8.85</b>
Additions	13.50	0.64	4.03	18.17
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>22.35</b>	<b>0.64</b>	<b>4.03</b>	<b>27.02</b>
<b>Accumulated Depreciation</b>				
<b>As at April 1,2022</b>	<b>0.16</b>	-	-	<b>0.16</b>
Charge for the period	0.91	-	-	0.91
Disposals	-	-	-	-
<b>As at March 31, 2023</b>	<b>1.07</b>	-	-	<b>1.07</b>
Charge for the period	4.91	0.07	0.39	5.37
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>5.98</b>	<b>0.07</b>	<b>0.39</b>	<b>6.44</b>
<b>Net Book value</b>				
<b>As at March 31, 2024</b>	<b>16.37</b>	<b>0.57</b>	<b>3.64</b>	<b>20.58</b>
<b>As at March 31, 2023</b>	<b>7.78</b>	<b>0.00</b>	<b>0.00</b>	<b>7.78</b>

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**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**4. Capital Work in Progress**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
CWIP-Project	66,714.80	4,252.32
Total	<b>66,714.80</b>	<b>4,252.32</b>

**5. Income tax assets (net)**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Advance income tax assets (net)</b>		
Advance payment of tax	-	2.53
Less: Provision for income tax	-	-
	-	<b>2.53</b>

**6. Investment**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Current Investment in Mutual Fund Fair Value through profit and loss</b>		
UTI Overnight Fund - Direct Growth Plan (No. of units CY: 6015.51 (PY: NIL))	197.15	-
ICICI Prudential Overnight Fund Direct Plan Growth (No. of units CY: 30826.31 (PY: 48251.004))	397.82	583.10
Total	<b>594.97</b>	<b>583.10</b>

### 7. Cash and Cash Equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
-Cash on hand	-	-
-Cheques / drafts on hand	-	-
-Deposits with original maturity of less than three months	-	-
-Balances with Banks		
-In current accounts	26,231.22	70.00
<b>Total balance cash and cash equivalents</b>	<b>26,231.22</b>	<b>70.00</b>
<b>Bank balance other than cash and cash equivalents</b>		
Fixed Deposit		
- Others- Fixed deposit with Bank held as Margin Money(12 Months)	-	920.00
Total	-	<b>920.00</b>

### 8. Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>		
Fixed Deposit		
- Others- Fixed deposit with Bank held as Margin Money(12 Months)	230.00	-
Accrued interest on Fixed deposit	4.01	-
	<b>234.01</b>	-
<b>Current</b>		
Current Fixed deposit held as margin money	-	-
Accrued interest on Fixed deposit	-	15.23
	-	<b>15.23</b>

### 9. Other Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Balances with statutory/ government authorities	361.57	490.32
Other Recoverable	364.55	7.35
Prepaid Expenses	74.75	23.76
Total	<b>800.88</b>	<b>521.43</b>
<b>Non Current</b>		
Capital Advances	35381.97	-
Prepaid Expenses	128.82	-
Total	<b>35,510.79</b>	-

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**10. Share Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised :		
140,00,00,000 equity shares of Rs. 10 each (P.Y. 7,50,00,000 equity shares)	1,40,000.00	7,500.00
	<b>1,40,000.00</b>	<b>7,500.00</b>
Issued, subscribed and paid up share capital		
41,10,00,000 equity shares of Rs. 10 each (P.Y. 6,05,90,000 equity shares)	41,100.00	6,059.00
<b>Total</b>	<b>41,100.00</b>	<b>6,059.00</b>

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

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Number	Amounts	Number	Amounts
At the beginning of the year	6,05,90,000	6,059.00	3,17,50,000	3,175.00
Issued during the period/ Year	35,04,10,000	35,041.00	2,88,40,000	2,884.00
Outstanding at the end of the period/ Year	<b>41,10,00,000</b>	<b>41,100.00</b>	<b>6,05,90,000</b>	<b>6,059.00</b>

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

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	As at March 31, 2024	
	No. of Shares held	Amounts
GMR Airports Limited 41100000 equity shares of Rs.10 each*	<b>41,10,00,000</b>	<b>41,100</b>

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

Name of Shareholder	As at March 31, 2024	
	No. of Shares held	% Holding in Class
Equity shares of Rs. 10 each		
GMR Airports Limited*	41,10,00,000	100.00%
	<b>41,10,00,000</b>	<b>100.00%</b>

\*99.99% shares are held by GMR Airports Limited and balance are held by the Company through nominees.

