GURU & JANA
CHARTERED ACCOUNTANTS

To
The Members of GMR Infrastructure Limited

Report on Special Purpose Financial Statement

We have audited the accompanying special purpose IGAAP consolidated financial statement of **GMR Infrastructure Limited** ('the Holding Company'), its subsidiaries, jointly controlled entities and associates (collectively hereinafter referred to as "the Group") for the year ended 31 March 2017 along with explanatory notes thereon prepared by the company for the purpose of submission to the Board of Directors of the holding company for the purpose of consolidation of ultimate holding company. These financial statements are the responsibility of the Company's management and has been approved by the Board of Directors.

Management's Responsibility

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 hereinafter referred to as "IGAAP" The Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the special purpose consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these special purpose IGAAP consolidated financial statements based on our audit.

We have taken in to account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and converted from Ind AS to IGAAP.

Our audit involves performing procedures and applying our judgement as were necessary to obtain assurance that the financial statements referred above are free from material misstatement and converted from Ind AS to IGAAP.

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Basis for Qualified Opinion

The underlying standalone financial statements of the Company and its subsidiaries / joint ventures / associates for the year ending March 31, 2017 prepared under Ind AS, have not been audited by us. We have relied upon such audited Ind AS financial statements and the statutory auditors' report for the year ended March 31, 2017 provided to us by the management, for the purpose of expressing our audit opinion and have not performed detailed verification of the underlying transactions which have been covered by statutory auditors' in course of their audit. We have relied on the representation from the management of the holding company that the converted IGAAP unaudited standalone financial statements are in compliance with IGAAP and are free from material misstatements whether due to fraud or error.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of matters prescribed in the basis for qualified opinion paragraph, we report that the Special Purpose Consolidated Balance Sheet as at 31 March 2017, Special purpose Consolidated Profit and Loss Account for the year ended 31 March 2017 and the explanatory notes there on (referred to as "Special Purpose Consolidated Financial Statements") are prepared in accordance with accounting principles generally accepted in India, prescribed under section 133 of the Companies Act 2013 read with relevant rules issued thereunder and Accounting Standards ("AS") issued by Institute of Chartered Accountants of India.

Emphasis of Matter:

We draw attention to the following matters in the notes to the accompanying special purpose IGAAP consolidated financial statements for the year ended March 31, 2017 which have been emphasized by the auditors of Ind AS Consolidated Financial Statements in their audit report:

a) Note 45 B (i) regarding losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') since the commencement of its commercial operations and ongoing arbitration regarding compensation for losses arising as a result of diversion of partial traffic on parallel roads. Based on management's internal assessment and a legal opinion obtained by the management of GACEPL, the management of the Group is of the view that the carrying value of the net assets (after providing for losses till date) in GACEPL as at March 31, 2017 is appropriate.

b) Note 45 D (vii) regarding i) reduction of operations and the losses, including cash losses incurred by GMR Energy Limited ('GEL') and GMR Vemagiri Power Generation Limited ('GVPGL'), and the consequent erosion of net worth of these entities resulting from the unavailability of adequate supply of natural gas and (ii) rescheduling of the commercial operation date and the repayment of certain project loans by GMR Rajahmundry Energy Limited ('GREL') and the consequent implementation of the Strategic Debt Restructuring Scheme to convert part of the debt outstanding into equity and to undertake flexible structuring of balance debt for improving viability and revival of the project pending linkage of natural gas supply. Continued uncertainty exists as to the availability of adequate supply of natural gas which is necessary to conduct operations at varying levels of capacity in the future and the appropriateness of the going concern assumption of these entities is dependent on the ability of the aforesaid entities to establish consistent profitable operations as well as raising adequate finance to meet short term and long term obligations. In the opinion of the management of the Group, no further adjustments are considered necessary in the accompanying special purpose consolidated financial results for the year ended March 31, 2017 for the reasons explained in the said note.

c) Note 45 D (iii) regarding the 300 MW hydro based power plant on Alaknanda river, Uttarakhand being constructed by GMR Badrinath Hydro Power Generation Private Limited

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('GBHPL'). The Hon'ble Supreme Court of India ('the Supreme Court'), while hearing a civil appeal in the matters of a hydro power company, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by any of the 24 projects until further orders. The management of the Group is confident of obtaining the requisite clearances and based on a business plan and valuation assessment is of the view that the carrying value of the investments in GBHPL as at March 31, 2017 is appropriate.

d) Note 45 D (ii) which indicates that the entire matter relating to claims / counter claims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement, filed by GMR Power Corporation Limited ('GPCL') and Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO'), is sub-judice before the Hon'ble Supreme Court of India and has not attained finality. However, pending the resolution of matter, no adjustments have been made in the accompanying special purpose consolidated financial results for the year ended March 31, 2017. Considering that substantial amount, though under protest, has been received, GPCL, based on an expert opinion, offered the amount of claims received upto March 31, 2014 as income in its income tax returns and has claimed the deduction under Section 80IA of the Income Tax Act, 1961.

e) Note 45 D (viii) regarding uncertainties in tying up power and fuel supply agreements, achieving profitability in operations, mega power status, refinancing of existing loans at lower rates of interest and other key assumptions made in the valuation assessment of the investments in GMR Chhattisgarh Energy Limited ('GCEL'). The carrying value of the investments in GCEL is critically dependent upon the achievement of the key assumptions as discussed in the aforesaid note.

In the opinion of the management of the Company, no further provision for diminution in the value of investments is considered necessary in the accompanying special purpose consolidated financial results for the year ended March 31, 2017 for the reasons explained in the said note.

f) Note 45 A (iv) regarding costs related to residential quarters for Central Industrial Security Force ('CISF') deployed at the Rajiv Gandhi International Airport, Hyderabad, operated by GMR Hyderabad International Airport Limited ('GHIAL'), a subsidiary of the Company and other costs which continue to be adjusted against PSF (SC) fund pending the final decision from the Hon'ble High Court at Hyderabad for the State of Telangana and State of Andhra Pradesh and consequential instructions from the Ministry of Civil Aviation.

g) Note 45 D (ix) regarding recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GMR Warora Energy Limited ('GWEL'). Based on the order from the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated May 8, 2015, GWEL has raised invoices towards reimbursement of transmission charges from the initial date of scheduling the power. Pursuant to the Order and legal opinion stating that GWEL has a good tenable case with respect to the appeal filed by MSEDCL against the said Order before the Hon'ble Supreme Court of India, GWEL has accounted for the reimbursement of transmission charges of Rs. 222.76 crore for the period till March 31, 2017.

h) Note 45 D (i) regarding the achievement of certain assumptions made by the management in the valuation assessment of its investments in entities which are engaged in the operation and development of coal mines. In the opinion of the management of the Group, no provision for diminution in the value of investments is considered necessary at this stage in the accompanying special purpose consolidated financial results for the year ended March 31, 2017 for the reasons explained in the said note.

i) Note 45 A (xii) regarding the call option exercised by the Company to acquire Class A Compulsorily Convertible Preference Shares ("CCPS A"), issued by GMR Airports Limited ('GAL') to the Private Equity Investors ('the Investors'), subject to obtaining the requisite regulatory approvals. However, the Investors have initiated arbitration proceedings against GAL and the Company, seeking conversion of CCPS A. In view of ongoing arbitration, and considering the uncertainty regarding the conversion / settlement of CCPS A. and no adjustments have been made

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for the call option exercised by the Company to purchase CCPS A and that Class B Compulsorily Convertible Preference Shares ("CCPS B") issued to the Company continue to be carried at cost of Rs. Nil.

j) Note 45 B (ii) regarding losses being incurred by GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') since the commencement of its commercial operations. For the reasons explained in the aforementioned note and based on a valuation assessment, a legal opinion and for reasons explained in the said note, the management of the Group believes that the carrying value of the net assets (after providing for losses till date) in GHVEPL as at March 31, 2017 is appropriate.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the accounts and items specified above and does not extend to any other financial information.

For Guru & Jana,
Chartered Accountants
Firm Registration No.006826S

Guru & Jana, Chartered Accountants

M Surendra Reddy
Partner
Membership No. 215205

Place: Bangalore
Date: 29th September 2017

GMR INFRASTRUCTURE LIMITED
Special Purpose Consolidated balance sheet as at March 31, 2017

	Notes	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Equity and Liabilities			
Shareholders' funds			
Share capital	3	603.59	603.59
Reserves and surplus	4	3,328.57	4,356.74
Money received against share warrants		-	-
		3,932.16	4,960.33
Preference shares issued by subsidiaries	34	396.18	984.25
Share application pending allotment		-	-
Minority interest		2,289.48	1,644.03
Non-current liabilities			
Long-term borrowings	5	29,032.77	37,413.35
Deferred tax liability (net)	33	477.51	81.00
Trade payables	6	87.95	29.14
Other long-term liabilities	6	2,743.31	2,186.57
Long-term provisions	7	178.32	104.00
		32,519.86	39,814.06
Current liabilities			
Short-term borrowings	8	1,434.45	1,741.10
Trade payables	9	2,208.35	1,946.83
Other current liabilities	9	7,712.66	15,785.80
Short-term provisions	7	353.71	295.39
		11,709.17	19,769.12
Total		50,846.85	67,171.79
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	20,753.17	37,685.64
Intangible assets	12	8,922.64	9,543.36
Capital work-in-progress	32 (a)	4,557.35	4,053.49
Intangible assets under development	32 (b)	510.65	526.69
Non-current investments	13	2,220.94	132.94
Deferred tax asset (net)	33	44.75	70.93
Long-term loans and advances	10	1,633.93	2,306.74
Trade receivables	14	19.55	43.17
Other non-current assets	15	1,055.14	3,347.99
		39,718.12	57,710.94
Current assets			
Current investments	18	3,227.69	1,841.13
Inventories	16	384.94	469.30
Trade receivables	14	2,853.08	2,468.32
Cash and bank balances	17	2,724.41	3,121.32
Short-term loans and advances	10	1,200.26	787.83
Other current assets	15	738.35	772.95
		11,128.73	9,460.85
Total		50,846.85	67,171.79

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of the special purpose consolidated financial statements

As per our report of even date

For Guru & Jana Chartered Accountants
ICAI Firm registration number: 006826S
Chartered Accountants

M Shrendra Reddy
Partner
Membership number: 215265

Place: Bengaluru
Date: 29th September, 2017

For and on behalf of the Board of Directors of
GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Place: Mumbai
Date: 29th September, 2017

GMR INFRASTRUCTURE LIMITED

Special Purpose Consolidated statement of profit and loss for the period ended March 31, 2017

	Notes	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Income			
Revenue from operations:			
Sales / income from operations	19	14,422.61	13,248.18
Other operating income	20	70.74	109.48
Other income	21	1,333.85	454.27
Total (A)		15,827.20	13,811.93
Expenses			
Revenue share paid / payable to concessionaire grantors		2,762.93	2,412.29
Consumption of fuel		1,913.62	2,525.96
Cost of materials consumed	22	179.80	38.56
Purchase of traded goods	23	910.36	840.02
(Increase) / decrease in stock in trade	24	20.90	(32.81)
Sub-contracting expenses		635.45	628.39
Employee benefits expenses	25	789.26	664.80
Other expenses	26	2,331.05	2,035.81
Depreciation and amortisation expenses	27	2,142.16	2,266.16
Finance costs	28	4,947.13	4,057.69
Total (B)		16,632.66	15,436.87
(Loss) / profit before exceptional items, tax expenses, minority interest and share of (loss) / profit of associates (A) - (B)		**(805.46)**	**(1,624.94)**
Exceptional items - (losses)/ gains (net)	29	(686.01)	(149.79)
(Loss) / profit before tax expenses, minority interest and share of (loss) / profit of associates		**(1,491.47)**	**(1,774.73)**
(Loss) / profit from continuing operations before tax expenses, minority interest and share of (loss)/ profit of associates		(2,031.57)	(1,474.57)
Tax expenses of continuing operations			
Current tax		494.32	285.45
Tax adjustments for prior years		(3.59)	(6.35)
Less: MAT credit entitlement		(105.31)	(10.93)
Deferred tax expense / (credit)		423.31	(45.31)
(Loss) / profit from continuing operations after tax expenses and before minority interest and share of (loss)/ profit of associates		**(2,840.30)**	**(1,697.43)**
Share of (loss) / profit of associates (net)		(325.23)	(5.52)
Minority interest - share of loss / (profit) from continuing operations		(65.98)	(188.46)
(Loss)/ profit after minority interest and share of (loss)/ profit of associates from continuing operations (C)		**(3,231.51)**	**(1,891.41)**
Profit/ (loss) from discontinuing operations before tax expenses and minority interest	30 (i)	540.10	(300.16)
Tax expenses of discontinuing operations			
Current tax		1.48	1.35
Tax adjustments for prior years		-	-
Less: MAT credit entitlement		-	-
Deferred tax expense / (credit)		-	-
Profit/ (loss) from discontinuing operations after tax expenses and before minority interest		**538.62**	**(301.51)**
Minority interest - share of loss / (profit) from discontinuing operations		(122.57)	31.92
Profit/ (loss) after minority interest from discontinuing operations (D)		**416.05**	**(269.59)**
(Loss) / profit after minority interest and share of (loss) / profit of associates from continuing and discontinuing operations (C+D)		**(2,815.46)**	**(2,161.00)**
Earnings per equity share (Rs.) - Basic and diluted (per equity share of Re.1 each)	31	(4.97)	(3.82)
Earnings per equity share (Rs.) from continuing operations - Basic and diluted (per equity share of Re.1 each)	31	(5.71)	(3.34)
Earnings per equity share (Rs.) from discontinuing operations - Basic and diluted (per equity share of Re.1 each)	31	0.73	(0.48)
Summary of significant accounting policies	2.1		

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

As per our report of even date

For Guru & Jana Chartered Accountants
ICAI Firm registration number: 006826S
Chartered Accountants

M Surendra Reddy
Partner
Membership number: 215205

Place: Bengaluru
Date: 29th September, 2017

GURU & JANA Chartered Accountants

For and on behalf of the Board of Directors of
GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Place: Mumbai
Date: 29th September, 2017

GMR INFRASTRUCTURE LIMITED GMR

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Notes to the special purpose special purpose consolidated financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') and its subsidiaries, associates and jointly controlled entities (hereinafter collectively referred to as 'the Group') are mainly engaged in generation of power, mining and exploration activities, development of highways, infrastructure development such as development and maintenance of airports and special economic zones, construction business including Engineering, Procurement and Construction ('EPC') contracting activities and operation of airports and special economic zones.

Power sector

Certain entities of the Group are involved in the generation of power. These are separate Special Purpose Vehicles ('SPV') which have entered into Power Purchase Agreements ('PPA') with the electricity distribution companies of the respective state governments / other government authorities (either on the basis of Memorandum of Understanding or through a bid process) or short-term power supply agreements to generate and sell power directly to consumers as a merchant plant. Certain entities of the Group are involved in the mining and exploration activities. The Group is also involved in energy and coal trading activities.

Airport sector

Certain entities of the Group are engaged in development and operation of airport infrastructure such as greenfield international airport at Hyderabad and modernisation and operation of international airports at Delhi, Male and Cebu on build, own, operate and transfer basis.

Development of Highways

Certain entities of the Group are engaged in development of highways on build, operate and transfer model on annuity or toll basis. These are SPVs which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or the respective state governments for carrying out these projects.

Construction business

Certain entities of the Group are in the business of construction including as an EPC contractor. These entities are engaged in handling of EPC solution in the infrastructure sector.

Others

Entities of the Group which cover all residual activities of the Group that include special economic zones, operations of hotels, investment activities and management / technical consultancy.

2. PRINCIPLES OF CONSOLIDATION

The special purpose consolidated financial statements include accounts of the subsidiaries (accounted as per Accounting Standard ('AS') 21), associates (accounted as per AS 23) and jointly controlled entities (accounted as per AS 27). Subsidiary undertakings are those entities in which the Company, directly or indirectly, has an interest of more than one half of voting power or otherwise controls the composition of the Board / Governing Body so as to obtain economic benefits from its activities. Subsidiaries are consolidated from the date on which effective control is transferred to the Group till the date such control ceases. The special purpose consolidated financial statements have been prepared to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. The special purpose consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group as in the previous year.

The special purpose consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the balance sheets and the statements of profit and loss of the Company and its subsidiaries. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between the entities in the Group are eliminated unless cost cannot be recovered.

The excess of the cost to the Company of its investments in subsidiaries, over its proportionate share in equity of the investee Company as at the date of acquisition is recognised in the special purpose special purpose consolidated financial statements as goodwill and disclosed under intangible assets. In case the cost of investment in subsidiaries is less than the proportionate share in equity of the investee Company as on the date of investment, the difference is treated as capital reserve and shown under reserves and surplus.

The gains arising from the dilution of interest on issue of additional shares to third parties, without loss of control is recorded as capital reserve. Gains or losses arising on the direct sale by the Company of its investment in its subsidiaries are transferred to the statement of profit and loss. Such gains or losses are the difference between the sale proceeds and the net carrying values of the investments.

The special purpose consolidated financial statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

Investments in the associates have been accounted in the special purpose consolidated financial statements as per AS 23 on "Accounting for Investments in Associates". Investments in associates, which have been made for temporary purposes, have not been considered for consolidation.

Investments in the jointly controlled entities have been accounted using proportionate consolidation method whereby the Group includes its share of the assets, liabilities, income and expenses of the jointly controlled entities in its special purpose consolidated financial statements as per AS 27 on "Financial Reporting of Interests in Joint Ventures."

2.1. Significant accounting policies

i. Change in accounting policy

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Component accounting

The Group has adopted component accounting as required under Schedule II to the Act from April 1, 2015 for domestic entities. The Group was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Act, the Group has changed the manner of depreciation for its fixed assets. Now, the Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the principal asset. These components are depreciated over their useful lives; the principal asset is depreciated over the life of such asset. The Group has used transitional provisions of Schedule II to the Act to adjust the impact of component accounting arising on its first application. If a component has Nil remaining useful life on the date of component accounting becoming effective, i.e., April 1, 2015, its carrying amount, after retaining any residual value, is charged to the consolidated statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on April 1, 2015, is depreciated over their remaining useful lives.

ii. **Change in accounting estimate**

Amortization of intangible assets

Upto March 31, 2015, DIAL amortized upfront fee and other costs paid to Airport Authority of India ('AAI') over the initial and extended periods of Operation, Management and Development Agreement ('OMDA'), i.e., 60 years.