**e. Instruments entirely equity in nature**

**Compulsorily Convertible Debentures**

Particulars	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
At the beginning of the period / year	-	-
Increase during the period / year	39,488.24	-
At the end of the period / year	<b>39,488.24</b>	-

An Investment Agreement dated December 21, 2023 was executed amongst the Company, National Infrastructure and Investment Fund (NIIF- a SEBI registered Category II AIF) and GMR Airports Limited. As per the Agreement, NIIF has agreed to invest an aggregate amount of Rs. 67,473 lakhs in the securities of Company by subscribing to 6,7473 lakhs compulsorily convertible debentures (CCDs) of the Company having face value of Rs. 10 each with a tenure of 7 years and without any coupon / interest rate.

On March 27, 2024, the Company received first tranche of subscription amount of Rs. 39,488.24 lakhs and accordingly the Company issued 3,948.82 lakhs CCDs having face value of Rs 10 each to NIIF.

**GMR Visakhapatnam International Airport Limited**

CIN: U74999AP2020PLC114561

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

(All amounts in Rs. Lakhs, except otherwise stated)

**11. Other Equity**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	(47.11)	(45.12)
Add: Net profit /(Net loss) for the year	(114.00)	(1.99)
Closing Balance	(161.10)	(47.11)
<b>Other items of Comprehensive Income</b>		
<b>Equity Component</b>		
Equity component of Optional Convertible Redeemable Preference Shares	8.55	-
<b>Total</b>	<b>(152.56)</b>	<b>(47.11)</b>

**12. Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non current</b>		
Provision for gratuity	-	30.92
	-	<b>30.92</b>
<b>Current</b>		
Provision for leave benefit	61.19	74.46
Provision for gratuity	14.18	-
Provision for Super Annuation Fund	0.83	0.86
Provision for Tax (Net of advance tax)	-	-
Provision for VPP/SVP	115.36	41.82
<b>Total</b>	<b>191.56</b>	<b>117.13</b>

**12a. Current Tax Liability**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Provision for income tax	31.03	-
Less: Advance payment of tax	(24.81)	-
	<b>6.22</b>	<b>-</b>



**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**13. Other Financial Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>		
Security Deposit Received Related Party	12.26	11.11
	<b>12.26</b>	<b>11.11</b>
<b>Current</b>		
Security Deposit Received Related Party Others	6.00 10.00	1.00
Earnest money deposits	22.50	10.00
Retentions Money	1,964.67	
Interest payable on borrowings	-	
Payable on purchase of property, plant and equipment including capital work-in-progress Related party Others*	201.80 20,489.52	29.31 59.10
<b>Total</b>	<b>22,694.51</b>	<b>99.41</b>

\*i) Include Rs 115.11 lakhs payable to an entity under the provisions of Micro, Small and Medium Enterprises Development Act, 2006

**14. Other liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
GST Payable	36.92	0.44
Labour Welfare Payable	0.02	0.03
PF Payable	3.20	3.01
Profession Tax Payable	0.26	-
Salary & Reimbursement Payable	10.27	13.39
TDS Payable	1,055.95	22.64
Deferred Income	5.45	3.23
	<b>1,112.08</b>	<b>42.74</b>
<b>Non Current</b>		
Deferred Income	53.72	59.19
<b>Total</b>	<b>53.72</b>	<b>59.19</b>

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to the Financial Statements for the Year ended March 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**Financial liabilities**

**15. Borrowings**

Particulars	Non - Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Term loan (secured)</b>				
<b>From Bank:</b>				
Indian rupee term loan from banks				
BOM	6,898.02	-	-	-
EXIM	2,984.40	-	-	-
CENTRAL Bank	1,909.16	-	-	-
IIFCL	5,641.22	-	-	-
REC	8,164.96	-	-	-
	<b>25,597.77</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	Non - Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
OCRPS-GAL	1.45	-	-	-
<b>Total Borrowings</b>	<b>25,599.22</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note:

1) During the financial year ended March 31, 2024, the Company had entered into a Facility Agreement on December 07, 2023 for an aggregate term loan amount of Rs.3,21,500 lakhs at their respective base rate/MCLR with agreed spread as applicable Interest Rate of 10.35%, out of which Rs. 27,216 lakhs was drawn up to March 31, 2024 with India Infrastructure Finance Company Limited as the Rupee Lead Lender and Facility Agent along with Export Import Bank, Central Bank of India, Bank of Maharashtra & REC Limited as the Rupee Lender and a BG Commitment of Rs. 15,000 lakhs with Bank of Maharashtra as the BG Lender and out of which availed a limit of Rs.4,600 lakhs.

As per the Facility Agreement, the Loan is repayable in 56 structured quarterly instalments starting from December 31, 2027.

The Rupee Facility is secured as stipulated below:

- (i) a first ranking charge by way of mortgage on all the Borrower's immovable assets;
- (ii) a first ranking charge by way of hypothecation on all the Borrower's movable assets;
- (iii) first ranking charge on book debts, operating cash flows, Project Proceeds including Receivables, commissions and other current assets;
- (iv) subject to the exclusive charge of the Authority on the Escrow Account to the extent of Deemed Performance Security, pursuant to the Concession Agreement;
- (v) a first ranking charge on intangible assets;
- (vi) a first ranking charge, by way of assignment on:
  - (A) all the rights, title, interest, benefit, claims and demands whatsoever of the Borrower in the Project Documents (including the Concession Agreement and the Substitution Agreement), duly acknowledged and consented;
  - (B) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Clearances;
  - (C) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in, to and under all Insurance Contracts and all the Loss Proceeds;
- (vii) a pledge over the Equity Shares and CCDs/any other convertible instruments of the Borrower amounting to 51% at any point of time so as to maintain the required percentage;
- (viii) any other charge as suggested by the Lenders Facility Agent and as permissible under the Concession Agreement. "Security", which shall include any further or additional Security Interest created in terms of Additional Security:
  - (A) the aforesaid, charges, assignments, pledge and guarantees shall in all respects rank first pari-passu;
  - (B) the Borrower is permitted to create a second ranking charge by way of hypothecation on all book debts, operating cash flows, Project Proceeds;
  - (C) the Security stipulated shall exclude the Project Assets;
  - (D) the Security stipulated shall be to the extent permitted under the Concession Agreement and limited to the Project; and
  - (E) the number of Equity Shares to be pledged shall be arrived as the aggregate of Equity Share Capital and value of CCDs amounting to 51% at any point of time.

2) The Company had allotted 1,00,000 Optionally Convertible Redeemable Preference Shares (OCRPS) having Face Value of Rs.10 each totalling to Rs.10 lakhs based on OCRPS Subscription Agreement executed on March 07, 2024 with GMR Airports Limited. The OCRPS carry a non-cumulative preferential dividend at the rate of 0.0001% p.a. with a maximum term of 20 years.

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**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**16. Other income**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the Year ended 31 March 2023</b>
Profit on sale of Mutual funds	119.81	19.80
MTM gain and loss on mutual fund	-	0.82
Other Income		-
Interest Income	41.70	15.23
Amortisation of deferred income	3.24	2.21
<b>Total</b>	<b>164.75</b>	<b>38.06</b>

**17. Finance Cost**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the year ended 31 March 2023</b>
Interest - others	1.16	0.74
Interest on borrowings	-	-
<b>Total</b>	<b>1.16</b>	<b>0.74</b>

**18. Other expenses**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the year ended 31 March 2023</b>
Payment to auditors	1.00	1.00
Directors Sitting Fees	6.90	4.60
Legal and Professional	6.02	2.22
Rent	11.78	7.60
Rates And Taxes	209.66	22.98
Miscellaneous Expenses	1.92	-
<b>Total</b>	<b>237.28</b>	<b>38.40</b>

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the year ended 31 March 2023</b>
<b>*Payment to Auditors (Included in other expenses above)</b>		
<b>As Auditor</b>		
Audit fee	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**19. Earnings Per Share (EPS)**

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders(after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the Year ended 31 March 2023</b>
Profit available to equity shareholders	(114.00)	(1.99)
<b>Weighted average number of Equity shares (Basic)</b>	14,55,00,710	5,22,82,022
<b>Weighted average number of Equity shares (Diluted)</b>	14,55,00,710	5,22,82,022
Earning Per Share (Basic) (in Rs)	(0.08)	-
Earning Per Share (Diluted) (in Rs)	(0.08)	-
Face value per share (in Rs)	10.00	10.00