However, DIAL, considering the prevalent regulatory and economic conditions, has revisited and revised the estimate for amortizing the upfront fees and other cost paid to AAI over the initial period of 30 years of OMDA prospectively.

Had DIAL continued to use the earlier estimate of amortizing the intangible assets, the amortization expenses and losses after tax of the Group before minority interest for the year ended March 31, 2017 would have been lower by Rs. 12.01 crore.

Depreciation of certain power assets

Upto March 31, 2015, GKEL depreciated all its fixed assets as per Central Electricity Regulatory Commission ('CERC') Regulations.

During the year ended March 31, 2016, GKEL has changed the method of depreciation with respect to Boiler, Turbine and Generator ('BTG') of its Unit I and Unit II and transmission lines to the rates as per Schedule II to the Act.

a) **Use of estimates**

The preparation of special purpose consolidated financial statements in conformity with generally accepted accounting principles in India ('Indian GAAP') requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Power sector business:

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers. Revenue/ charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognized/ charged at rates notified by CERC from time to time, as revenue from sale of energy and adjusted with revenue from sale of energy. Further, revenue is recognized/adjusted towards truing up in terms of the applicable CERC regulations.

Revenue from electrical energy transmission charges is recognized on an accrual basis in accordance with the provisions of the transmission service agreements.

Revenue from sale of coal is recognised when the risks and rewards of ownership passes to the purchaser in accordance with the terms of sale, including delivery of the product, the selling price is fixed or determinable, and collectability is reasonably assured. Revenue earned in the pre-production stage and related operating costs have been recorded against the carrying value of mining and exploration and development properties.

Claims for delayed payment charges and any other claims, which the Group is entitled to under the PPAs, are accounted for in the year of acceptance by the customers.

Development of highways:

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll from the users of highways. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreement entered into with NHAI or with respective State Governments. Claims raised on NHAI under concessionaire agreement are accounted for in the year of acceptance.

Revenue share paid / payable to concessionaire grantors:

Revenue share paid / payable to concessionaire / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective carriageways has been disclosed as revenue share paid / payable to concessionaire grantors in the statement of profit and loss.

Airport sector business:

In case of airport infrastructure companies, aeronautical and non-aeronautical revenue is recognised on an accrual basis and is net of service tax, applicable discounts and collection charges, when services are rendered and it is possible that an economic benefit will be received which can be quantified reliably. Revenue from aeronautical operations include user development fees, fuel farm, passenger service charges, landing and parking charges of aircraft, operation and maintenance of passenger boarding and other allied services. Revenue from non-aeronautical operations include granting rights to use land and space primarily for catering to the needs of passengers, air traffic services, air transport services and Maintenance, Repair and Overhaul facility (MRO) of aircrafts and allied services.

In case of cargo handling revenue, revenue from outbound cargo is recognised at the time of acceptance of cargo with respect to non-airline customers and at the time of departure of aircraft with respect to airline customers and revenue from inbound cargo is recognised at the time of arrival of aircraft in case of airline customers and at the point of delivery of cargo in case of non-airline customers. Interest on delayed receipts from customers is recognised on acceptance.

Revenue from commercial property development rights granted to concessionaires is recognised on accrual basis, as per the terms of the agreement entered into with the customers.

Revenue from sale of goods at the duty free outlets operated by the Group is recognised at the time of delivery of goods to customers which coincides with transfer of risks and rewards to its customers. Sales are stated net of returns and discounts.

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

Revenue from sale of fuel is recognised when fuel is transferred to the customers and is measured based on the consideration received or receivable, net of returns and trade discounts.

Revenue from developing, operating, maintaining and managing the sites at the airport for display of advertisements is recognised on pro-rata basis over the period of display of advertisements, net of taxes and rebates.

Revenue from flight training operations related to aircraft flying hour's fee is recognized on accrual basis based on actual flying hours of flying training imparted during the period and revenue from fees for other training courses is recognized on accrual basis across the training period on straight line basis.

Revenue from MRO contracts is recognised as and when services are rendered.

Revenue share paid / payable to concessionaire grantors:

Revenue share paid / payable to concessionaire / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective airports has been disclosed as revenue share paid/ payable to concessionaire grantors' in the statement of profit and loss.

Construction business:

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. In the case of contracts with defined milestones and assigned price for each milestone, revenue is recognised on transfer of significant risks and rewards which coincides with achievement of milestone and its acceptance by its customer. Provision is made for all losses incurred till the balance sheet date. Any further losses that are foreseen in bringing contracts to completion are also recognised. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Others:

i. Dividend income is recognised when the right to receive dividend is established by the reporting date.

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

iii. Interest income is recognised on a time proportion basis taking into account the amount invested and the applicable interest rate. Interest income is included under the head 'other operating income' for companies engaged in investing activities and under the head 'other income' for other companies in the statement of profit and loss.

iv. Benefits arising out of duty free scrips utilised for the acquisition of fixed assets or inventory are recognised as income once it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

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

vi. Revenue from certified emission reductions is recognised as per the terms and conditions agreed with the customers on sale of the certified emission reduction units, when the risks and rewards are passed on to the customer.

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

viii. Revenue from charter services is recognised based on services provided as per the terms of the contracts with the customers.

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

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

c) **Operation and maintenance contracts**

Certain entities engaged in power generation have entered into a Long-Term Service Agreements ('LTSAs'), Technical Service Agreement ('TSA') for maintenance of the power plants, Operations and Maintenance Agreement ('OMA') for regular and major maintenance and Long Term Assured Parts Supply Agreement ('LTAPSA'), Repair Work Supply Agreement ('PRWST') for supply of parts for planned and unplanned maintenance over the term of the agreements. Amounts payable under the LTSAs / TSA are charged to the statement of profit and loss based on actual factored fired hours of the gas turbines during the year on the basis of average factored hour cost including customs duty applicable at the current prevailing rate. Periodical minimum payments are accounted for as and when due. Amounts payable under PRWST are charged to the statement of profit and loss on an accrual basis. OMAs have been entered by certain subsidiaries in the road sector for operations, regular and major maintenance of the highways. Amounts payable under such agreements are charged to the statement of profit and loss on an accrual basis.

d) **Fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation / amortization and accumulated impairment losses, if any. The cost comprises of purchase price and freight, duties, levies and borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

The Group adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with the MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the fixed asset and are recognised in the statement of profit and loss when the asset is de-recognised.

Tangible assets under installation or under construction as at balance sheet are shown as capital work-in-progress, intangible assets under development as at balance sheet date are shown as intangible assets under development and the related advances are shown as loans and advances.

In case of airport infrastructure companies, amounts in the nature of upfront fee and other costs incurred pursuant to the terms of the respective concession agreements are recognised as intangible assets.

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

Research and development cost:

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

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale
ii. The Group's intention to complete the asset
iii. The Group's ability to use or sell the asset
iv. The asset will generate future economic benefits
v. The availability of adequate resources to complete the development and to use or sell the asset
vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.

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e) **Exploration and evaluation expenditure / mining properties under construction and production**

Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred for potential mineral reserves and related to the project are recognised and classified as part of 'intangible assets under development' when one of the below conditions are met:

i. Such costs are expected to be either recouped in full through successful exploration and development of the area of interest or alternatively by its sale, or
ii. When exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically available reserves and active and significant operations in relation to the area are continuing or are planned for future.

These expenditures include materials and fuel used, surveying costs, drilling, general investigation, administration and license, geology and geophysics expenditure, stripping costs and payments made to contractors before the commencement of production stage.

Ultimate recoupment of the exploration expenditure carried forward is dependent upon a successful development and commercial exploitation, or alternatively, sale of the respective area. Deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

Exploration and evaluation assets are transferred to 'Mines under construction' in the 'Mines properties' account after the mines are determined to be economically viable to be developed.

Expenditure on mines under construction

Expenditure for mines under construction and costs incurred in developing an area of interest subsequent to the transfer from exploration and evaluation assets but prior to the commencement of production stage in the respective area, are capitalised to 'Mines under construction' as long as they meet the capitalization criteria.

Producing mines

The Group assesses the stage of each mine under construction to determine when a mine reaches the production phase. This occurs when the mine is substantially complete and ready for its intended use. Upon completion of mine construction and commencement of production stage, the 'Mines under construction' are transferred to 'Mining properties', which are stated at cost, less accumulated amortization and accumulated impairment losses.

Intangible assets under development include expenditure incurred on exploration and evaluation of assets, expenditure incurred on mines under construction.

f) **Stripping costs**

Stripping costs are the costs of removing overburden from a mine. Stripping costs incurred in the development of a mine before production commences are capitalized as part of the cost of developing the mine, and are subsequently depreciated or amortized using a unit-of-production method on the basis of proven and probable reserves, once production starts.

Stripping activity (included in mining properties under intangible assets) conducted during the production phase may provide two benefits: (i) ore that is processed into inventory in the current period and (ii) improved access to the ore body in future periods. To the extent that benefit from the stripping activity is realized in the form of inventory produced, the Group accounts for the costs of that stripping activity as 'Inventories' in accordance with AS - 2. To the extent the benefit is improved access to ore, the Group recognizes these costs as a stripping activity asset, if, and only if, all the following criteria are met; it is probable that the future economic benefits (improved access to the ore body) associated with the stripping activity will flow to the entity; · the entity can identify the component of the ore body for which access has been improved; and the costs relating to the stripping activity associated with that component can be measured reliably.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore body, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, the costs associated with these incidental operations are not included in the cost of the stripping activity asset.

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, the Group uses an allocation basis that is based on a relevant production measure. This production measure is calculated for the identified component of the ore body, and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the actual versus expected volume of waste extracted.

Subsequently, the stripping activity asset is carried at cost less depreciation or amortization and any impairment losses, if any. The stripping activity asset is depreciated or amortized using the units of production method over the expected useful life of the identified component if the ore body that becomes more accessible as a result of the stripping activity unless another method is appropriate.

g) **Leases**

For lessee:

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance

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charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

For lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

h) **Depreciation on tangible assets**

In case of entities under CERC Regulations:

In case of GKEL, depreciation on plant and machinery (other than BTG of Unit I and Unit II and transmission lines) is provided using straight line method at the rate of 5.28% per annum. After a period of 12 years from the date of commencement of commercial operations, the remaining written down value shall be depreciated over the balance useful life of the asset estimated by the management or in the manner prescribed under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 in terms of MCA Circular No: 31/2011 dated May 31, 2011 ('CERC regulations'). BTG of Unit I and Unit II and transmission lines of GKEL are depreciated at the rates as per Schedule II to the Act.

Other tangible assets are depreciated using straight line method at the rates specified in the CERC regulations, which is estimated by the management to be the estimated useful lives of the fixed assets, except for fixed assets individually costing Rs 5,000 or less, which are fully depreciated in the year of acquisition. The management has estimated the useful lives of asset individually costing Rs, 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

Sl. No.	Block	Rate of depreciation
1	Buildings: - Factory and office	3.34%
2	Office equipments - Computers - Others	15.00% 6.33%
3	Vehicles	9.50%
4	Furniture and fixtures	6.33%

Other entities:

For other domestic subsidiaries, jointly controlled entities and associates in the energy sector, the depreciation on the tangible fixed assets is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except in case of plant and machinery where the life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act. Further, the management has estimated the useful lives of asset individually costing Rs, 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

On June 12, 2014, the Airport Economic Regulatory Authority ('AERA') has issued a consultation paper whereby it proposes to lay down, to the extent required, the depreciation rates for certain airport assets. Pending issuance of final notification by the Authority on the useful lives of airport specific assets, the Group has continued to depreciate these assets over their estimated useful lives as determined by the management of the Group based on technical evaluation.

For entities other than aforesaid domestic subsidiaries, jointly controlled entities and associates, the depreciation on the tangible fixed assets is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act.

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The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognised in the revaluation reserve upto the amount of any previous revaluation.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

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

k) **Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the special purpose consolidated financial statements at lower of cost or fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in nature in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

l) **Inventories**

Inventories are valued as follows:

<u>Raw materials, components, stores and spares:</u>

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

<u>Contract work-in-progress:</u>

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

<u>Traded / Finished goods:</u>

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

Self-generated certified emission reductions are recognised on grant of credit by United Nations Framework Convention on Climate Change and are measured at lower of cost and net realisable value.

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

m) **Employee benefits**

i. Defined contribution plans

Retirement benefits in the form of provident fund, pension fund and superannuation fund etc. are defined contribution schemes except in case of certain entities, wherein only pension fund and superannuation fund form part of the defined contribution scheme. The Group has no obligation, other than the contributions payable to the defined contribution schemes. The Group recognises contribution payable to the defined contribution schemes as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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ii. Defined benefit plans

The liability as at the balance sheet date is provided for based on the actuarial valuation, based on projected unit credit method at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised immediately in the statement of profit and loss as an income or expense.

Retirement benefit in the form of provident fund is a defined benefit scheme in DIAL. DIAL contributes a portion of contribution to DIAL Employees Provident Fund Trust ('the Trust'). DIAL has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate which is determined by actuary and accounted by the DIAL as provident fund cost.

iii. Other long-term employee benefits

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

iv. Short term employee benefits

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

n) **Foreign currency transactions**

Foreign currency transactions and balances

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Group accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the Group's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

3. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the remaining life of the concerned monetary item.

4. All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of 2 and 3 above, the Group treats a foreign currency monetary item as 'long-term foreign currency monetary item' if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the consolidated statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. Any gain / loss arising on forward contracts which are long-term foreign currency monetary items is recognised in accordance with paragraph (iii)(2) and (iii)(3) above.

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deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The entities in the Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the entities in the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the entities in the Group recognises MAT credit as an asset in accordance with the Guidance Note on 'Accounting for Credit Available in respect of Minimum Alternative Tax' under IT Act, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT credit entitlement'. The entities in the Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the entities in the Group does not have convincing evidence that it will pay normal tax during the specified period.

r) **Segment reporting policies**

Identification of segments:

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

Inter segment transfers:

The Group accounts for intersegment sales / transfers at cost plus appropriate margins.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Unallocated items include general corporate income and expense items, which are not allocated to any business segment. It includes income tax, deferred tax charge or credit and the related tax liabilities and tax assets, interest expense or interest income and related interest generating assets, interest bearing liabilities, which are not allocated to any business segment.

Segment accounting policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the special purpose consolidated financial statements of the Group as a whole.

s) **Provisions**

A provision is recognised when the Group has a present obligation as a result of past events, 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

t) **Derivative instruments**

In accordance with the Institute of Chartered Accountants of India ('ICAI') announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the consolidated statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

u) **Shares / debentures issue expenses and premium on redemption**

Shares issue expenses incurred are adjusted in the year of issue and debenture issue expenses and redemption premium payable on preference shares / debentures are adjusted over the term of preference shares / debentures. These are adjusted to the securities premium account, net of taxes, as permitted/prescribed under Section 78 of the Companies Act, 1956/ Section 52 of the Act to the extent of balance available in premium account.

v) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

w) **Borrowing costs**

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Notes to the Special Purpose Consolidated Financial Statements for the year ended March 31, 2017

2.2 List of Entities Consolidated and information of net assets and profit / (loss)

Sl.No	Name of the Entity	Country of Incorporation	Relationship as at March 31, 2017	Percentage of effective ownership as at		Net Assets* as at				Net profit / (loss)* for the year ended			
				March 31, 2017	March 31, 2016	March 31, 2017	As % of consolidated net assets	March 31, 2016	As % of consolidated net assets	March 31, 2017	As % of consolidated profit / (loss)	March 31, 2016	As % of consolidated profit / (loss)
1	GMR Infrastructure Limited (GIL)	India	Holding Company			(5,123.05)	-77.41%	(4,673.00)	-61.58%	(792.19)	34.42%	(366.78)	18.35%
2	GMR Energy Limited (GEL)	India	Subsidary	51.73%	92.60%	(2,775.19)	-41.94%	(2,500.06)	-32.94%	(208.30)	9.05%	(275.39)	13.78%
3	GMR Power Corporation Limited (GPCL)	India	Subsidary	51.00%	47.23%	(99.97)	-1.51%	(357.93)	-4.72%	(70.09)	3.05%	(146.67)	7.34%
4	GMR Vemagiri Power Generation Limited (GVPGL)	India	Subsidary	51.73%	92.60%	445.72	6.74%	519.87	6.85%	(62.83)	2.73%	(31.69)	1.59%
5	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Subsidary	51.78%	92.60%	318.31	4.81%	255.18	3.36%	(22.20)	0.96%	(25.90)	1.30%
6	GMR Mining & Energy Private Limited	India	Subsidary	68.57%	87.41%	(0.14)	0.00%	(0.14)	0.00%	(0.01)	0.00%	(0.14)	0.01%
7	GMR Kamalanga Energy Limited	India	Subsidary	45.22%	79.63%	958.37	14.48%	1,201.30	15.83%	(147.88)	6.42%	(680.29)	34.03%
8	Himtal Hydro Power Company Private Limited	Nepal	Subsidary	42.42%	75.93%	47.81	0.72%	48.38	0.64%	(0.02)	0.00%	(0.04)	0.00%
9	GMR Energy (Mauritius) Limited	Mauritius	Subsidary	54.14%	92.97%	(81.21)	-1.23%	36.47	0.48%	16.79	-0.73%	(0.18)	0.01%
10	GMR Lion Energy Limited	Mauritius	Subsidary	54.14%	92.97%	(19.37)	-0.29%	(0.07)	0.00%	(1.10)	0.05%	(0.91)	0.05%
11	GMR Upper Karnali Hydropower Limited	Nepal	Subsidary	39.52%	67.87%	35.89	0.54%	39.83	0.52%	(0.08)	0.00%	(2.02)	0.10%
12	GMR Energy Trading Limited	India	Subsidary	90.83%	98.59%	100.70	1.52%	24.35	0.32%	236.38	-10.27%	839.35	-41.99%
13	GMR Consulting Services Private Limited	India	Subsidary	51.21%	91.67%	0.86	0.01%	1.13	0.01%	(5.64)	0.24%	(2.66)	0.13%
14	GMR Coastal Energy Private Limited	India	Subsidary	100.00%	92.60%	0.01	0.00%	0.01	0.00%	(0.01)	0.00%	(3.08)	0.15%
15	GMR Bajoli Holi Hydropower Private Limited	India	Subsidary	51.73%	92.60%	530.17	8.01%	443.19	5.84%	(0.81)	0.04%	(1.11)	0.06%
16	GMR Londa Hydropower Private Limited	India	Subsidary	100.00%	92.60%	2.69	0.04%	0.57	0.01%	0.37	-0.02%	(55.72)	2.79%
17	GMR Kakinada Energy Private Limited	India	Subsidary	100.00%	92.60%	(0.54)	-0.01%	(0.54)	-0.01%	(0.01)	0.00%	(0.76)	0.04%
18	Rampia Coal Mine and Energy Private Limited	India	Jointly controlled entity	9.00%	16.10%	(2.83)	-0.04%	(0.29)	0.00%	0.10	0.00%	-	0.00%
19	GMR Chhattisgarh Energy Limited (GCEL) formerly (GCHEPL)	India	Associate	47.62%	92.60%	-	0.00%	2,837.76	37.39%	(1,500.18)	65.18%	(582.81)	29.15%
20	GMR Energy (Cyprus) Limited	Cyprus	Subsidary	100.00%	92.97%	402.29	6.08%	(0.09)	0.00%	(0.22)	0.01%	(0.19)	0.01%
21	GMR Energy (Netherlands) B.V.	Netherlands	Subsidary	100.00%	92.97%	(338.38)	-5.11%	(93.92)	-1.24%	(3.89)	0.17%	(1.70)	0.09%
22	PT Dwikarya Sejati Utma	Indonesia	Subsidary	100.00%	92.97%	567.36	8.57%	270.45	3.56%	(0.55)	0.02%	(99.43)	4.97%
23	PT Duta Sarana Internusa	Indonesia	Subsidary	100.00%	92.97%								
24	PT Barasentosa Lestari	Indonesia	Subsidary	100.00%	92.97%								
25	PT Unsoco	Indonesia	Subsidary	100.00%	92.97%	0.69	0.01%	0.13	0.00%	(0.00)	0.00%	-	0.00%
26	GMR Rajahmundry Energy Limited	India	Associate	45.00%	92.60%	-	0.00%	897.77	11.83%	(48.81)	2.12%	(257.08)	12.86%
27	SJK Powergen Limited	India	Subsidary	70.00%	64.82%	18.16	0.27%	78.86	1.04%	(38.33)	1.67%	(3.64)	0.18%
28	GMR Warora Energy Limited (formerly known as EMCO Energy Limited)	India	Subsidary	51.73%	92.60%	(139.56)	-2.11%	(198.83)	-2.62%	126.21	-5.48%	(441.70)	22.10%
29	Homeland Energy Group Limited	Canada	-	-	-	-	0.00%	-	0.00%	-	0.00%	-	0.00%
30	GMR Maharashtra Energy Limited	India	Subsidary	51.73%	92.60%	7.22	0.11%	7.17	0.09%	(0.04)	0.00%	(0.03)	0.00%
31	GMR Bundelkhand Energy Private Limited	India	Subsidary	51.73%	92.60%	(35.41)	-0.54%	(35.50)	-0.47%	(5.21)	0.23%	(4.30)	0.22%
32	GMR Rajam Solar Power Private Limited (formerly known as GMR Uttar Pradesh Energy Private Limited)	India	Subsidary	51.73%	92.60%	2.09	0.03%	2.10	0.03%	(0.00)	0.00%	(0.05)	0.00%
33	GMR Genco Assets Limited(formerly known as GMR Hosur Energy Limited) (GGEAL)	India	Subsidary	100.00%	92.60%	(4.36)	-0.07%	(1.53)	-0.02%	(4.58)	0.20%	(4.69)	0.23%
34	GMR Gujarat Solar Power Private Limited	India	Subsidary	51.73%	92.60%	7.27	0.11%	88.81	1.17%	(0.95)	0.04%	(6.11)	0.31%
35	Karnali Transmission Company Private Limited	Nepal	Subsidary	54.14%	92.97%	2.47	0.04%	2.15	0.03%	(0.01)	0.00%	(0.01)	0.00%
36	Marsyangdi Transmission Company Private Limited	Nepal	Subsidary	54.14%	92.97%	2.97	0.04%	2.72	0.04%	(0.01)	0.00%	(0.01)	0.00%
37	GMR Indo-Nepal Energy Links Limited	India	Subsidary	51.73%	92.60%	0.19	0.00%	0.20	0.00%	(0.01)	0.00%	(0.01)	0.00%
38	GMR Indo-Nepal Power Corridors Limited	India	Subsidary	51.73%	92.60%	0.34	0.01%	0.34	0.00%	(0.00)	0.00%	(0.01)	0.00%
39	GMR Generation Assets Limited (formerly known as GMR Renewable Energy Limited)	India	Subsidary	100.00%	100.00%	4,027.21	60.85%	30.95	0.41%	8.23	-0.36%	1.88	-0.09%
40	Aravali Transmission Service Company Limited	India	-	-	92.60%	-	0.00%	24.08	0.32%	10.82	-0.47%	(2.19)	0.11%
41	Maru Transmission Service Company Limited	India	-	-	92.60%	-	0.00%	70.19	0.92%	(3.81)	0.17%	5.41	-0.27%
42	GMR Energy Projects (Mauritius) Limited	Mauritius	Subsidary	100.00%	100.00%	(241.41)	-3.65%	1.25	0.02%	(4.57)	0.20%	(0.33)	0.02%
43	GMR Infrastructure (Singapore) Pte Limited	Singapore	Subsidary	100.00%	100.00%	(333.19)	-5.03%	(522.55)	-6.89%	(233.38)	10.14%	(33.24)	1.66%
44	GMR Coal Resources Pte Limited	Singapore	Subsidary	100.00%	92.97%	165.09	2.49%	(2,592.66)	-34.17%	(170.97)	7.43%	(143.71)	7.19%
45	GMR Power Infra Limited	India	Subsidary	100.00%	100.00%	5.79	0.09%	5.47	0.07%	(0.36)	0.02%	(0.23)	0.01%
46	GMR Tambaram Tindivanam Expressways Limited	India	Subsidary	86.77%	85.75%	(78.47)	-1.19%	(79.34)	-1.05%	12.71	-0.55%	16.26	-0.81%
47	GMR Tuni Anakapalli Expressways Limited	India	Subsidary	86.77%	85.75%	(28.73)	-0.43%	(31.99)	-0.42%	6.62	-0.29%	6.52	-0.33%

GURU & JANA ★ Chartered Accountants ★

2.2 List of Entites Consolidated and information of net assets and profit / (loss)

Sl.No	Name of the Entity	Country of Incorporation	Relationship as at March 31, 2017	Percentage of effective ownership as at		Net Assets* as at				Net profit / (loss)* for the year ended			
				March 31, 2017	March 31, 2016	March 31, 2017	As % of consolidated net assets	March 31, 2016	As % of consolidated net assets	March 31, 2017	As % of consolidated profit / (loss)	March 31, 2016	As % of consolidated profit / (loss)
48	PT Golden Energy Mines Tbk	Indonesia	Jointly controlled entity	30.00%	27.89%								
49	PT Roundhill Capital Indonesia	Indonesia	Jointly controlled entity	29.70%	27.62%								
50	PT Borneo Indobara	Indonesia	Jointly controlled entity	29.43%	27.36%								
51	PT Kuansing Inti Makmur	Indonesia	Jointly controlled entity	30.00%	27.89%								
52	PT Karya Cemerlang Persada	Indonesia	Jointly controlled entity	30.00%	27.89%								
53	PT Bungo Bara Utama	Indonesia	Jointly controlled entity	30.00%	27.89%								
54	PT Bara Harmonis Batang Asam	Indonesia	Jointly controlled entity	30.00%	27.89%								
55	PT Berkat Nusantara Permai	Indonesia	Jointly controlled entity	30.00%	27.89%								
56	PT Tanjung Belit Bara Utama	Indonesia	Jointly controlled entity	30.00%	27.89%								
57	PT Trisula Kencana Sakti	Indonesia	Jointly controlled entity	21.00%	19.52%	543.43	8.21%	3,163.17	41.68%	70.30	-3.05%	(35.64)	1.78%
58	PT Era Mitra Selaras (PTEMS)	Indonesia	Jointly controlled entity	30.00%	-								
59	PT Wahana Rimba (PTWR)	Indonesia	Jointly controlled entity	30.00%	-								
60	PT Berkat Satria Abadi (PTBSA)	Indonesia	Jointly controlled entity	30.00%	-								
61	PT Karya Mining Solution (KMS) (formerly known as PT Bumi Anugerah Semesta) (BAS)	Indonesia	Jointly controlled entity	30.00%	27.89%								
62	PT GEMS Energy Indonesia	Indonesia	Jointly controlled entity	30.00%	27.89%								
63	GEMS Trading Resources Pte Limited (Formerly known as GEMS Coal Resources Pte Limited)	Singapore	Jointly controlled entity	30.00%	27.89%								
64	Shanghai Jinggang Energy Co Ltd	China	Jointly controlled entity	30.00%	27.89%								
65	GMR Ambala Chandigarh Expressways Private Limited	India	Subsidary	88.10%	98.08%	165.90	2.51%	187.61	2.47%	(17.24)	0.75%	(21.29)	1.07%
66	GMR Pochanpalli Expressways Limited	India	Subsidary	99.76%	99.96%	(13.50)	-0.20%	72.93	0.96%	0.29	-0.01%	(0.10)	0.01%
67	Jadcherla Expressways Private Limited	India	-	-	25.98%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
68	Ulundurpet Expressways Private Limited	India	-	-	25.97%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
69	GMR Highways Limited	India	Subsidary	100.00%	100.00%	29.19	0.44%	114.34	1.51%	(51.83)	2.25%	(129.80)	6.49%
70	GMR Hyderabad Vijayawada Expressways Private Limited	India	Subsidary	90.00%	90.00%	(84.09)	-1.27%	380.52	5.01%	(484.78)	21.06%	(100.06)	5.01%
71	GMR Chennai Outer Ring Road Private Limited	India	Subsidary	85.17%	89.26%	139.26	2.10%	163.94	2.16%	(10.50)	0.46%	(18.51)	0.93%
72	GMR OSE Hungund Hospet Highways Private Limited	India	Associate	36.01%	36.00%	-	0.00%	-	0.00%	-	0.00%	28.22	-1.41%
73	GMR Highways Projects Private Limited	India	Subsidary	100.00%	100.00%	-	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%
74	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	India	Subsidary	100.00%	100.00%	325.50	4.92%	603.17	7.95%	(315.97)	13.73%	(6.32)	0.32%
75	GMR Hyderabad International Airport Limited	India	Subsidary	61.20%	61.20%	125.18	1.89%	23.41	0.31%	309.15	-13.43%	(2.09)	0.10%
76	Gateways for India Airports Private Limited	India	Subsidary	86.49%	86.49%	2.34	0.04%	2.21	0.03%	0.13	-0.01%	0.10	-0.01%
77	Hyderabad Menzies Air Cargo Private Limited	India	Subsidary	31.21%	31.21%	83.72	1.27%	70.19	0.92%	43.36	-1.88%	46.72	-2.34%
78	Hyderabad Airport Security Services Limited	India	Subsidary	61.20%	61.20%	0.31	0.00%	(12.35)	-0.16%	0.02	0.00%	0.18	-0.01%
79	GMR Aerostructure Services Limited (GASL) [Formerly known as GMR Hyderabad Airport Resource Management Limited	India	Subsidary	100.00%	61.20%	0.01	0.00%	0.02	0.00%	(0.01)	0.00%	-	0.00%
80	GMR Hyderabad Aerotropolis Limited	India	Subsidary	61.20%	61.20%	73.23	1.11%	29.71	0.39%	(0.06)	0.00%	(2.11)	0.11%
81	GMR Hyderabad Aviation SEZ Limited	India	Subsidary	61.20%	61.20%	32.17	0.49%	25.99	0.34%	(6.01)	0.26%	(8.84)	0.44%
82	GMR Hyderabad Multiproduct SEZ Limited	India	-	-	61.20%	-	0.00%	0.01	0.00%	-	0.00%	-	0.00%
83	GMR Hospitality and Retail Limited (Formerly known as GMR Hotels and Resorts Limited) (GHRL)	India	Subsidary	61.20%	61.20%	49.23	0.74%	24.21	0.32%	5.42	-0.24%	(13.61)	0.68%
84	GMR Aerospace Engineering Limited (GAEL) (formerlyknown as MAS GMRAerospace Engineering Company Private Limited)	India	Subsidary	61.20%	61.20%	(286.98)	-4.34%	(265.52)	-3.50%	(41.88)	1.82%	(44.01)	2.20%
85	Hyderabad Duty Free Retail Limited	India	-	-	61.20%	-	0.00%	29.01	0.38%	-	0.00%	34.88	-1.74%
86	GMR Airport Developers Limited	India	Subsidary	97.15%	97.15%	(60.49)	-0.91%	(62.79)	-0.83%	(75.03)	3.26%	(56.90)	2.85%
87	GMR Hyderabad Airport Power Distribution Limited	India	Subsidary	61.20%	61.20%	0.03	0.00%	0.03	0.00%	(0.00)	0.00%	-	0.00%
88	GMR Aero Technic Limited(GATL) (formerly known as MAS GMR Aero Technic Limited)	India	Subsidary	61.20%	61.20%	167.60	2.53%	166.72	2.20%	(17.49)	0.76%	(9.19)	0.46%
89	GADL International Limited	Isle of Man	Subsidary	97.15%	97.15%	50.30	0.76%	30.22	0.40%	1.57	-0.07%	(1.42)	0.07%
90	GADL (Mauritius) Limited	Mauritius	Subsidary	97.15%	97.15%	0.10	0.00%	0.26	0.00%	(0.17)	0.01%	(0.22)	0.01%
91	GMR Airport Handling Services Company Limited	India	-	-	61.20%	-	0.00%	0.02	0.00%	-	0.00%	-	0.00%
92	Asia Pacific Flight Training Academy Limited	India	Jointly controlled entity	24.27%	24.51%	(1.83)	-0.03%	(0.03)	0.00%	(0.40)	0.02%	(0.02)	0.00%

GURU & JANA * Chartered Accountants *

GMR Infrastructure Limited
Notes to the Special Purpose Consolidated Financial Statements for the year ended March 31, 2017