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**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**20. Related Party Transactions:**

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

a) Names of the related parties and description of related parties:

S. No.	Description of relationship	Name of the related parties
I	Ultimate Holding Company	GMR Enterprises Private Limited
II	Intermediate Holding Company	GMR Airports Infrastructure Limited (GIL) (formerly known as GMR Infrastructure Limited)
III	Holding Company	GMR Airports Limited
IV	Fellow subsidiaries (including subsidiary companies of the ultimate/intermediate holding Company) (where transactions have taken place)	Raxa Security Services Limited GMR Airport Developers Ltd
V	Key management personnel (KMP)	Mallikarjuna Rao Grandhi (Director) Buchisanayasi Raju Grandhi (Director) I P Rao (Director) M Ramachandran (Director) Siva Kameswari Vissa (Director) SGK Kishore (Director) Bimal Parekh (Director) Goker Kose (Director) Ravindra Kumar Tyagi (Director) Pierre Etienne Mathely (Director) Narasimhan Yuvaraj (Director) Fabien Alain Camille Lawson (Director) Raghuraman Parthasarathy (Director) Manomay Rai (Chief Executive Officer) Sandip Sinha Ray (Chief Financial Officer) Dibyaranjan Mishra (Company Secretary)

(b) (i) Summary of balances with the above related parties is as follows:

Balances as on Date	As at March 31, 2024	As at March 31, 2023
<b>Balance Recoverable / (Payable)</b>		
<b>Security Deposit Received / (paid)</b>		
Raxa Security Services Limited	1.00	1.00
B Rama Devi	(1.90)	(1.90)
GMR Airports Limited	5.00	-
<b>Provision for Project Management Fees</b>		
GMR Airports Developers Limited	102.38	-
<b>Payable for PPE(Capital Creditors)</b>		
GMR Airports Developers Limited	201.80	
<b>Concessionaire deposit (non-current) received from:</b>		
GMR Airports Limited	12.26	11.11
<b>Deferred income on financial liabilities (Non-current) carried at amortized cost:</b>		
GMR Airports Limited	53.72	59.19
<b>Deferred income on financial liabilities (current) carried at amortized cost:</b>		
GMR Airports Limited	5.45	3.23
<b>Non-Trade payable</b>		
GMR Airports Limited	-	29.31
<b>Equity share capital issued to:</b>		
GMR Airports Limited	41,100.00	6,059.00
<b>BG Commission and Bank Charges</b>		
GMR Airports Limited	351.27	-

**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

(b) (ii) Summary of transaction with the above related parties is as follows:

<b>Transactions during the period</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Share application money received from:</b>		
GMR Airports Limited	-	-
<b>Equity share capital issued to:</b>		
GMR Airports Limited	35,041.00	2,884.00
<b>Security Deposit Received</b>		
GMR Airports Limited	-	75.00
GMR Airports Limited	5.00	-
<b>Expense for Project Management Fees</b>		
GMR Airports Developers Limited	633.17	-
<b>Security Deposit paid</b>		
B Rama Devi	-	1.90
<b>Land/Lease Rental paid</b>		
B Rama Devi	11.78	7.60
<b>Director's Sitting Fees</b>		
G B S Raju	0.75	0.60
M. Ramachandran	1.80	1.25
Mallikarjuna Rao Grandhi	0.75	0.60
Ms. Siva Kameshwari Vissa	1.65	1.20
Bimal Parekh	1.65	0.95
Ravindra Kumar Tyagi	0.30	
<b>Amortisation of deferred revenue:</b>		
GMR Airports Limited	3.24	2.21
<b>Interest on concessionaire deposits</b>		
GMR Airports Limited	1.16	0.74
<b>Tender Award Fees</b>		
GMR Airports Limited	-	10.00
<b>BG Commission and Bank Charges</b>		
GMR Airports Limited	205.16	31.07
<b>Bid processing fee</b>		
GMR Airports Limited	-	1.00

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**GMR Visakhapatnam International Airport Limited**  
**CIN: U74999AP2020PLC114561**  
**Notes to Financial Statements for the year ended Mar 31, 2024**  
**(All amounts in Rs. Lakhs, except otherwise stated)**

**21. Contingent liabilities not provided for:**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
i) In respect of Income tax matters	Nil	Nil
ii) In respect of Indirect tax matters	Nil	Nil
iii) Claim against the Company not acknowledged as debt	Nil	Nil
iv) In respect of other matters	Nil	Nil

**22. Capital and Other Commitments:**

As at March 31, 2024, the Company has estimated amount of contracts remaining to be executed on capital account not provided for **Rs. 2,86,524.85 lakhs(Incl.gst)** (31 March 23: 322 lakhs).