2.2 List of Entites Consolidated and information of net assets and profit / (loss)

Sl.No	Name of the Entity	Country of Incorporation	Relationship as at March 31, 2017	Percentage of effective ownership as at		Net Assets* as at				Net profit / (loss)* for the year ended			
				March 31, 2017	March 31, 2016	March 31, 2017	As % of consolidated net assets	March 31, 2016	As % of consolidated net assets	March 31, 2017	As % of consolidated profit / (loss)	March 31, 2016	As % of consolidated profit / (loss)
93	Laqshya Hyderabad Airport Media Private Limited	India	Jointly controlled entity	29.99%	29.99%	27.98	0.42%	19.44	0.26%	23.80	-1.03%	15.92	-0.80%
94	Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited	India	Subsidary	62.18%	62.18%	2,772.97	41.90%	2,704.11	35.63%	(32.59)	1.42%	31.28	-1.56%
95	Delhi Aerotropolis Private Limited	India	Subsidary	62.18%	62.18%	0.08	0.00%	0.09	0.00%	(0.00)	0.00%	-	0.00%
96	Delhi Aviation Services Private Limited	India	Jointly controlled entity	31.09%	31.09%	13.13	0.20%	13.66	0.18%	46.73	-2.03%	6.07	-0.30%
97	Travel Food Services (Delhi Terminal 3) Private Limited	India	Jointly controlled entity	24.87%	24.87%	2.81	0.04%	2.51	0.03%	6.23	-0.27%	8.34	-0.42%
98	Delhi Duty Free Services Private Limited	India	Subsidary	47.57%	47.57%	60.05	0.91%	19.78	0.26%	423.86	-18.42%	453.84	-22.70%
99	Delhi Aviation Fuel Facility Private Limited	India	Jointly controlled entity	16.17%	16.17%	11.71	0.18%	19.38	0.26%	13.67	-0.59%	13.92	-0.70%
100	Celebi Delhi Cargo Terminal Management India Private Limited	India	Jointly controlled entity	16.17%	16.17%	30.00	0.45%	27.43	0.36%	39.89	-1.73%	41.04	-2.05%
101	Wipro Airport IT Services Limited	India	Jointly controlled entity	16.17%	16.17%	3.63	0.05%	3.76	0.05%	0.90	-0.04%	(9.92)	0.50%
102	Delhi Airport Parking Services Private Limited	India	Subsidary	71.13%	71.13%	125.66	1.90%	121.35	1.60%	32.33	-1.40%	25.00	-1.25%
103	TIM Delhi Airport Advertising Private Limited	India	Jointly controlled entity	31.03%	31.03%	21.86	0.33%	25.59	0.34%	86.44	-3.76%	72.37	-3.62%
104	GMR Airports Limited	India	Subsidary	97.15%	97.15%	219.80	3.32%	98.16	1.29%	30.92	-1.34%	24.97	-1.25%
105	GMR Airports (Mauritius) Limited	Mauritius	Subsidary	97.15%	97.15%	3.72	0.06%	1.14	0.02%	8.82	-0.38%	46.94	-2.35%
106	GMR Aviation Private Limited	India	Subsidary	100.00%	100.00%	140.21	2.12%	135.16	1.78%	(20.69)	0.90%	(33.93)	1.70%
107	GMR Krishnagiri SEZ Limited	India	Subsidary	100.00%	100.00%	420.22	6.35%	374.63	4.94%	(2.33)	0.10%	(0.41)	0.02%
108	GMR SEZ and Port Holdings Limited (formerly known as GMR SEZ and Port Holdings Private Limited)	India	Subsidary	100.00%	100.00%	558.18	8.43%	205.01	2.70%	10.27	-0.45%	11.94	-0.60%
109	Advika Properties Private Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	6.98	0.09%	(0.02)	0.00%	-	0.00%
110	Aklima Properties Private Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	4.12	0.05%	(0.02)	0.00%	-	0.00%
111	Amartya Properties Private Limited	India	Subsidary	100.00%	100.00%	1.09	0.02%	7.50	0.10%	(0.02)	0.00%	(0.03)	0.00%
112	Baruni Properties Private Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	5.57	0.07%	(0.03)	0.00%	-	0.00%
113	Bougainvile Properties Private Limited	India	Subsidary	100.00%	100.00%	1.75	0.03%	6.06	0.08%	(0.01)	0.00%	(0.01)	0.00%
114	Camelia Properties Private Limited	India	Subsidary	100.00%	100.00%	0.46	0.01%	5.70	0.08%	(0.01)	0.00%	-	0.00%
115	Deepesh Properties Private Limited	India	Subsidary	100.00%	100.00%	12.03	0.18%	10.96	0.14%	(0.04)	0.00%	-	0.00%
116	Eila Properties Private Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	8.45	0.11%	(0.01)	0.00%	(0.01)	0.00%
117	Gerbera Properties Private Limited	India	Subsidary	100.00%	100.00%	0.63	0.01%	6.42	0.08%	(0.02)	0.00%	0.01	0.00%
118	Lakshmi Priya Properties Private. Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	6.99	0.09%	(0.01)	0.00%	(0.01)	0.00%
119	Honeysuckle Properties Private Limited	India	Subsidary	100.00%	100.00%	1.25	0.02%	9.25	0.12%	(0.02)	0.00%	-	0.00%
120	Idika Properties Private Limited	India	Subsidary	100.00%	100.00%	0.93	0.01%	6.33	0.08%	(0.02)	0.00%	-	0.00%
121	Krishnapriya Properties Private Limited	India	Subsidary	100.00%	100.00%	0.87	0.01%	6.30	0.08%	(0.04)	0.00%	-	0.00%
122	Larkspur Properties Private Limited	India	Subsidary	100.00%	100.00%	1.53	0.02%	6.27	0.08%	0.03	0.00%	(0.02)	0.00%
123	Nadira Properties Private Limited	India	Subsidary	100.00%	100.00%	1.88	0.03%	6.46	0.09%	0.26	-0.01%	(0.02)	0.00%
124	Padmapriya Properties Private Limited	India	Subsidary	100.00%	100.00%	(0.11)	0.00%	12.76	0.17%	(0.75)	0.03%	(0.02)	0.00%
125	Prakalpa Properties Private Limited	India	Subsidary	100.00%	100.00%	1.08	0.02%	6.78	0.09%	0.04	0.00%	-	0.00%
126	Purnachandra Properties Private Limited	India	Subsidary	100.00%	100.00%	0.84	0.01%	6.54	0.09%	(0.03)	0.00%	-	0.00%
127	Radhapriya Properties Private Limited	India	Subsidary	100.00%	100.00%	0.87	0.01%	14.02	0.18%	(0.04)	0.00%	(0.01)	0.00%
128	Shreyadita Properties Private Limited	India	Subsidary	100.00%	100.00%	0.91	0.01%	5.24	0.07%	(0.03)	0.00%	-	0.00%
129	Sreepa Properties Private Limited	India	Subsidary	100.00%	100.00%	1.04	0.02%	5.14	0.07%	(0.04)	0.00%	(0.02)	0.00%
130	GMR Corporate Affairs Private Limited	India	Subsidary	100.00%	100.00%	53.25	0.80%	52.64	0.69%	(0.42)	0.02%	(1.35)	0.07%
131	Dhruvi Securities Private Limited	India	Subsidary	100.00%	100.00%	36.12	0.55%	275.05	3.62%	12.80	-0.56%	20.30	-1.02%
132	Kakinada SEZ Limited (formerly known as Kakinada SEZ Private Limited (KSPL))	India	Subsidary	51.00%	51.00%	1,457.23	22.02%	1,361.33	17.94%	(5.72)	0.25%	(0.62)	0.03%
133	Asteria Real Estates Private Limited	India	Subsidary	100.00%	100.00%	0.12	0.00%	3.96	0.05%	(0.01)	0.00%	-	0.00%
134	Pranesh Properties Private Limited	India	Subsidary	100.00%	100.00%	0.90	0.01%	7.12	0.09%	(0.02)	0.00%	(0.01)	0.00%
135	GMR Business Process and Services Private Ltd	India	Subsidary	100.00%	100.00%	17.94	0.27%	16.66	0.22%	0.35	-0.01%	(0.28)	0.01%
136	GMR Hosur EMC Private Limited	India	Subsidary	100.00%	100.00%	0.39	0.01%	5.89	0.08%	(0.00)	0.00%	-	0.00%
137	Namitha Real Estates Pvt.Ltd	India	Subsidary	100.00%	100.00%	(1.24)	-0.02%	11.00	0.14%	0.24	-0.01%	(0.04)	0.00%
138	Lilliam Properties Private Limited	India	Subsidary	100.00%	100.00%	2.89	0.04%	4.10	0.05%	(0.36)	0.02%	-	0.00%
139	Honeyflower Estates Pvt. Ltd	India	Subsidary	100.00%	100.00%	36.24	0.55%	40.01	0.53%	2.46	-0.11%	0.36	-0.02%
140	Suzone Properties Private Limited	India	Subsidary	100.00%	100.00%	5.16	0.08%	7.64	0.10%	(0.50)	0.02%	(0.02)	0.00%

2.2 List of Entities Consolidated and information of net assets and profit / (loss)

Sl.No	Name of the Entity	Country of Incorporation	Relationship as at March 31, 2017	Percentage of effective ownership as at		Net Assets* as at				Net profit / (loss)* for the year ended			
				March 31, 2017	March 31, 2016	March 31, 2017	As % of consolidated net assets	March 31, 2016	As % of consolidated net assets	March 31, 2017	As % of consolidated profit / (loss)	March 31, 2016	As % of consolidated profit / (loss)
141	East Godavari Power Distribution Company Private Limited	India	Subsidary	100.00%	100.00%	(0.00)	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%
142	Lantana Properies Private Limited (Formerly GMR Hosur Industrial City Private Limited)	India	Subsidary	100.00%	100.00%	(0.46)	-0.01%	9.50	0.13%	(0.43)	0.02%	-	0.00%
143	GMR Utilities Private Limited	India	Subsidary	100.00%	100.00%	0.00	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%
144	Raxa Securities Private Limited	India	Subsidary	100.00%	100.00%	(22.42)	-0.34%	235.43	3.10%	(67.31)	2.92%	(40.58)	2.03%
145	GMR Infrastructure (Mauritius) Limited	Mauritius	Subsidary	100.00%	100.00%	505.44	7.64%	134.34	1.77%	11.35	-0.49%	(18.93)	0.95%
146	GMR Infrastructure (Cyprus) Limited	Cyprus	Subsidary	100.00%	100.00%	36.26	0.55%	458.86	6.05%	4.78	-0.21%	4.88	-0.24%
147	GMR Infrastructure Overseas Limited (formerly known as GMR Infrastructure Overseas (Malta) Limited)	Malta	Subsidary	100.00%	100.00%	1.80	0.03%	3.74	0.05%	(1.62)	0.07%	(0.62)	0.03%
148	GMR Infrastructure (UK) Limited	United Kingdom	Subsidary	100.00%	100.00%	2.90	0.04%	8.38	0.11%	(8.05)	0.35%	(22.90)	1.15%
149	GMR Airports (Malta) Limited	Malta	-	-	97.15%	-	0.00%	-	0.00%	-	0.00%	0.32	-0.02%
150	Limak GMR Construction JV	Turkey	Jointly controlled entity	50.00%	50.00%	(0.35)	-0.01%	0.15	0.00%	0.22	-0.01%	(0.28)	0.01%
151	GMR Infrastructure (Global) Limited	Isle of Man	Subsidary	100.00%	100.00%	(0.75)	-0.01%	(0.58)	-0.01%	(0.07)	0.00%	(0.21)	0.01%
152	GMR Energy (Global) Limited	Isle of Man	Subsidary	100.00%	100.00%	0.12	0.00%	0.07	0.00%	(0.13)	0.01%	(0.18)	0.01%
153	GMR Male International Airport Private Limited	Maldives	Subsidary	77.00%	76.99%	(41.74)	-0.63%	132.72	1.75%	532.84	-23.15%	(22.59)	1.13%
154	GMR Infrastructure (Overseas) Limited	Mauritius	Subsidary	100.00%	100.00%	6.83	0.10%	1.55	0.02%	(2.38)	0.10%	(2.54)	0.13%
155	GMR Megawide Cebu Airport Corporation	Philippines	Jointly controlled entity	40.00%	40.00%	432.60	6.54%	298.81	3.94%	51.02	-2.22%	29.79	-1.49%
156	Megawide GISPL Construction Joint Venture	Philippines	Jointly controlled entity	50.00%	50.00%	(56.09)	-0.85%	41.58	0.55%	3.74	-0.16%	1.47	-0.07%
157	GMR Goa International Airport Limited (GIAL)	India	Subsidary	99.99%	-	10.86	0.16%	-	0.00%	(1.27)	0.06%	-	0.00%
158	GMR Airport Global Limited	Isle of Man	-	-	97.15%	-	0.00%	2.53	0.03%	-	0.00%	(6.77)	0.34%
159	Indo Tausch Trading DMCC	United Arab Emirates	Subsidary	100.00%	100.00%	1.62	0.02%	1.84	0.02%	(0.26)	0.01%	-	0.00%
160	East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Investment	31.35%	31.35%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
161	Kakinada Gateway Port Limted (KGPL)	India	Subsidary	90.00%	-	0.01	0.00%	-	0.00%	(0.00)	0.00%	-	0.00%
162	GMR SEZ Infra Services Limited (GSISL)	India	Subsidary	100.00%	-	0.04	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%
163	GMR Infra Developers Limited	India	Subsidary	100.00%	-	-	0.00%	-	0.00%	-	0.00%	-	0.00%

*Net assets means total assets minus total liabilities. The balances have been considered after eliminating all inter-company balances and transactions. Net profit / (loss) is profit / (loss) after exceptional items and tax but before minority interest and share of loss from associates.

Sl.No	Name of entities which have been sold or liquidated during the year	Relationship as at March 31, 2016
1	Aravali Transmission Service Company Limited	Subsidiary
2	Maru Transmission Service Company Limited	Subsidiary
3	GMR Hyderabad Multiproduct SEZ Limited	Subsidiary
4	GMR Airport Global Limited	Subsidiary
5	GMR Airport Handling Services Company Limited	Subsidiary
6	Jadcherla Expressways Private Limited	Associate
7	Ulundurpet Expressways Private Limited	Associate

1 Hyderabad Duty Free Retail Limited is merged with GMR Hospitality and Retail Limited (formerly known as GMR Hotels and Resorts Limited)
2 East Delhi Waste Processing Company Private Limited (EDWPCPL) ceases to be an associate during the year
3 GMR Chhattisgarh Energy Limited turned into an associate during the year ended March 31, 2017
4 GMR Rajahmundry Energy Limited turned into an associate during the year ended March 31, 2017

GMR Infrastructure Limited

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3 Share capital

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Authorised shares		
13,500,000,000 (March 31, 2016: 7,500,000,000) equity shares of Re. 1 each	1,350.00	1,350.00
6,000,000 (March 31, 2016: Nil) preference shares of Rs. 1,000 each	600.00	600.00
Issued, subscribed and fully paid-up shares		
6,035,945,275 (March 31, 2016: 4,361,247,379) equity shares of Re.1 each	603.59	603.59
Forfeiture of shares		
Nil (March 31, 2016: 4,500) equity shares of Re. 1 each not fully paid-up [Rs. Nil (March 31, 2015: Rs. 2,250)]	-	-
Total issued, subscribed and paid-up share capital	603.59	603.59

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

	March 31, 2017		March 31, 2016	
	Number	Rs. in crore	Number	Rs. in crore
At the beginning of the year	6,03,59,45,275	603.59	4,36,12,47,379	436.13
Add: Issued during the year	-	-	93,45,53,010	93.45
Add : Converted from Series A CCPS & Series B CCPS during the year (refer note 3(c))	-	-	74,01,44,886	74.01
Outstanding at the end of the year	6,03,59,45,275	603.59	6,03,59,45,275	603.59

Preference Shares

	March 31, 2017		March 31, 2016	
	Number	Rs. in crore	Number	Rs. in crore
At the beginning of the year				
a) Series A CCPS of Rs. 1,000 each	-	-	56,83,351	568.33
b) Series B CCPS of Rs. 1,000 each	-	-	56,83,353	568.34
Add: Issued during the year				
a) Series A CCPS of Rs. 1,000 each	-	-	-	-
b) Series B CCPS of Rs. 1,000 each	-	-	-	-
Less: Converted to Equity during the year				
a) Series A CCPS of Rs. 1,000 each	-	-	56,83,351	568.33
b) Series B CCPS of Rs. 1,000 each	-	-	56,83,353	568.34
Outstanding at the end of the year				
a) Series A CCPS of Rs. 1,000 each	-	-	-	-
b) Series B CCPS of Rs. 1,000 each	-	-	-	-

(b) Terms / rights attached to equity shares:
The Company has only one class of equity shares having a par value of Re. 1 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
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 the preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(c) Terms / rights attached to CCPS:
During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 Compulsorily Convertible Preference Shares ('CCPS') of face value of Rs. 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS were convertible into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations') on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date. Pursuant to the approval of the Management Committee of the Board of Directors dated August 26, 2015 and September 26, 2015, the Company approved the allotment for conversion of aforesaid Series A CCPS into 359,478,241 equity shares of face value of Re.1 each at a price of Rs.15.81 per equity share (including securities premium of Rs.14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of Re.1 each at a price of Rs.14.93 per equity share (including Securities premium of Rs.13.93 per equity share) respectively.

The preference shareholders had a right to attend General Meetings of the Company and vote on resolutions directly affecting their interest. In the event of winding up, the Company would repay the preference share capital in priority to the equity shares of the Company but it does not confer any further right to participate either in profits or assets of the Company.

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

(d) Shares held by the Holding Company / Ultimate Holding Company and / or their subsidiaries / associates:

Out of the equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries / associates are as below:

	March 31, 2017 Number	March 31, 2016 Number
GMR Holdings Private Limited ('GHPL'), the Holding Company (till August 10, 2016)		
Equity shares of Re. 1 each, fully paid up	-	2,85,20,72,962
GMR Enterprises Private Limited ('GEPL'), an associate of the Holding company (till August 10, 2016) and the Holding company w.e.f August 11, 2016		
Equity shares of Re. 1 each, fully paid up	2,87,82,45,098	2,34,00,000
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company		
Equity shares of Re. 1 each, fully paid up	3,13,21,815	3,13,21,815
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company		
Equity shares of Re. 1 each, fully paid up	1,79,99,800	1,79,99,800
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company		
Equity shares of Re. 1 each, fully paid up	80,56,35,166	80,56,35,166
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company		
Equity shares of Re. 1 each, fully paid up	1,00,000	1,00,000

(e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
During the year ended March 31, 2016, 5,683,351 of Series A CCPS & 5,683,535 of Series B CCPS of face value of Rs. 1,000 each have been converted into 359,478,241 and 380,666,645 equity shares respectively of the Company	-	74.00

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

	March 31, 2017		March 31, 2016	
Equity shares of Re. 1 each fully paid	Number	% holding in the class	Number	% holding in the class
GHPL	-	-	2,85,20,72,962	47.25%
GEPL	2,87,82,45,098	47.69%		
GBC	80,56,35,166	13.35%	80,56,35,166	13.35%
Dunearn Investments (Mauritius) Pte Limited	51,36,39,481	8.51%	51,36,39,481	8.51%

(g) On July 02, 2014, the Board of Directors of the Company approved an issue and allotment of upto 180,000,000 warrants having an option to apply for and be allotted equivalent number of equity shares of face value of Re.1/- each on a preferential basis under chapter VII of the SEBI ICDR Regulations and provisions of all other applicable laws and regulations and accordingly the Company received an advance of Rs. 141.75 crore against such share warrants. The shareholders approved the aforesaid issue of warrants through postal ballot on August 12, 2014. Pursuant to the approval of the Management Committee of the Board of Directors dated February 26, 2016 the outstanding warrants have been cancelled as the holders did not exercise the option within the due date of 18 months from the date of allotment, and Rs. 141.75 crore received as advance towards such warrants has been forfeited in accordance with the SEBI ICDR Regulations during the year ended March 31, 2016. The said amount has been credited to Capital Reserve account during the year ended March 31, 2016.

(h) Pursuant to the approval of the Management Committee of the Board of Directors dated July 10, 2014, the Company issued 468,817,097 equity shares of Re.1 each, at an issue price of Rs. 31.50 per equity share (which is at a discount of Rs. 1.64 per equity share on the floor price of Rs. 33.14 per equity share and including Rs. 30.50 per share towards share premium) aggregating to Rs. 1,476.77 crore to qualified institutional buyers ('QIB') under chapter VIII of the ICDR Regulations and provisions of all other applicable laws and regulations. The Shareholders had approved the aforesaid issue of equity shares by way of a special resolution dated March 20, 2014.

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4 Reserves and surplus

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Capital reserve on forfeiture		
Balance as per the last financial statements	141.75	-
Add: Transfer on forfeiture of equity share warrants [refer note 3(g)]	-	141.75
Closing balance	141.75	141.75
Capital reserve on consolidation (as per the last financial statements)	125.87	125.87
Capital reserve on acquisition (as per the last financial statements) [refer note 4(a)]	3.41	3.41
Capital reserve (government grant) (as per the last financial statements) [refer note 4(c)]	65.49	65.49
Capital redemption reserve (as per the last financial statements)	28.53	28.53
Debenture redemption reserve		
Balance as per the last financial statements	179.58	175.47
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	20.51	38.49
Less: Amount transferred to surplus / (deficit) in the statement of profit and loss on redemption of debentures	-	(34.38)
Closing balance	200.09	179.58
Securities premium account		
Balance as per the last financial statements	9,532.89	7,468.07
Add: Received during the year on conversion of CCPS into equity shares [Refer note 3(c)]	-	1,062.66
Add: Received during the year on issue of equity shares	1,380.50	1,308.37
Less: Utilised towards debenture / share issue expenses, debenture / preference shares redemption premium and redemption of preference shares (net of taxes and MAT credit)	(91.15)	(266.78)
Less: Utilised towards expenses on issue of foreign currency convertible bonds by the Company	-	(39.43)
Add / (less): Transfer from / (transfer to) minority interest	(1,321.59)	-
Closing balance	9,500.65	9,532.89
Foreign currency translation reserve		
Balance as per the last financial statements	457.92	433.85
Movement during the year	(125.79)	24.07
Closing balance	332.13	457.92
Foreign currency monetary items translation difference account		
Balance as per the last financial statements	(0.93)	(0.05)
Movement during the year	36.95	(0.88)
Closing balance	36.02	(0.93)
Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act [refer note 4(b)]		
Balance as per the last financial statements	19.52	12.02
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	7.43	7.50
Less: Amount transferred to surplus / (deficit) in the statement of profit and loss	-	-
Closing balance	26.95	19.52
Surplus / (deficit) in the statement of profit and loss		
Balance as per the last financial statements	(6,197.29)	(4,006.89)
(Loss) / profit for the year	(2,815.46)	(2,161.00)
Add / (less): Transfer of reserves to minority on dilution of interest in subsidiaries / jointly controlled entities	2,045.56	-
Less: Provision for mark to market (MTM) loss on interest rate swap (IRS) as at April 1, 2016	(107.43)	-
Appropriations		
Add: Transfer from debenture redemption reserve	-	34.38
Less: Transfer to debenture redemption reserve	(20.51)	(38.49)
Less: Transferred to special reserve u/s.45-IC of RBI Act [refer note 4(b)]	(7.43)	(7.50)
Less: Proposed preference share dividend	-	(0.01)
Less: Dividend distribution tax on proposed preference share dividend	-	(0.00)
Less: Equity dividend declared by a subsidiary	(17.09)	-
Less: Dividend distribution tax on equity share dividend declared by subsidiaries	(12.67)	
Less: Preference share dividend declared by a subsidiary	-	(2.16)
Less: Dividend distribution tax on preference share dividend declared by subsidiaries	-	(15.62)
Net (deficit) / surplus in the statement of profit and loss	(7,132.32)	(6,197.29)
Total reserves and surplus	3,328.57	4,356.74

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GMR INFRASTRUCTURE LIMITED ★

Note 4(a)

GAPL purchased the aircraft division of GMR Industries Limited ('GIDL') under slump sale on October 01, 2008 for a purchase consideration of Rs. 29.00 crore on a going concern basis and the transaction was concluded in the month of March 2009. Accordingly, an amount of Rs. 3.41 crore being the excess of net value of the assets acquired (based on a valuation report) over the purchase consideration has been recognised as capital reserve on acquisition.

Note 4(b)

As required by section 45-1C of the RBI Act, 20% of DSPL and GAL's net profit of the year is transferred to special reserve. The said reserve can be used only for the purpose as may be specified by the RBI from time to time.

Note 4(c)

During the year ended March 31, 2006, GHIAL had received a grant of Rs. 107.00 crore from Government of Telangana ['formerly Government of Andhra Pradesh ('GoAP')] towards Advance Development Fund Grant, as per the State Support Agreement. This is in the nature of financial support for the project and accordingly, the Group's share amounting to Rs. 67.41 crore as at April 1, 2011 was included in Capital reserve (government grant). During the year ended March 31, 2012, pursuant to dilution in Group's effective holding in GHIAL, Rs. 1.92 crore was transferred to minority interest.

Note 4(d)

During the year ended March 31,2015 pursuant to the issue of shares to QIB before the record date, dividend of Re. 0.10 per equity share of Re.1 each for the year ended March 31,2014 was paid to QIB.

5 Long-Term Borrowings

	Non-current portion		Current maturities	
	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Bonds / debentures				
Foreign Currency Senior Notes (secured)	5,322.46	1,927.98	-	-
Debentures (secured)	1,052.16	1,809.79	183.63	234.25
Foreign Currency Convertible Bonds (unsecured)	1,969.91	2,003.10	-	-
Term loans				
Indian rupee term loans from banks (secured)	13,574.42	22,306.15	1,412.57	4,649.84
Indian rupee term loans from financial institutions (secured)	2,838.99	5,338.40	319.51	288.42
Foreign currency loans from banks (secured)	3,627.67	2,596.91	761.78	4,783.64
Indian rupee term loans from others (secured)	0.14	6.42	0.21	0.05
Foreign currency loans from financial institution (secured)	259.71	674.38	19.30	-
Indian rupee term loans from financial institutions (unsecured)	-	0.06	-	-
Indian rupee term loans from others (unsecured)	8.40	37.49	23.33	2.27
Foreign currency loans from banks (unsecured)	-	323.00	317.34	7.51
Foreign currency loans from others (unsecured)	7.24	6.90	-	-
Indian rupee term loans against development fees (secured)	-	-	-	84.00
Supplier's credit (secured)	-	19.69	-	19.69
Supplier's credit (unsecured)				
Other loans				
Bills discounted (secured)	-	48.00	-	-
Buyer's Credit	-	-	-	-
Finance lease obligation (secured)	56.61	-	-	-
Negative grant (unsecured)	0.01	0.03	0.66	0.68
From the State Government of Telangana (unsecured) (formerly known as State Government of Andhra Pradesh)	-	-	66.41	66.41
	315.05	315.05		-
	29,032.77	37,413.35	3,104.74	10,136.76
The above amount includes				
Secured borrowings	26,732.17	34,679.75	2,697.66	10,060.57
Unsecured borrowings	2,300.60	2,733.60	407.08	76.19
Amount disclosed under the head "other current liabilities" (refer note 9)	-	-	(3,104.74)	(10,136.76)
Net amount	29,032.77	37,413.35	-	-

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GMR INFRASTRUCTURE LIMITED
Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

1 During the year ended March 31, 2012, GEL has issued 8,000 secured, redeemable and non-convertible debentures ('NCD') of Rs. 0.10 crore (Rs. 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between GEL and ICICI; and (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by GEL with ICICI. These debentures are redeemable at a premium yielding 14.25% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.25% p.a. in thirty seven quarterly unequal instalments commencing from March 2012. As at March 31, 2017, GEL has fully redeemed its balance debentures and the revised face value of these debentures after redemption is Rs. Nil (March 31, 2016: Rs. 0.08 crore (Rs. 830,500)) per debenture. These secured, redeemable and non-convertible debentures were listed on the Wholesale Debt Segment of National Stock Exchange of India Limited.

2 During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non-convertible debentures of Rs. 0.10 crore each to ICICI ('Tranche 1'). During the year ended March 31, 2013, the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non-convertible debentures of Rs. 0.10 crore each ('Tranche 2'). These debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI; and (e) exclusive charge over DSRA maintained by the Company with ICICI. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 2012. As at March 31, 2016, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is Rs.0.07 crore (Rs.717,500) (March 31, 2016: Rs. 0.08 crore (Rs. 830,000)) per debenture.

3 Secured, redeemable and non-convertible debentures of Rs. 0.10 crore each issued by GPEPL amounting to 443.29 crore (March 31, 2016: Rs. Rs. 475.04 crore) bear an interest of 9.38% p.a. and are secured by way of first charge over all assets of GPEPL, both movable (including future annuity receivable) and immovable properties, both present and future, excluding project assets (unless permitted by National Highways Authority of India ('NHAI') under the Concession agreement). These debentures are redeemable in 34 unequal half yearly instalments commencing from April 2010 and ending in October 2026.

4 Secured, redeemable and non-convertible debentures of Rs. 0.10 crore each issued by GWEL amounting to Rs. 75.00 crore (March 31, 2016: Rs. 75.00) are secured by way of first pari-passu charge by way of mortgage on all the immovable properties and hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and other movable assets and further secured by first charge/ hypothecation of book debts, operating cash flows, receivables, other current assets, revenues whatsoever in nature, present and future, assignment on all project related documents, all benefits incidental to the project as well as rights under letter of credit or such other security to be provided by the procurer of power under the terms of PPA and pledge of shares representing 51% of the total paid up equity share capital of GWEL. These debentures carry an interest rate of 12.15% p.a. These debentures are repayable in 3 equal instalments in September 2022, September 2023 and November 2023. These secured, redeemable and non-convertible debentures are listed on the Bombay Stock Exchange.

5 During the year ended March 31, 2015, DIAL has issued 6.125% Senior Secured Foreign Currency Notes ('Notes') of Rs.1894.20 Crore(March 31, 2016 Rs. 1,820.86 crore) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February 2022. The notes are secured by a first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account ('TRA'), any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under Operation Management and Development Agreement ('OMDA').

6 During the year ended March 31, 2017, DIAL has issued 6.125% Senior Secured Foreign Currency Notes ('Notes') of Rs.3428.26 Crore(March 31, 2016 Rs. Nil) in International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in October 2026. The notes are secured by a first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account ('TRA'), any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under Operation Management and Development Agreement ('OMDA').

7 Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted FCCBs of USD 30.00 Crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing Date upto close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at 66.745/ USD. The Company needs to take necessary steps incase the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited

8 Secured Indian rupee term loans from banks of Rs. Nil (March 31, 2016: Rs. 124.79 crore) of GHRL are secured by first pari passu charge by way of equitable mortgage of GHRL's immovable properties pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land; further secured by first pari passu charge on the whole of stocks of raw materials, goods-in-process, semi-finished goods and finished goods, consumable stores and spares, book debts, bills, movable plant and machinery, machinery spares, tools and accessories and other movables, whole of equipments including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of GHRL or not, all bank accounts (whether escrow and no lien or otherwise) and all estate, rights, title, interest, benefits, claims and demands, trade receivables, all cash flows and receivables and proceeds of GHRL. Further the loan is secured by corporate guarantee given by GHIAL. The loan carries an interest rate of 12.20% p.a. (March 31, 2016: 12.20% p.a.). The loan was repayable in 48 unequal quarterly instalments commencing from December 2012.However, during the current year, the above term loans obtained from banks have been prepaid and settled in full by utilizing the proceeds of a fresh term loan facility availed from a Non Banking Financial Company (NBFC).

9 Secured Indian rupee term loan from a bank of Rs. Nil (March 31, 2016: Rs. 180.00 crores) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposits lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at Rs. 300.00 crore; and (d) non disposable undertaking of the shares of the Company held by GHPL of Rs. 60.00 crore. The loan carries interest of bank's base rate plus 1.00% p.a. (March 31, 2016:bank's base rate plus 1.00% p.a.) and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter. As at March 31, 2017, the Company has repaid entire Loan Amount.

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10 Secured Indian rupee term loan from a bank of Rs. Nil (March 31, 2016: Rs. 264.00 crores) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at Rs. 210.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on immovable fixed assets owned by GEL or any associate Company/ Group Company/ promoters, such that a cover of 0.5x of the outstanding facility amount (net of fixed deposit margin) is maintained throughout the tenure of the facility; and (f) pledge of 25% equity shares of GVPGL held by GEL. The loan carries interest rate of bank's base rate plus 1.00% p.a.(March 31. 2016:bank's base rate plus 1.00% p.a) and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 24 months from the date of first disbursement and every 3 months thereafter. As at March 31, 2017, the Company has Prepaid entire Loan Amount.

11 Secured Indian rupee term loan from a bank of Rs.Nil (March 31, 2016: Rs. 408.86 crores) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) 10% DSRA of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL valued at Rs. 260.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on office space at Bandra Kurla complex, Mumbai; (f) pledge of 30% shares of GPCL; and (g) non-disposable undertaking of 21% shareholding of GPCL held by GEL. The loan carries interest rate of bank's base rate plus 1.25% p.a. (March 31, 2016:base rate plus 1.25% p.a.)and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The lender has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter. As at March 31, 2017, the Company has Prepaid Entire Loan Amount.

12 Secured Indian rupee term loan from a bank of Rs. 150 crore (March 31, 2016: Rs. 150.00 crore) of GEL is secured by pledge of total paid up equity share capital of GEL held by the Company for an amount equivalent to the loan facility, subject to Banking Regulation Act, 1949 and corporate guarantee by the Company guaranteeing the repayment of the loan and payment of interest and other charges thereon. The loan carries interest rate of base rate of the bank plus 2.00 % floating spread (March 31, 2016: base rate of the bank plus 2.00% floating spread) with reset option as stipulated by the lender from time to time and is repayable after 3 years from the drawdown date.

13 Secured Indian rupee term loans from financial institution of Rs. 124.37 Crore (March 31, 2016: Rs. Nil) of GHRL are secured by a pari passu first charge on immovable assets (including assignment of leasehold rights in the case of leasehold land) , movable assets, revenues, book debts, bank accounts and a pledge over 30% of the equity shares of the Company. Further the loan is secured by corporate guarantee given by GHIAL. The loan carries an interest rate of 10.80% p.a. (March 31, 2016: Nil.). The loan was repayable in 54 quarterly instalments commencing from January 2017 to April 2030.

14 Secured Indian rupee term loan from a bank of Rs. 120 crore (March 31, 2016: Rs. 125.00 crore) of the Company is secured by a first charge over certain immovable properties, aircrafts, lien marked fixed deposit and an exclusive charge on loans and advances provided by the Company out of this loan facility, charge over 30% shares of GHPL in GMR Sports Private Limited ('GSPL') and non-disposable undertaking with regard to 19% of shareholding of GHPL in GSPL. The loan carries interest rate at base rate of lender plus spread of 1.50% p.a. and is repayable in 8 equal quarterly instalments commencing from March 2017 as per the revised agreement dated May 23,2016.

15 Secured Indian rupee term loan from a bank of Rs. 500.00 crore (March 31, 2016: Rs. 500.00 crore) of the Company is secured by (a) first pari passu charge on 998 acres of land held by GKSEZ; (b) subservient charge on 8,236 acres of SEZ land held by KSPL; (c) pledge of 30% (March 31,2016 : 30%) equity shares of GCHEPL held by GGAL.The loan carries an interest rate of base rate of lender plus spread of 4.75% p.a (March 31, 2015: 4.75% p.a). The loan is repayable in 12 structured quarterly instalments commencing from April 2021 and ending in January 2024 as per the revised agreement dated May 27,2016. There are certain mandatory prepayment events agreed with the bank including further issue of equity shares/divestment of stake in certain entities.

16 Secured Indian rupee term loan from a bank of Rs. 185.01 crore (March 31, 2016: Rs. Nil of the Company is secured by (a)first pari passu charge over 998 acres of land held by GKSEZ (b) subservient charge on 8,236 acres of SEZ land held by KSPL (c) charge over Dividend / Interest Escrow Account of the Company into which all dividends and/or interest receivable by the Company from GEL and GGAL would be deposited and (d) first ranking pledge/NDU over 49% of equity shares of GGAL. The loan carries interest at the lender's Marginal Cost of Funds based Lending Rate of 1Y (I-MCLE-1Y) plus spread of 4.55% p.a. The loan is repayable in eighteen structured quarterly instalments commencing from December 25, 2016 and ending on March 25, 2021. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

17 Secured Indian rupee term loan from a bank of Rs. 63 crore (March 31, 2016: Rs. 64.75 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of 6.71 crore equity shares of Re. 1 each of the Company, held by GHPL and (d) Corporate guarantee of GHPL. The loan carries an interest rate of base rate of lender plus spread of 0.85% p.a. (March 31, 2016 :base rate of lender plus spread of 0.85% p.a.) and is repayable in 10 structured quarterly instalments commencing from March 2017as per the revised agreement dated May 23,2016. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

18 Secured Indian rupee term loan from a bank of Rs. 75 crore (March 31, 2016: Rs. 120.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of shares of the Company on completion of 18 months from the date of first disbursement to cover the outstanding amount of loan facility less amount of fixed deposit as stated aforesaid on such date; and (d) cross collaterization with existing securities of the Company with the lender. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. (March 31, 2016:base rate of lender plus spread of 1.50% p.a.). The loan is repayable in 8 equal quarterly instalments commencing January 2018 as per the revised agreement dated May 23,2016. The bank has a put option for full or part of the facility amount at the end of 18 months from the date of first disbursement and every 3 months thereafter.

19 Secured Indian rupee term loan from a bank of Rs. 84.83 crore (March 31, 2016: Rs. 87.08 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) cross collaterization with existing securities available to the lender under various facilities extended to the Group by the lender; (c) pledge over 8.3% shareholding of GEL held by the Company; (d) exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank; (e) pledge on CCPS invested by GISPL in GCRPL in favour of lender approved correspondent bank; (f) cash flows of GISPL from the underlying contract with the Company or its subsidiaries to be escrowed / charged in favour of lender approved correspondent bank; (g) exclusive charge on loans given to GEL, and / or exclusive charge on all the movable/immovable fixed assets of Raxa Securities Services Private Limited ('RSSL') and / or charge on other assets acceptable to the lender to cover the outstanding loan amount; and (h) DSRA covering interest payment for the first 3 months. The loan carries an interest rate of base rate of lender plus spread of 1.25% p.a. (March 31, 2016 : base rate of lender plus spread of 1.25% p.a.) The loan is repayable in 14 unequal semi-annual instalments commencing after 12 months from the date of first disbursement.

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20 Secured Indian rupee term loan from a bank of Rs. 45.23 crore (March 31, 2016: Rs. 75.39 crore) of the Company is secured by an exclusive first mortgage and charge on (a) residential property of Mr. G.B.S Raju at Bengaluru; (b) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL'); (c) non-agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at AP; (d) non-agricultural lands of Mr. G. M. Rao; (e) commercial apartment owned by Honey Flower Estates Private Limited ('HFEPL') and additionally secured by a) an irrevocable and unconditional guarantee of BIPL and HJPPL limited to the extent of the value of their property as stated aforesaid b) an irrevocable and unconditional guarantee of GEPL, BIPL and HFEPL and c) demand promissory note equal to principal amount of the loan and interest payable on the loan given by the Company.The loan carries an interest rate of base rate of lender plus applicable spread of 3.25% p.a. and is repayable in 13 equal quarterly instalments commencing from July 2015 as per the revised agreement dated April 10, 2015.

21 Secured Indian rupee term loan from a bank of Rs. 378.00 crore (March 31, 2016: Rs.Nil) of the Company is secured by i) first charge on assets created out of this facility ii) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender. The loan carries interest rate of lender's marginal cost of funds based lending rate ('MCLR') plus spread of (March 31, 2016: Nil) and is repayable in twenty eight structured quarterly instalments commencing from October, 2017.

22 Secured loan from a bank of Rs. 0.23 crore (March 31, 2016: Rs. 0.38 crore) of the Company are secured on certain vehicles of the Company. The loan carries an interest rate of 10.00% p.a. (March 31, 2016: 10.00% p.a.). The loan is repayable in 60 equal monthly instalments commencing from October 2013.