**Other Commitments:**

As per the terms of concession agreement with Andhra Pradesh Airports Development Corporation Limited ('authority') following financial commitments are to be complied by the Company:

- i. The Company is required to pay concession fee of Rs.1/- per annum.
- ii. As per the terms of concession agreement with Andhra Pradesh Airports Development Corporation Limited ('authority'), the Company is required to pay per passenger fee of Rs.303 per domestic passenger and Rs.606 per international passenger from 10th anniversary from phase 1 COD on a monthly basis. The company has not yet commenced operations.
- iii. the Company is liable to pay license fee of Rs.20,000/- per acre per annum increased by 6% every year from the Appointed Date during the subsistence of this agreement. The Appointed Date i.e 14th December 2023 during the subsistence of this agreement . License Fees INR 4,20,14,897/- (exclusive of GST ) is payable by 10th April 2024.
- iv. the Company is liable to pay lease rent of Rs.20,000/- per annum towards city side residential development during the period of concession.
- v. The Company has given an irrecoverable and unconditional Bank Guarantee of Bank of Maharashtra to APADCL of Rs. 4,600.00 lakhs (March 31, 2023: Rs.4600.00 lakhs) w.e.f. 21st December 2023 in respect of security for due and faithful performance of its obligations, under and in accordance with the Concession Agreement (Performance Security) by replacing the earlier BG which was issued by HSBC Limited.

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GMR Visakhapatnam International Airport Limited  
CIN: U74999AP2020PLC114561  
Notes to Financial Statements for the year ended Mar 31, 2024  
(All amounts in Rs. Lakhs, except otherwise stated)

**23. Fair Value Measurement**

i) The carrying value and fair value of financial instruments by categories as of March 31, 2024 are as under:

Particulars	As at March 31, 2024			
	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Financial assets/(financial liabilities) at fair value through other comprehensive income (FVTOCI)	Total carrying value	Total fair value Level 1
<b>Financial assets/(financial liabilities)</b>				
Investment in units of Mutual Fund	594.97	-	594.97	594.97

ii) Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023

Particulars	As at March 31, 2023			
	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Financial assets/(financial liabilities) at fair value through other comprehensive income (FVTOCI)	Total carrying value	Total fair value Level 1
<b>Financial assets</b>				
Investment in units of Mutual Fund	583.10	-	583.10	583.10

iii) Financial assets and financial liabilities that are not measured at fair value are as under:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amortised Cost	Fair value	Amortised Cost	Fair value
<b>Financial assets</b>				
Cash and cash equivalent	26,231.22	26,231.22	70.00	70.00
Other financial assets	234.01	234.01	15.23	15.23
<b>Financial liabilities</b>				
Borrowings - Term Loan	25,597.77	25,590.50	-	-
Borrowings- OCRPS	1.45	1.45	-	-
Other financial liabilities	22,706.77	22,706.77	110.52	110.52
Trade payables	-	-	-	-

The carrying value of above financial assets and financial liabilities approximate its fair value.

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**GMR Visakhapatnam International Airport Limited**

CIN: U74999AP2020PLC114561

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

(All amounts in Rs. Lakhs, except otherwise stated)

**24. Ratios**

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% Change
1. Current Ratio	Current assets	Current liabilities	1.15	8.14	-86%
2. Debt-Equity Ratio	Total debt	Total equity	0.32	-	32%

**Reason for Variances:**

- 1.Current Assets are not increasing in proportion to Current Liabilities.
- 2.Company has taken Term Loans from Banks during the Current Financial Year.

**\*Note:** For the calculation of Debt Equity Ratio, 3,948.82 lakhs CCD having Face Value of Rs. 10 each issued to NIIF on 27th March, 2024 has been taken into consideration under Equity.

The company has not commenced its operations as on reporting date and there is no revenue from operations; hence disclosure of other specified ratios are not applicable to the Company.