23 Secured Indian rupee term loan from a bank of Rs. 270.00 crore (March 31, 2016: Rs. 285.00 Crore) of the Company is secured by (a) 10% DSRA in the form of lien on fixed deposit in favor of the lender; (b) exclusive first charge on asset provided by the Company created out of the facility; (c) pledge over 5% shareholding of GEL held by the Company; (d) pledge over 26% of equity shares of GWEL held by GEL. The loan carries an interest rate of base rate of lender plus spread of 0.50% p.a. The loan is repayable in 14 structured quarterly instalments commencing from January 2017 as per the revised agreement dated May 23, 2016.

24 Secured Indian rupee term loans from banks and financial institutions of Rs. 1586.44 crore (March 31, 2016: Rs. 1,637.14 crore) of GHVEPL are secured by way of pari passu first charge over GHVEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GHVEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GHVEPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and collection of tolls unless restricted by NHAI under the concession agreement and by pledge of 1,300,000 equity shares and 7,733,000 preference shares held by GMRHL in GHVEPL. The loans carry an interest rate of 11.00% to 11.25% p.a. (March 31, 2016: 11.00% to 11.25% p.a.) and are repayable in 46 unequal quarterly instalments commencing from April 2013.Interest on secured loan amounting to Rs. 38.61 Cr. (March 31, 2016 Rs. 35.51 Cr.) for a period of three months (approx) is overdues for payments.

25 Secured Indian rupee term loans from a bank of Rs. 25.27 crore (March 31, 2016: Rs. 35.00 crore) of GHVEPL is secured by way of first pari passu charge on the same securities offered as security for the Project Loan and is repayable in 36 monthly instalments commencing after 24 months from the date of first disbursement i.e., March 2014. The loan carries an interest rate of 2.75% over bank's base rate. Principal installment of Rs. 2.92 Cr. against working capital loan overdue.

26 Secured Indian rupee term loans from banks of Rs. 253.13 crore (March 31, 2016: Rs. 254.54 crore) of GACEPL are secured by way of pari passu first charge over GACEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GACEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GACEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 100% equity shares of GACEPL held by the Company , GEL and GMRHL. During the year ended March 31,2016, the loans have been restructured. As per the revised terms, the loans carry an interest at banks base rate plus spread which shall be reset yearly and are repayable in 42 unequal quarterly instalments with the last installment due in September 2025.

27 Secured Indian rupee term loans from banks of Rs. 129.73 crore (March 31, 2016: Rs. 168.43 crore) of GTTEPL are secured by way of mortgage of all the present and future immovable fixed assets of GTTEPL, hypothecation of movable fixed assets of the GTTEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTTEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee by GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest rate of 8.25% p.a. ± 10% spread, now fixed at 9.075% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.

28 Secured Indian rupee term loans from banks of Rs. 671.89 crore (March 31, 2016: Rs. 673.74 crore) of GCORRPL are secured by way of first charge on all immovable and movable properties of GCORRPL, both present and future; assignment of all rights, titles and interests in respect of all assets (as permitted by Concession Agreement) and a first charge on all revenues and receivables and by way of pledge of 26% of paid up equity capital of GCORRPL held by the shareholders. The loans carry an interest of 11.00% to 11.25% p.a. (March 31, 2016: 11.00% to 11.25% p.a.) subject to reset from time to time. During the year ended March 31, 2015, GCORRPL has undertaken negotiation with the lenders pursuant to which, the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 27 unequal half yearly instalments commencing from June 2014.

29 Secured Indian rupee term loans from banks of Rs. 101.10 crore (March 31, 2016: Rs. 130.70 crore) of GTAEPL are secured by way of mortgage of all the present and future immovable fixed assets of GTAEPL, hypothecation of movable fixed assets of GTAEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTAEPL, assignment of revolving LC issued by NHAI, corporate guarantee from GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest of 8.25% p.a. ± 10% spread, now fixed at 9.075% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.

30 Secured Indian rupee term loans from banks and financial institutions of Rs. Nil (March 31, 2016: Rs. 2,964.31 crore) of DIAL are secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further by the pledge of requisite shares of DIAL held by GAL, Malaysia Airports (Mauritius) Private Limited ('MAMPL') and Fraport AG Frankfurt Airport Services Worldwide ('FAG') (shareholders of DIAL). The rupee term loans from banks and financial institutions carry an interest rate at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranges from 10.10% to 11.00% p.a. (March 31, 2016: 10.50% to 11.75% p.a.). The Loan is fully repaid during the year.

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31 Secured Indian rupee term loan from a bank of Rs. 113.22 crore (March 31, 2016: Rs. 146.87 crore) of DDFS is secured by hypothecation of DDFS's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form and manner satisfactory to the banks. Further secured by a first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institutions) and pledge of 30% of sponsors' shareholding held in DDFS worth Rs.24.00 Crore and an escrow agreement between the lenders and DDFS for first and exclusive charge on receivables.The loan of Rs. 110.40 crore is repayable in 36 unequal quarterly instalments commencing from December 2011 to September 2020 and the loan of Rs. 0.20 crore is repayable in 11 equal quarterly instalments commencing from March 2015 to December 2017 and the balance loan of Rs.2.62 crore is repayable in 4 equal quarterly installments commencing from September 2017 to June 2018.

32 Secured Indian rupee term loans from banks and financial institutions and foreign currency loans including the interest rate swap (IRS') arrangement from banks of Rs. 1766.26 crore (March 31, 2016: Rs. 1,797.44 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land to the extent of 2,136 acres,freehold land of 8.82 acres and first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future, as well as assignment of all right, title, interest, benefits, claims and demands available under the concession agreement and other project documents, security interest in the TRA, DSRA and further secured by pledge of 16.41 crore and 2.87 crore equity shares, both present and future, held or to be held, upto 51% of the paid up share capital of GHIAL, as the case may be, by both, GAL and MAHB (Mauritius) Private Limited respectively. The foreign currency loans from banks of Rs. 479.86 crore (March 31, 2016: Rs. 548.18 crore) carry an interest rate of LIBOR plus agreed spread; however GHIAL has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 8.295% p.a(March 31,2016: 8.30% p.a) . The Indian rupee term loans from banks and financial institutions of Rs. 1,286.40 crore (March 31, 2016: Rs. 1,249.26 crore) carry interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate ranges from 10.25% to 10.70% p.a. (March 31, 2016: 10.50% to 11.25% p.a.). The secured Indian rupee term loan from banks and financial institutions were refinanced during the year and the loan is repayable in 51 quarterly installments beginning from October 31,2016 . Out of the above, Indian rupee term loans from banks and financial institutions are repayable in 52 quarterly instalment beginning from July 2016 as against 56 quarterly instalments beginning from July 2010. The secured foreign currency loan from a bank is repayable in 56 quarterly instalments beginning from July 2010.

33 Secured Indian rupee term loan from a bank of Rs. 19.32 crore (March 31, 2016: Rs. 24.97 crore) of CDCTM is secured against charge on fixed assets and surplus account in accordance with an escrow agreement entered with the bank. The loan carries an interest rate of base rate plus 1.25% to 1.50% plus term premia. The loan is repayable in 28 equal quarterly instalments commencing from June 2012 and 20 equal quarterly instalments commencing from September 2014.

34 Secured Indian rupee term loans from banks and financial institutions of Rs. 4234.27 crore (March 31, 2016: Rs. 4,212.40 crore) of GKEL are secured by first mortgage and charge by way of registered mortgage in favour of the lenders / security trustees of all the immovable properties of GKEL, present and future / a first charge by way of hypothecation of all GKEL's movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, present and future, GKEL's stock of raw materials, semi-finished and finished goods and consumable goods, a first charge on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising present and future, intangibles, goodwill, uncalled capital, present and future / first charge on the TRA including the DSRA and other reserves and any other bank accounts, wherever maintained present and future first charge by way of assignment or creation of charge of all the right, title, interest, benefits, claims and demands whatsoever of GKEL in the project documents / in the clearances / in any letter of credit, guarantee, performance bond provided by any party to the project documents and all insurance contracts / insurance proceeds, pledge of shares (in the demat form) representing a minimum of 85.99% (March 31, 2016: 85.99%) of the total paid up equity share capital of GKEL. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The interest rate ranges from 11.95% to 13.75% p.a. (March 31, 2016: 12.10% to 13.75% p.a.). During the year ended March 31, 2015, GKEL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans (excluding cost overrun funding) are repayable in 47 equal quarterly instalments commencing from April 2015, in line with the revised schedule date of commercial operations. Further, cost overrun funding is repayable in 48 structured quarterly instalments from April 2016.

35 Secured Indian rupee term loans from banks and financial institutions of 3,314.59 crore (March 31, 2016: 3,418.32 crore) of GWEL except term loans under subservient charges are secured by way of a first charge by registered mortgage of all the immovable properties (present and future) and by hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods. Further, secured by way of a first charge on book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future, retention account, escrow account, DSRA and any other bank account, assignment / hypothecation on all rights, titles, interest, profit, benefits, claims, demand whatsoever of GWEL in the project documents/ clearances pertaining to the project / letter of credit / guarantee / performance bond/ corporate guarantee/ bank guarantee / provided by any party to the project documents as amended from time to time. Further, the loan is secured by pledge of equity shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. Rupee term loan from a bank of 200.00 crore is secured by a subservient charge with existing lenders on all the movable properties including but not limited to plant and machinery spares, tools, spares and accessories of the project and other movables both present and future.During the year ended March 31, 2015, GWEL had undertaken refinancing of existing loans pursuant to which the loans carry an interest rate of base rate plus 215 bbps (presently 11.45% p.a.) and the loans are repayable after a moratorium of 18 months with first instalment becoming due from June 2016, further 72% of the loans are repayable in 54 unequal structured quarterly instalments and balance 28% are repayable in September 2029 by way of refinancing. Rupee term loan from a bank of 105.00 crore (March 31, 2016: 105.00 crore) is repayable in 20 equal quarterly instalments commencing from July 2016 and carries a rate of interest ranging from 13.00% to 15.35% p.a. Further rupee term loan from a bank of 100.00 crore is repayable in 72 unequal quarterly instalments commencing from June 2016 and rupee term loan from a bank of 95.00 crore is repayable in 31 unequal quarterly instalments commencing from September 2017. These loans carry an interest rate ranging of 11.65% and 13.50% p.a. respectively. The loan from a financial institution of 100.00 crore (March 31, 2015: Nil) is repayable in 20 equal quarterly instalments commencing from April 2017 and carries an interest rate of 13.00% p.a.

36 Secured Indian rupee term loan from a financial institution of Rs. 500 crore (March 31, 2016: Rs. 600.00 crore) of the Company is secured by a first pari passu charge on 8,236 acres of land held by KSPL. The loan carries an interest rate of 11.75% p.a. (March 31, 2016: 11.75% p.a.) and is repayable in 10 equated annual instalments commencing from December 2012.

37 Secured Indian rupee term loan from a financial institution of Rs. 150.00 crore (March 31, 2016: Rs. 150.00 crore) of the Company is secured by exclusive first charge on land held by GKSEZ. The loan carries interest rate of 12.00 % p.a. (March 31, 2016: 12.00% p.a.). The loan is repayable in 7 equal annual instalments commencing from the end of four years from the date of first disbursement.

38 Secured Indian rupee term loan from a financial institution of Rs. 19.00 crore (March 31, 2016: Rs. 28.75 crore) of the Company is secured by a charge on the assets of the Company. The loan carries interest rate of 14.75% p.a. linked with lender's base rate on reducing balance and is repayable in 57 monthly instalments commencing from April 2014.

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39 Secured Indian rupee term loan from a financial institution of Rs. 173.32 crore (March 31, 2016: Rs. 195.00 crore) of the Company is secured by way of (a) first mortgage and charge on non-agriculture lands of SJK; (b) pledge of 2 crore equity shares of Re. 1 each of the Company, held by GHPL and (c) pledge of such number of equity shares of Rs. 10 each of GEL having book value of minimum of Rs. 400.00 crore held by the Company and in case of default in repayment of loan, the lender has the right to convert the loan into equity. The loan carries an interest rate of 14.25% p.a. (March 31, 2016: 14.25% p.a.) and is repayable in 18 quarterly instalments commencing from October, 2016.

40 Secured Indian rupee term loan from a financial institution of Rs. 260 crore (March 31, 2016: Rs. 260.00 crore) of the Company is secured by exclusive first charge on certain immovable properties located in the State of AP owned by NREPL, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi. The loan carries an interest rate of 12.15% p.a. March 31,2016: 12.15% p.a.)The loan is repayable in 6 equal annual instalments commencing at the end of five years from the date of first disbursement.

41 Secured Indian rupee term loan from a financial institution of Rs. 700 crore (March 31, 2016: Rs. 700.00 crore) of GEL is secured by way of first pari-passu charge on the land of KSPL and corporate guarantee given by the Company. The loan carries an interest of 12.00% p.a. (March 31, 2016: 12.00% p.a.) and is repayable in 6 equal instalments after the fifth year from the date of first disbursement. The loan was taken during the year ended March 31, 2013.As at March 31, 2017, the Company has defaulted in the quarterly payment of interest of Rs.20.71 Crore (March 31, 2016: Rs.20.94 Crore).

42 Secured Indian rupee term loans from banks and financial institutions of Rs. 225.76 crore (March 31, 2016: Rs. 196.53 crore) of GGSPPL except in case of one bank are secured by way of pledge of shares aggregating 51% of the total paid up capital of GGSPPL and first charge by way of mortgage of immovable properties of GGSPPL. Further, rupee term loan from the remaining one bank is secured by a subservient charge/ hypothecation/ mortgage/ assignment/ security interest on all movable and immovable assets present and future in favour of lender or security trustee The rate of interest in case of loans from banks ranges from 12.00% to 14.35% p.a. (March 31, 2016;12.00% to 14.35% p.a.) and in case of loans from financial institution, the rate ranges from 10.45% to 11.25% p.a. (March 31, 2016: 12.00% p.a.). Loans from Banks is fully repaid during the year. The loans from financial institutions are repayable in 53 & 55 quarterly instalments commencing from September 2016 & March 2017, .

43 Secured Indian rupee term loans from banks of Rs. 9.90 crore (March 31, 2016: Rs. 14.30 crore) of DASPL are secured by exclusive charge on movable assets of DASPL,entire current assets of DASPL and DASPL's escrow account receivables. The loans carry interest rate at BPLR plus 0.90% p.a., which is subject to reset at the end of agreed interval. The loans are repayable in 32 quarterly instalments commencing from July 2011 till April 2019.

44 Secured Indian rupee term loans from banks of Rs. Nil (March 31, 2016: Rs. 12.28 crore) of HASSL are secured by an equitable mortgage of leasehold right and title in respect of leasehold land belonging to GHIAL and other immovable properties and first charge on all movables, including movable machinery, machinery spares, tools, accessories, furniture, fixtures, vehicles and other movable assets, book debts, operating cash flows, receivables, intangibles, uncalled capital, commissions, revenues, present and future and assignment of all claims and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.37 crore equity shares of HASSL held by GHIAL. The loan carries interest rate at RBI Prime Lending Rate ('PLR') plus 3.00% p.a. The loan is repayable in 21 equal quarterly instalments commencing from March 2012.

45 Secured Indian rupee term loans from banks of Rs. 60.61 crore (March 31, 2016: Rs. 55.20 crore) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and an exclusive charge on all movable and immovable assets, operating cash flows, book debts, receivables, commissions, revenue of whatsoever nature, both present and future, and an exclusive charge on all bank accounts of the project, including TRA, escrow accounts etc. During the year ended March 31, 2015, the rupee term loan has been restructured at an interest rate of 11.00 % p.a. as against an earlier rate of 12.00% p.a. Further, on account of restructuring, GHASL got the additional term loan facility by way of additional funded interest term loan ('FITL'). Further, GHASL also got the moratorium of two years for repayment of loans (term loan and FITL) repayable over 32 unequal quarterly instalments beginning from June 2017 as against an earlier repayment term of over 40 unequal quarterly instalments beginning from November 2013.

46 Secured Indian rupee term loans (including FITL) from banks of Rs. 278.39 crore (March 31, 2016: Rs. 281.99 crore) of GAECL are secured by first pari-passu charge by way of (a) equitable mortgage of leasehold rights of land of GAECL and GATL to the extent of 16.46 acres on which MRO facilities are constructed with all the buildings, structures, etc. on such land; (b) hypothecation of all the movable assets of the GAECL and the subsidiary, GATL, including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets; (c) book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of GAECL and GATL; (d) all rights, title, interests, benefits, claims and demands whatsoever of GAECL and GATL, with respect to the insurance contracts; (e) on all the bank accounts of GAECL and GATL; (f) pledge of 51% of paid up share capital of GAECL held by GHIAL; and (g) un-conditional and irrevocable corporate guarantee of GHIAL pari passu among the lenders for their respective term loans and funded interest term loan. The loans carry interest rate of 11.00% p.a. (March 31, 2016: 11.00% p.a.). During the year ended March 31, 2015, rupee term loans from banks were restructured with a moratorium period of two years in repayment of loan. The loans are repayable in 40 quarterly unequal instalments beginning from June 2016 as against earlier repayment term of 40 quarterly unequal instalments beginning from February 2014. Further, the interest for a period of 25 months commencing from March 2014 has been converted into FITL and the FITL is repayable in 28 quarterly unequal instalments beginning from June 2016.

47 Secured Indian rupee term loans from banks of Rs. 28.73 crore (March 31, 2016: Rs. 28.50 crore) of DAFF are secured by a charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL. The rate of interest is base rate of the lender plus 8.6 p.a. . The loans were taken in two tranches, the first tranche is repayable in 48 quarterly instalments commencing from July 2011 and the second tranche is repayable in 20 quarterly instalments, calculated based on actual disbursements.

48 Secured Indian rupee term loans from banks of Rs. 109.99 crore (March 31, 2016: Rs. 136.04 crore) of DAPSL are secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of pledge of 30% of the issued and paid up capital of DAPSL, to be pledged at all the times during the tenure of loan. The loans carry interest rate is 8.55% p.a. (March 31, 2016: 10.55% to 11.25% p.a.) subject to reset at the end of every 12 months from the date of first disbursement. The loans were earlier repayable in 38 unequal quarterly instalments commencing from October 2015, however pursuant to refinancing the loans are repayable in 32 quarterly structured instalments commencing from June 2017.

49 Secured Indian rupee term loans from banks of Rs. 4.50 crore (March 31, 2016: Rs. 5.37 crore) of TIM are secured by a charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM, both present and future, under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of Rs 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lender, if any. The loans carry interest rate of 8.65 % to 9.40 % p.a. (March 31, 2016: 9.40 % to 11.75% p.a.) The loans were taken in two tranches, the first tranche is repayable in 24 equal quarterly instalments commencing from December 2011 and the second tranche is repayable in 16 equal quarterly instalments commencing from May 2014 and the third tranche is repayable in 42 equal monthly instalments commencing from July 2016 and the third tranche is repayable in 38 equal monthly installments from November 2016.

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

50 Secured Indian rupee term loans from banks and financial institutions of Rs. 669.94 crore (March 31, 2016: Rs. 425.10) of GBHHPL are secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA and other reserves and any other bank accounts of GBHHPL both present and future. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GBHHPL in the project documents. Further secured by way of pledge of 51% of its equity shares held by GEL. The loans from banks carry interest rate of base rate of the respective lender, base rate of respective lender plus 300 bbps to 330 bbps (March 31, 2016: base rate of respective lender plus 300 bbps to 330 bbps) and the loans from financial institutions carry interest rate of PLR of the respective lender minus 225 bbps except in case of one financial institution, which charges interest rate as per the respective lenders interest rate. The loans are repayable in 54 unequal quarterly instalments commencing from July 2019.

51 Secured Indian rupee term loan from a bank of Rs. 77.50 crore (March 31, 2016: Rs. 87.50 crore) of GADL is secured by first exclusive charge on GADL's loans and advances, current assets, cash flows and interest on inter corporate deposits/ sub debt including corporate guarantee from the Company and GAL. The loan is repayable in 28 quarterly instalments commencing from December 2013 and carries an interest rate of 11.75% p.a.(March 31,2016 : 11.75% to 12.25% p.a.)

52 Secured Indian rupee term loans from financial institutions of Rs. Nil (March 31, 2016: Rs. 100.00 crore) of GMRHL are secured by way of a pledge of 26% equity shares of GMRHL held by the Company. This term loan carries an interest rate of 13% p.a. for the first 13 months from the date of disbursement; 14% p.a. for the next 12 months from the end of 13 months from the date of first disbursement; 15% p.a. for the rest of the tenure of loan and the principle is repayable in a lumpsum within 37 months from the date of agreement i.e. March 2013.

53 Secured foreign currency loans from banks of Rs. 352.66 Crore (March 31, 2016: Rs. 362.70 crore) of GKEL are secured by first ranking charge/ assignment / mortgage / hypothecation / security interest on pari passu basis on all the immovable (including land) and movable properties (excluding mining equipment's) including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicles and other movable assets of GKEL, both present and future in relation to the project, all the tangible and intangible assets including but not limited to its goodwill, undertaking and uncalled capital, both present and future in relation to the project, all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any person under the project documents, all the rights, titles, permits, clearances, approvals and interests of GKEL in, to and in respect of the project documents and all contracts relating to the project, all the book debts, operating cash flows, receivables, all other current assets, commission, revenues of GKEL, both present and future in relation to the project and all the accounts and all the bank accounts of GKEL in relation to the project and pledge of shares (in the demat form) held by GEL, constituting 51% of the shares which shall be reduced to 26% of shares on repayment of half the loans subject to the compliance of conditions put forth by the lenders. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The rate of interest for each interest period is the rate p.a. which is aggregate of six months LIBOR and the applicable margin calculated at two business days prior to the relevant interest period. GKEL has to repay 1% p.a. of the total foreign currency loans drawdown amount commencing 12 months from the initial drawdown date for first four years and thereafter the balance amount is to be paid in 32 quarterly instalments from fifth year onwards.

54 Secured foreign currency loans from banks of Rs. Nil (March 31, 2016: Rs. 577.24 crore) of DIAL are secured by first rank pari-passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further secured by the pledge of requisite shares held by the consortium of GAL, MAMPL and FAG (shareholders of DIAL). The loans carry an interest at 6 months LIBOR plus agreed spread of 480 bbps. However, DIAL had entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per terms of the loan agreement.

55 Secured foreign currency loan from a bank of Rs. 100.45 crore (March 31, 2016:Rs. 99.30 Crore) of PTGEMS is secured by certain properties and equipments of PTGEMS and its subsidiaries; and pledge of shares and corporate guarantees from Group companies. The loan is repayable over a period of 10 years. The rate of interest is 10.00% p.a.(March 31,2016 :10.00% p.a.) subject to rate revisions from time to time.

56 Secured foreign currency loans from banks of Rs. 2,451.86 crore (March 31, 2016: Rs. 2,528.98 crore) of GCRPL are secured by a charge over all tangible and intangible assets of GCRPL and a charge over the shares of GCRPL held by GEL and the Company. Further, secured by way of guarantee by the Company and a non-disposable undertaking with respect to shares held in PTGEMS by GCRPL. The loan carries interest rate of six month LIBOR plus 4.25% p.a. The term loans are repayable in 4 instalments of 5% of the loans within 24 months from the first utilisation date i.e. in October 2011, 10% within 36 months from the first utilisation date, 10% within 48 months from the first utilization date and the final instalment of 75% on the maturity date i.e. in October 2016.

57 Secured foreign currency loans from banks of Rs. 945.56 crore (March 31, 2016:Rs. 801.00 Crore) of GMCAC are secured against the collateral security of all monies deposited by GMCAC and from time to time standing in the cash flow waterfall accounts; the project receivables; the proceeds of any asset and business insurance obtained by GMCAC, except for the proceeds of insurance policies arising from damage of any project assets; the project documents (accession agreement, technical service agreement and engineering and procurement contract); and the 100% of the total issued and outstanding capital stock of GMCAC. The loans carry a rate of interest of base rate plus credit spread for Philippines peso loans and LIBOR plus credit spread for USD loans. The loans shall be repayable in 12 unequal yearly instalments with the final instalment being paid 15 years after initial drawdown date.

58 Secured foreign currency loans from banks of Rs. 53.75 crore (March 31, 2016: Rs. 36.25 crore) of GUKPL is secured by mortgage of land and building existing or to be created in future owned by GUKPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender by GEL and also secured by way of acknowledgment letter from Government of Nepal through Investment Board of the Government of Nepal, as per Section 14.1 of Project Development Agreement of GUKPL's assignment/transfer of GUKPL's rights or benefits. Further secured by way of assignment of rights and benefits as per Section 14.1 of Project Development Agreement and hypothecation of entire work in progress. The bridge gap loan is for three years from the first disbursement date (i.e. December 2014) or till three months after financial closure whichever is earlier. The loan carries interest rate at 9.50 % p.a(March 31, 2016: 8.50% p.a.). The interest rate shall be reviewed semi-annually.

59 Unsecured Indian rupee term loan from others of Rs. 0.60 crore (March 31, 2016: Rs. 0.70 crore) of HMACPL is interest free. The loan is repayable in 15 equal annual instalments of Rs. 0.10 crore each commencing from April 2009.

60 Secured loan from others of Rs. 0.12 crore (March 31, 2016: Rs. 0.17 crore) of the Company is secured by certain vehicles of the Company. The loan carries an interest rate of 10.33% p.a. (March 31, 2016: 10.33% p.a.) and is repayable in 60 equal monthly instalments commencing from April 2014.

61 Unsecured foreign currency loan from a bank of Rs. 317.34 crore (March 31, 2016: Rs. 330.51 crore) of GISPL is secured by an irrecoverable and unconditional standby letter of credit up to a limit of USD 5.00 crore guaranteed by the Company. The loan carries an interest at 6 months LIBOR plus margin of 3.07% p.a. (March 31, 2016: interest at 6 months LIBOR plus margin of 3.07% p.a.) and is repayable over a period of 5 years over 9 instalments of 1% within 12 months from the first utilisation date, 1% within 18 months from the first utilisation date, 1.25% within 24 months from the first utilisation date, 2.50% within 30 months from the first utilisation date, 7.50% within 36 months from the first utilisation date, 9.25% within 42 months from the first utilisation date, 9.50% within 48 months from the first utilisation date, 9.50% within 54 months from the first utilisation date and a final instalment of 58.50% on the maturity period of 60 months.

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62 Unsecured foreign currency loans from others of Rs. 6.74 crore (March 31, 2016: Rs. 6.90 crore) of CDCTM carries an interest rate of six month LIBOR rate plus spread of 500 bbps and is repayable in a single instalment on maturity i.e. May 2018.

63 Secured Indian rupee term loans from banks and financial institutions against development fees receipts of Rs. Nil (March 31, 2016: Rs. 84.00 crore) of DIAL are secured by pari passu first charge on development fees. The loans are repayable from collection of development fees receipts and the repayment commitments are as per the loan agreement. The loans carry fixed rate of interest at 11.50% p.a.(March 31,2016: 11.95% p.a.)

64 Indian rupee term loan from a bank of Rs.Nil (March 31, 2016: 18.17 Crore) of GVPGL is secured by way of fixed deposits and corporate guarantees of GREEL. The loan is repayable in seven equal quarterly instalments from the end of 3 months from the date of first disbursement of the facility and carries an interest of bank's base rate plus spread of 1.25% p.a.

65 Unsecured suppliers' credit of Rs.Nil of GGSPPL (March 31, 2016: Rs. 48.00 crore) represents interest free retention money repaid during the current year

66 Finance lease obligations of Rs. 0.66 crore (March 31, 2016: Rs. 0.66 crore) of GPCL are secured by underlying assets taken on finance lease arrangement. The lease term is of 5 years and it carries an interest of 10.00% p.a. (March 31, 2016:10.00% p.a.).

67 Negative grant of Rs. 66.41 crore (March 31, 2016: Rs. 66.41 crore) of GACEPL is interest free. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2016, an amount of Rs. 66.41 crore (March 31, 2016: Rs. 61.16 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders.

68 Interest free loan from others of Rs. 315.05 crore (March 31, 2016: Rs. 315.05 crore) of GHIAL received from the State Government of Telangana (erstwhile State Government of Andhra Pradesh) is repayable in 5 equal instalments commencing from 16th anniversary of the commercial operations date of GHIAL i.e. March 2008.

69 Secured Indian rupee term loan from a bank of Rs.41.67 crore (March 31, 2016: 83.34 crore) of KSPL is secured by pari passu first charge on land and buildings appurtenant thereon and first ranking exclusive charge over DSRA. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate of 9.25% p.a. plus spread of 5.50% p.a. (March 31, 2015: 9.35% p.a. plus spread of 5.50% p.a.) and is repayable in 12 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. October 2014.

70 Finance lease obligation of 3.40 crore (March 31, 2016: 0.05 Crore) of TIM on account of vehicle lease is secured by hypothecation of vehicle. The interest rate implicit in the lease is 13.00% p.a. The loan is repayable in 36 unequal monthly instalments.

71 Secured Indian rupee term loans from financial institutions of Rs. 10.97 crore (March 31, 2016: Rs. 15.85 crore) of GAPL are secured by way of hypothecation of aircrafts of GAPL and guarantee issued by the Company. The rate of interest ranges from 10.22% p.a. (March 31, 2016: 10.23% to 11.38% p.a.). The loan is repayable in quarterly instalments of Rs. 1.22 crore each with an option to preclose at the end of year 1 and thereafter on every interest reset date with 30 days written notice to the lender without any prepayment premium.

72 Secured suppliers' credit of Rs. 19.30 crore (March 31, 2016: Rs. 39.38 crore) of GAPL is secured by way of hypothecation of aircrafts, guarantee issued by the Company and a bank guarantee given by GAPL. The rate of interest is six months LIBOR plus spread of 115 bbps. The interest rate is hedged at 3.66% p.a. The loan is repayable in 16 equal half yearly instalments commencing from April 2010.

73 Secured Indian rupee loan from a financial institution of Rs. 62.49 crore (March 31, 2016: 55.42 Crore) of SJK is secured by the way of (a) pledge on 1.70 crore equity shares of the Company; (b) pledge on 100% equity shares of GPEL; (c) pledge on 49% equity shares of GTAEPL; (d) pledge on 49% equity shares of GTTEPL; (e) pledge on 26% equity shares of GHVEPL; (f) First pari passu charge on loans and advances of the above mentioned road companies; (g) pledge on 21% equity shares of GMRHL; (h) pledge on 26% preference share capital of GMRHL; (i) charge by the way of mortgage on certain properties; and (j) charge by the way of mortgage on 82 acres of immovable property located at Maharashtra. The loan carries interest rate at lender's benchmark rate less spread of 6.00% p.a. The entire loan is repayable on bullet repayment on the date falling 36 months from the date of first disbursement i.e. September 2018.

74 Secured Indian rupee loan from a financial institution of Rs. 75.00 crore (March 31, 2016: Nil) of RSSL is secured by the way of a irrevocable Corporate Guarantee issued by GMR Infrastrucure Limited (GIL), charge on present and future assets of the company created out of the term loan, charge on 10% of FD margin of the outstanding facility amount, mortgage of various immovable properties of the group and pledge of the shares of various companies of the group.The loan carries the interest rate of 10.85% p.a.(March 31,2016 : Nil).The loan is repayable in 28 quarterly instalments commencing from October 31, 2017

75 Unsecured Indian rupee term loans from financial institutions of Rs. 125 Crores (March 31, 2016: Nil) of GREEL. Loan is repayable in monthly installments starting from July'17.The last repayament date is December 2021

76 Secured Indian rupee term loan from a financial institution of Rs. 150.00 crore (March 31, 2016:Rs. 150 Crore) of KSPL is secured by pari passu first charge on land to the extent of 8,236.50 acres along with escrow of receivable from land leasing of 916 acres under Phase-I and lien on fixed deposit of 5.65 crore. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate of 11.70% p.a.plus spread of 2.75% and is repayable in 8 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e.September 2017.

77 Secured Indian rupee term loan from a bank of Rs. 405.00 crore (March 31, 2016: Rs.450.00 Crore) of GAL is secured by exclusive first charge by way of hypothecation on GAL's movable fixed assets (except investments) and current assets, revenues and receivables, both present and future, monies lying in the accounts of GAL, including TRA. Further secured by pledge of 26% equity shares of GAL held by the Company, an unconditional and irrevocable corporate guarantee from the Company, non-disposal undertaking and power of attorney executed in favor of bank (to be executed for any acquisition of shares by GAL in DIAL beyond 54%). The loan carries interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The rate of interest is ranging from 10.25% to 10.20% p.a. (March 31, 2016:10.70% to 10.25%). 76% of the loan is repayable in 15 quarterly equal instalments commencing from March 2017 till September, 2020. The balance 24% of the loan shall be repaid as a bullet repayment in September 2020

78 Unsecured Indian rupee term loan from others of Rs.10.79 crore (March 31, 2016: Rs.12.96 crore) of Laqshya is interest free. The loan is repayable in 6 unequal annual instalments commencing from the financial year 2015-16.

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6 Other long-term liabilities

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Trade payables	87.95	29.14
	87.95	29.14
Others		
Advance / deposits received from customers	261.79	315.23
Unearned revenue	9.48	13.26
Deposits / advances from concessionaires	596.80	104.33
Deposits / advances from commercial property developers	1,566.57	1,471.51
Concession fee payable	229.87	183.67
Non-trade payable (including retention money)	78.80	98.57
	2,743.31	2,186.57
	2,831.26	2,215.71

7 Provisions

	Long-term		Short-term	
	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Provision for employee benefits				
Provision for gratuity	18.68	10.94	4.59	1.57
Provision for leave benefits	12.90	-	69.55	70.64
Provision for voluntary retirement compensation	17.83	34.90	17.07	17.61
Provision for other employee benefits	-	-	38.50	41.27
	49.41	45.84	129.71	131.09
Other provisions				
Provision for taxation (net)	8.79	-	107.80	50.44
Provision for debenture redemption premium	-	-	1.91	3.94
Provision for mark to market losses on derivate contracts	-	-	75.41	50.12
Provision for operation and maintenance (net of advances)	120.12	58.16	38.44	53.71
Proposed equity dividend	-	-	0.43	-
Provision for tax on proposed equity dividend	-	-	-	5.98
Proposed preference dividend	-	-	0.01	-
Provision for tax on proposed preference dividend by a subsidiary	-	-	-	0.11
	128.91	58.16	224.00	164.30
	178.32	104.00	353.71	295.39

8 Short-Term Borrowings

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Secured:		
Cash credit and overdraft from banks	572.62	504.47
Letters of credit / bills discounted	-	10.98
Indian rupee short term loans from banks	73.81	185.88
Foreign currency short term loans from banks	-	6.73
Indian rupee short term loans from financial institutions	2.72	246.02
Indian rupee short term loans from others	1.02	-
Unsecured:		
Debentures	-	
Foreign currency short term loans from banks	224.68	360.56
Indian rupee short term loans from banks	192.30	425.42
Indian rupee short term loans from others	34.14	1.04
Others	333.16	-
	1,434.45	1,741.10
The above amount includes		
Secured borrowings	650.17	954.08
Unsecured borrowings	451.12	787.02
	1,434.45	1,741.10

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

1 Cash credit from a bank of Rs.10.02 crore (March 31, 2016: Rs. Nil) of GETL is secured by exclusive charge on current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is ranging from 11.82% to 13.03% p.a. (March 31,2016 13.03% p.a.)

2 Cash credit from a bank of Rs. 2.87 crore (March 31, 2016: Rs. 0.95 crore) of GAPL is secured by way of a corporate guarantee from the Company and a charge over current assets of GAPL. The rate of interest is 14.35% p.a. (March 31, 2016: 14.35% p.a.).

3 Cash credit from a bank of Rs. 21.05 crore (March 31, 2016: Rs. 23.42 crore) of GATL is secured by first charge on entire current assets and cash flows including stocks, receivables, bank balances etc., first pari passu charge by way of extension of equitable mortgage of leasehold rights of land to the extent of 16.46 acres registered in the name of GAECL on which MRO facilities have been created along with all the buildings and structures, first pari passu charge by way of hypothecation of all the movable assets belonging to GATL and GAECL and including but not limited to plant and machinery, machinery spares, tools and accessories and corporate guarantee from GAECL. The rate of interest is base rate of the bank plus 3.90% p.a. (March 31, 2016: base rate of the bank plus 3.95% p.a.).