**25. Ageing analysis****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
Projects in progress	62,462.47	4,252.32	-	-	<b>66,714.80</b>
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	1,406.15	2,169.76	676.41	-	<b>4,252.32</b>
Projects temporarily suspended	-	-	-	-	-

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**GMR Visakhapatnam International Airport Limited**

**CIN: U74999AP2020PLC114561**

**Notes to Financial Statements for the Year ended March 31, 2024**

**(All amounts in Rs. Lakhs, except otherwise stated)**

**26.Capital management**

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

The Company manages its capital structure in order to meet the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total equity plus debt. The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Term Loan from Bank (undiscounted)	27,216.00	
OCRPS	10.00	
<b>Borrowings (A)</b>	<b>27,226.00</b>	
Share Capital	41,100.00	
Instruments entirely equity in nature	39,488.24	
Other equity	(152.56)	
<b>Total equity (B)</b>	<b>80,435.68</b>	<b>-</b>
<b>Total equity and total debt (C=A+B)</b>	<b>1,07,661.68</b>	<b>-</b>

**Gearing ratio (A/C)**

**25%**

**0%**

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 loans and borrowings that define capital structure requirements. The financial covenants of the Company is applicatoin from the first full year of operations and since the Company is at the project stage, it has to meet the required debt to equity ration in order to facilitate drawdown of the tied-up limit. There are no breaches in the financial covenants of any loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

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GMR Visakhapatnam International Airport Limited

CIN: U74999AP2020PLC114561

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

(All amounts in Rs. Lakhs, except otherwise stated)

## 27 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the development cost of Phase -I of Bhogapuram International Airport. The Company's principal financial assets include cash and cash equivalents that are awaiting to get deployed in the development of Bhogapuram International Airport.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The analysis also excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The analysis also excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The assumptions made in calculating the sensitivity analyses are:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2024 and March 31, 2023.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to interest rate risk on its long-term debt obligations in the form of Term Loan as the interest rate structure is linked to the Base Rate or marginal cost of fund based lending rate (MCLR) of the lenders.

### Interest cost sensitivity

The Company has availed Term Loan from banks and financial institutions and the interest rate sensitivity is as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Borrowings	Interest Rate	Borrowings	Interest Rate
Borrowings (undiscounted)	27,216.00	10.35%		

The following table demonstrate the sensitivity to a potential change in base rate/MCLR with all other variables held constant. The impact on the

	Nature of transaction	Change in Rate	As at March 31, 2024	As at March 31, 2023
Interest Rate	Change in Base Rate/MCLR	0.50%	136.08	-
		1.00%	272.16	-

### 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. The Company is exposed to credit risk from its deposits with banks, mutual funds and financial institutions and other financial instruments.

### Financial instruments (security deposits) and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. Counterparty credit limits are reviewed by the Company's senior management on regular basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### Liquidity risk

The Company monitors its liquidity risk with prudent liquidity management. Since the Company is currently into the development of Phase -I of Bhogapuram International Airport, the Company's objective is to maintain a cash balance to ensure continuity of project funding in order to achieve the execution timeline. The Company's policy is to ensure the serviceability of debt on its respective contractual payment dates. No principal amount of debt is falling due in next financial year.

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

Particulars	On Demand	Up to 1 year	1 to 5 years	> 5 years	Total
<b>Year ended March 31, 2024</b>					
Borrowings	-	-	2,041.20	25,174.80	27,216.00
Capital Creditors	-	20,691.33	-	-	20,691.33
Retention Money	-	1,964.67	-	-	1,964.67
Statutory dues	-	1,096.35	-	-	1,096.35
Salary & Reimbursement Payable	-	10.27	-	-	10.27
<b>Total</b>	<b>-</b>	<b>23,762.62</b>	<b>2,041.20</b>	<b>25,174.80</b>	<b>50,978.62</b>
<b>Year ended March 31, 2023</b>					
Borrowings	-	-	-	-	-
Capital Creditors	-	88.41	-	-	88.41
Retention Money	-	-	-	-	-
Statutory dues	-	26.12	-	-	26.12
Salary & Reimbursement Payable	-	13.39	-	-	13.39
<b>Total</b>	<b>-</b>	<b>127.92</b>	<b>-</b>	<b>-</b>	<b>127.92</b>

### 28 Other Disclosures required as per Schedule III

- i) The Company did not have any property or any proceedings under the Act for Benami Property during the financial year ended 31st March, 2024.
- ii) The Company has not traded or invested in Crypto currency or Virtual currency.
- iii) The Company has not been declared as wilful defaulter by any Bank or Financial Institution or Other lender.
- iv) The Company has used Borrowings from Banks & Financial Institutions for the specific purpose for which it was taken at the balance sheet date.
- v) The Company has no charges or satisfactions are required to be registered with ROC beyond the statutory period.
- vi) No transactions, which are not recorded in the books of account of the Company, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- vii) The Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 to the best of the knowledge of the Company's management.
- viii) The Company did not make any loans and advances without any terms of repayment to Directors, Promoters, KMPs and Related Parties during the financial year for the year ended 31st March, 2024.
- ix) The Company has not carried out any revaluation of Property, plant and equipment during current and previous year.
- x) The Company is using SAP ERP accounting software for maintaining its books of account and all accounting records, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that the audit trail logs for direct changes in data at database level for accounting software is available only for 7 days. The retention of edit logs for more than 7 days will require huge data space and accordingly, the Company has implemented additional control, wherein alerts generated through these logs are monitored at the Security operation Centre.

### 29 Defined benefit plans

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits:

#### (i) Changes in present value of defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Present value of defined benefit obligation as at the beginning of the period</b>		
Current service cost	2.86	3.03
Interest expense	1.35	3.58
<b>Total amount recognised in CWIP</b>	<b>4.21</b>	<b>6.61</b>
Actuarial (gain)/loss due to DBO experience	4.70	(18.48)
Actuarial (gain)/loss due to DBO assumption changes	0.67	(0.69)
Return on plan assets (greater)/less than discount rate	-	0.37
<b>Actuarial loss / (gain) recognised in CWIP</b>	<b>5.37</b>	<b>(18.80)</b>

(ii) Amount recognised in the Balance sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation	(14.18)	30.92
	<b>(14.18)</b>	<b>30.92</b>

**Benefit liability**

Particulars	As at March 31, 2024	As at March 31, 2023
Current	(14.18)	-
Non-current	-	30.92

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

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Economic assumptions</b>		
Discount rate %	7.60%	7.00%
Salary growth rate %	6.00%	6.00%

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.

**30 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.

**32** Previous period / year figures are regrouped / rearranged wherever necessary to confirm with that of current period / year figures.

**As per our report of even date**

**For K.S. Rao & Co.**

**Firm Registration Number : 003109S**

Chartered Accountants

**SUDARSANA GUPTA M S**  
Digitally signed by  
SUDARSANA GUPTA M S  
Date: 2024.05.22  
20:56:13 +05'30'

**Sudarshana Gupta M S**

Partner

Membership no.: 223060

**Place: New Delhi**

**Date : May 22, 2024**

**For and on behalf of the board of directors of**

**GMR Visakhapatnam International Airport Limited**

**BUCHISANYASI RAJU GRANDHI**  
Digitally signed by BUCHISANYASI RAJU GRANDHI  
DN: cn=BUCHISANYASI RAJU GRANDHI, o=GMR  
VISAKHAPATNAM INTERNATIONAL AIRPORT LIMITED,  
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c=IN

**GBS Raju**

Director

DIN- 00061686

**Place: New Delhi**

**Date : May 22, 2024**

**MANOMAY RAI**

**Manomay Rai**

Chief Executive Officer

PAN: AEAPR4669G

**Place: Visakhapatnam**

**Date : May 22, 2024**

**DIBYARANJAN MISHRA**

**Dibyanjan Mishra**

Company Secretary

PAN: AWQPM3786R

**Place: Visakhapatnam**

**Date : May 22, 2024**

**Prabhakara Rao Indana**  
Digitally signed by Prabhakara Rao Indana  
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VISAKHAPATNAM INTERNATIONAL AIRPORT LIMITED,  
ou=, email=Prabhakara.Rao.Indana@GMRVIL.COM,  
c=IN

**Prabhakara Indana Rao**

Director

DIN- 03482239

**Place: New Delhi**

**Date : May 22, 2024**

**SANDIP SINHA RAY**

**Sandip S Ray**

Chief Financial Officer

PAN: AEFPR3115Q

**Place: Visakhapatnam**

**Date : May 22, 2024**