4 Cash credit from a bank of Rs. Nil crore (March 31, 2016: 4.24 crore) of GHRL is secured by way of first pari passu charge on entire current assets and cash flows including stocks, receivables, bank balances etc. with existing term lenders and collateral first pari passu charge by way of extension of equitable mortgage of the immovable properties and assets pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land. The rate of interest is ranging from base rate of the lender plus 2.50% to 3.80% p.a. (March 31, 2016: base rate of the lender plus 2.50% to 3.80% p.a.).

5 Cash credit from banks of Rs.158.37 crore (March 31, 2016: Rs.110.10 crore) of GKEL are secured by way of first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 87.42%(March 31,2016: 85.99%) of the total paid up equity share capital of GKEL held by GEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders. The rate of interest is ranging from 11.90% to 13.95% p.a. (March 31, 2016: 11.90% to 14.00% p.a.).

6 Cash credit from banks of Rs.270.47 crore (March 31, 2016: Rs. 237.48 crore) of GWEL are secured by way of a first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 51% of the total paid up equity share capital of EMCO. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements/ bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. The rate of interest is ranging from 12.10% to 13.60% p.a. (March 2016: base rate of the lender plus 2.25%).

7 Cash credit from a bank of Rs. 1.09 crore (March 31, 2016: Rs. 5.32 crore) of DASPL is secured by way of first charge on DASPL escrow account after payment of statutory dues and dues to DIAL. The rate of interest is bank prime lending rate plus 1.65%, which is subject to reset at the end of agreed interval.

8 Cash credit from banks of Rs.Nil (March 31, 2016: Rs. 19.90 crore) of DDFS are secured by first charge by way of hypothecation on DDFS's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank and first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institution), in a form and manner satisfactory to the bank and pledge of 30% of sponsors' shareholding in DDFS worth Rs. 24.00 crore in accordance with section 19(2) and 19(3) of the Banking Regulation Act and escrow agreement between the bank and DDFS for first and exclusive charge on receivables. The rate of interest is 10.75% p.a. (March 31, 2016: 3.62% p.a.).

9 Bank overdraft of Rs. 76.31 crore (March 31, 2016: Rs. 77.46 crore) of the Company is secured by a first charge on current assets of the EPC division of the Company and a lien on fixed deposits with banks of the Company and the rate of interest is ranging from 13.00% to 13.75% p.a. (March 31,2016 :13.00% to 13.75% p.a.)

10 Secured Indian rupee short term loans from banks of Rs.Nil crore (March 31, 2016: Rs. 9.41 crore) of KSPL are secured by way of a charge on fixed deposits of PAPPL. The rate of interest is interest rate on fixed deposit plus 1.00% p.a. or base rate whichever is higher.

11 Bills discounted of Rs. Nil (March 31, 2016: Rs. 10.98 Crore) of GVPGL are secured by first charge over the current assets of GVPGL and a corporate guarantee by GPCL. The rate of interest of bills discounted is 9.95% p.a.

12 Secured Indian rupee short term loan from a bank of Rs. 2.59 crore (March 31, 2015: Rs.Nil) of CDCTM is secured against trade receivables including unbilled revenue. The rate of interest is ranging from 11.50% to 12.00% p.a.

13 Secured Indian rupee short term loan from a bank of Rs.46.85 crore (March 31, 2016: Rs. 18.75 Crore) of GETL is secured by an exclusive charge over the current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is ranging from 11.67% to 12.82% p.a. (March 31,2016 :12.82% p.a.)

14 Secured Indian rupee short term loans from a bank of Rs.4.89 Crore (March 31, 2016: Rs.0.01 Crore) of DAFF was secured by way of charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL and rate of interest was 8.60 p.a. (March 31, 2016: 9.65% p.a.).

15 Secured Indian rupee short term loans from banks of Rs. 7.93 crore (March 31, 2016: Rs. 55.69 crore) of DSPL are secured against fixed deposits of certain Group Companies. The rate of interest is ranging from 8.55% to 11.30% p.a. (March 31, 2016: 9.99% to 10.95% p.a.).

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16 Secured Indian rupee short term loans from banks of 0.02 crore (March 31, 2016: 11.45 Crore) of GREL are secured by first charge on all movable, immovable properties, including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA and other reserves and any other bank accounts of GREL both present and future; further secured by way of assignments/hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto; further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future; Further secured by way of pledge of 115.70 crore shares held by GEL. The rate of interest is base rate of lender plus 200 bbps.

17 Unsecured Indian rupee short term loans from banks of Rs. Nil (March 31, 2016: Rs. 118.75 crore) of GETL carry an interest rate of ranging from 10.25% to 11.40% (March 31,2016: 10.70% to 11.40% p.a.)

18 A standby letter of credit had been invoked by the bank and the amount outstanding and due for payment as at March 31,2016 was Rs. 84.69 crore. The loan carried an interest rate of 17.00% p.a. and was secured by a first charge over the current assets of GEL and a second charge over the entire fixed assets of GEL. The Company has repaid the entire amount.

19 Secured Indian rupee short term loans from banks of Rs. Nil (March 31, 2016: Rs. 5.88 crore) of GEL are secured against fixed deposits of GPCL and GVPGL and the rate of interest is ranging from 9.75% to 10.80% p.a.(March 31, 2016: 9.75% to 12.00% p.a.)

20 Unsecured Indian rupee short term loans from a bank of Rs. 144.80 crore (March 31, 2016: Rs. 211.70 crore) of GBHPL carries an interest rate of 8.60% p.a. (March 31,2016 : 10.55% to 11.40% p.a)

21 Unsecured short term loans from Bank of Rs.5.25 Crores (March 31,2016:Rs.Nil) is secured against third party fixed deposit carries an interest rate of 9.70% p.a. repayable on or before 12th Apr'2017.

22 Bank Overdraft of Rs 14.58 Crore (March 31,2016 :Nil) of GMRHL is secured by the Pledge of FD of GTTEL of Rs 14.16 Cr and GIL - SIL JV of Rs 20 Cr. The interst rate is ranging from Bank base rate +2% (March 2016 : Nil). The principle is repayable as per tenure of 2 months on demand.

23 Secured Indian rupee loan from bank of Rs 11 Crore (March 2016 : Nil) of GMRHL is secured by way of pledge of FDs of GPEL of Rs 11.65 Cr. The interest rate of Quarterly MCLR i.e effective rate 9.30% p.a payable monthly.

24 Cash credit from a bank of Rs. 1.52 crore (March 31, 2016: Rs. 0.98 crore) of TIM is secured by charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM both present and future under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of Rs 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lenders, if any. The rate of interest is 8.65% to 9.40% p.a. (March 31, 2016: 9.40% to 12.25% p.a.).

25 Unsecured Indian rupee short term loans from a bank of 47.50 crore (March 31, 2016:47.50 Crore) of GBEPL carries interest rate ranging at 11.25%p.a(March 31,2016 : 10.95% p.a.

26 Secured Indian rupee short term loan from a bank of Rs.0.17 (March 31, 2016: 0.29 crore) of GSPHPL .The rate of interest was 10.90% p.a. (March 31, 2016: 10.90% p.a.). Loan is repayable in 108 month installments

27 Bank overdraft of 16.32 crore (March 31, 2016: 23.62 crore) of the Company is secured by a charge on trade receivables and a lien on fixed deposits with banks amounting to 6.00 crore and irrevocable corporate guarantee issued by the company (GIL) and the rate of interest is 12.50% p.a.

28 Secured Indian rupee short term loans from a financial institution of Rs.1.02 Crore (March 31, 2016: Rs. 1.02 crore) of GEL is secured against (a) exclusive charge by way of pledge on 100% equity shares of GPEL; (b) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (d) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (e) cross collateralisation with existing securities (including pledge of the Company's shares, mortgage of properties, DSRA deposits and others at the sole discretion of the financial institution) offered for the existing facilities extended to the Group by the lender under the existing loan agreements; (f) corporate guarantee of GMRHL and (g) DSRA deposit of 1 quarter principal and interest obligations on roll over basis. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter has an option to require GEL to repay the entire loan. The rate of interest is lender's benchmark rate plus 4.00% p.a. spread. The loan is repayable unequally over a period of four years, after a moratorium period of six months. The Company has prepaid the entire loan during the year.

29 Secured Indian rupee short term loans from a financial institution of Rs .Nil (March 31, 2016:Rs. Rs.245 Crore) of GEL is secured against (a) exclusive charge by the way of pledge on 1.70 crore equity shares of the Company held by GHPL; (b) exclusive charge by way of pledge on 100% equity shares of GPEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (d) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (e) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (f) First pari passu charge on loans and advances of the above mentioned road companies; (g) exclusive charge by the way of mortgage on certain immovable properties of GHPL; (h) exclusive charge by the way of mortgage immovable properties located at Maharashtra and (i) NDU on 11% equity shares of GAHL, held by the Company. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter has an option to require GEL to repay the entire loan. The rate of interest is lender' lender's benchmark rate plus 4.00% p.a. spread. The loan is repayable unequally over a period of four years, after a moratorium period o

30 Unsecured foreign currency short term loan from a bank of ` 224.68 crore (March 31, 2016: Rs. 360.56 crore) of GISPL is secured by a standby letter of credit provided by the Group, up to a limit of USD 5.50 crore and bears interest at 3 months LIBOR plus margin of 1.50% p.a. (March 31, 2016: 3 months LIBOR plus margin of 1.25% p.a.).

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

9 Other current liabilities

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Trade payables (including acceptances)	2,208.35	1,946.83
	2,208.35	1,946.83
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	3,104.74	10,136.76
Deposits / advances from concessionaires	146.43	14.14
Deposits / advances from commercial property developers	94.74	97.65
Interest accrued but not due on borrowings	260.46	233.89
Interest accrued and due on borrowings	363.74	510.15
Others		
Advances / deposits from customers	1,068.53	1,599.85
Book overdraft	0.14	-
Non trade payables (including retention money)	2,138.52	2,798.82
Statutory dues payable	209.31	143.10
Unearned revenue	87.60	56.36
Development fee accrued (to the extent not utilised)	4.15	4.15
Other liabilities	234.30	190.93
	7,712.66	15,785.80
	9,921.01	17,732.63

10 Loans and advances

		Non-current		Current	
		March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Capital advances					
Unsecured, considered good		397.45	1,080.76	-	-
	(A)	397.45	1,080.76	-	-
Security deposit					
Unsecured, considered good		50.38	107.20	37.54	39.14
Unsecured, considered doubtful		0.31	0.31	-	-
		50.69	107.51	37.54	39.14
Provision for doubtful deposits		(0.31)	(0.31)	-	-
	(B)	50.38	107.20	37.54	39.14
Advances recoverable in cash or kind					
Unsecured, considered good		42.40	161.36	866.59	575.63
Unsecured, considered doubtful		25.56	16.04	1.91	1.58
		67.96	177.40	868.50	577.21
Provision for doubtful advances		(25.56)	(16.04)	(1.91)	(1.58)
	(C)	42.40	161.36	866.59	575.63
Other loans and advances					
Unsecured, considered good					
Advance income-tax (net), including paid under protest		349.86	345.12	-	-
MAT credit entitlement		266.14	162.31	0.04	-
Prepaid expenses		30.12	15.10	54.89	70.23
Loan to others		267.19	218.65	199.16	30.34
Loans to employees		0.85	1.15	6.77	12.63
Deposits / balances with statutory / government authorities		229.54	215.09	35.27	59.86
		1,143.70	957.42	296.13	173.06
Unsecured, considered doubtful					
Loans to others		-	49.32	-	-
Balances with statutory / government authorities		6.23	6.23	-	-
Loans to employees		-	-	-	3.80
		6.23	55.55	-	3.80
Provision for doubtful advances		(6.23)	(55.55)	-	(3.80)
	(D)	1,143.70	957.42	296.13	173.06
Total (A+B+C+D)		1,633.93	2,306.74	1,200.26	787.83

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Adjustments against development fund (DF)

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Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

11. Tangible Assets

(Rs. in crore)

Particulars	Freehold land	Leasehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, culverts, bunders etc.	Plant and machinery	Leasehold improvements	Office equipment (including computers)	Furniture and fixtures(including electrical installations and equipments)	Vehicles and aircrafts	Leased assets - plant and machinery	Leased assets - vehicles	Total
Gross block													
Cost or valuation													
As at April 1, 2015	377.80	248.99	2,601.95	7,775.49	396.47	16,559.48	258.42	368.93	1,534.91	330.05	2.46	0.07	30,455.02
Reclassification	-	-	-	(14.60)	-	(15.92)	-	-	22.27	(18.90)	-	-	(27.15)
Additions	41.03	9.15	13.92	872.21	-	10,158.56	2.68	30.78	43.78	1.58	-	0.08	11,173.77
Additions on inclusion of subsidiary companies / jointly controlled entities	6.36	-	-	27.58	-	2.37	-	2.99	4.78	0.72	-	-	44.80
Disposals	(1.29)	(1.82)	-	(1.46)	-	(15.06)	(0.31)	(0.60)	(1.37)	(2.12)	-	-	(24.03)
Deletion on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	-	-	(0.25)	-	(0.22)	(0.09)	(0.57)	-	-	(1.13)
Adjustments against development fund (DF)	-	-	0.57	2.58	0.11	1.29	-	-	0.46	-	-	-	5.01
Other adjustments	-	-	-	(0.93)	-	(1.07)	-	-	-	-	-	-	(2.00)
Exchange differences	0.02	2.63	21.28	89.49	3.04	374.18	0.86	2.69	16.68	2.99	-	-	513.86
Borrowing costs	-	-	-	322.69	-	3,840.16	-	-	-	-	-	-	4,162.85
As at March 31, 2016	423.92	258.95	2,637.72	9,073.05	399.62	30,903.74	261.65	404.57	1,621.42	313.75	2.46	0.15	46,301.00
Additions	3.24	16.61	12.21	114.31	-	86.12	18.84	34.80	77.38	6.21	-	-	369.72
Reclassifications during the year	-	-	-	9.95	-	3.27	0.11	-	0.02	0.24	-	-	13.59
Disposals	(3.42)	(5.41)	-	(64.78)	-	(68.72)	(3.04)	(18.49)	(3.90)	(0.79)	-	-	(168.56)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	(107.10)	(58.96)	-	(1,098.84)	-	(14,611.01)	(3.33)	(4.47)	(3.11)	(0.64)	-	-	(15,887.46)
Adjustments against development fund (DF)	-	-	0.15	0.66	0.03	0.33	-	-	0.12	-	-	-	1.29
Other adjustments	-	-	-	(0.71)	-	4.21	(0.00)	(0.08)	(0.02)	(0.48)	-	-	2.91
Exchange differences	0.00	-	(12.54)	(54.28)	(2.15)	(28.49)	(0.15)	(0.63)	(9.92)	(0.00)	-	-	(108.16)
As at March 31, 2017	316.65	211.18	2,637.54	7,979.36	397.50	16,289.45	274.08	415.69	1,682.00	318.28	2.46	0.15	30,524.33
Accumulated depreciation													
As at April 1, 2015	-	18.99	555.82	1,359.49	73.96	3,604.41	49.38	323.32	567.37	113.59	2.46	0.07	6,668.86
Reclassification	-	-	-	3.68	-	6.02	-	0.02	4.99	(14.71)	-	-	(0.00)
Charge for the year	-	10.48	108.50	380.43	13.36	1,135.27	23.92	25.73	207.55	20.59	-	0.03	1,925.86
Additions on inclusion / jointly controlled entities	-	-	-	3.41	-	0.84	-	2.32	2.64	0.43	-	-	9.64
Disposals	-	-	-	(0.31)	-	(12.58)	(0.17)	(0.54)	(1.17)	(1.88)	-	-	(16.65)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	-	-	(0.07)	-	(0.16)	(0.03)	(0.23)	-	-	(0.49)
Exchange differences	-	0.77	-	0.75	-	0.34	(0.11)	0.33	0.35	0.07	-	-	2.50
As at March 31, 2016	-	30.24	664.32	1,747.45	87.32	4,734.23	73.02	351.02	781.70	117.86	2.46	0.10	8,589.72
Charge for the year	0.43	10.70	108.81	397.75	13.46	1,082.89	16.23	21.76	218.32	17.99	-	-	1,888.34
Disposals	-	-	-	(13.78)	-	(13.23)	(1.78)	(18.43)	(3.08)	(0.69)	-	-	(51.00)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	(0.78)	-	(93.42)	-	(650.75)	(0.35)	(3.65)	(1.59)	(0.42)	-	-	(750.96)
Other adjustments	-	-	-	-	-	(0.00)	0.92	(0.01)	(0.00)	-	-	-	0.90
Exchange differences	-	(0.02)	-	0.02	-	(0.00)	(0.00)	(0.02)	(0.01)	(0.00)	-	-	(0.03)
As at March 31, 2017	0.43	40.15	773.13	2,038.02	100.78	5,153.13	88.03	350.67	995.34	134.74	2.46	0.10	9,676.97
Accumulated impairment													
As at April 1, 2015	-	-	-	-	-	25.64	-	-	-	-	-	-	25.64
Charge during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2016	-	-	-	-	-	25.64	-	-	-	-	-	-	25.64
Charge during the year	-	-	-	-	-	68.55	-	-	-	-	-	-	68.55
As at March 31, 2017	-	-	-	-	-	94.19	-	-	-	-	-	-	94.19
Net block													
As at March 31, 2016	423.92	228.71	1,973.40	7,325.60	312.30	26,143.87	188.63	53.55	839.72	195.89	-	0.05	37,685.64
As at March 31, 2017	316.22	171.04	1,864.42	5,941.33	296.72	11,042.13	186.05	65.02	686.66	183.54	-	0.05	20,753.17

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Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

Notes : Tangible assets

Sl No	Note
1	Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities includes : a. Gross block of Rs. 141.15 crore & accumulated depreciation of Rs. 18.33 crore pertaining to ATSCL during the year ended March 31, 2016. b. Gross block of Rs. 250.03 crore & accumulated depreciation of Rs. 31.90 crore pertaining to MTSCL during the year ended March 31, 2016. c. Gross block of Rs. 10,670.35 crore & accumulated depreciation of Rs. 524.77 crore pertaining to GCHEPL during the year ended March 31, 2016. d. Gross block of Rs. 4,825.92 crore & accumulated depreciation of Rs. 175.95 crore pertaining to GREL during the year ended March 31, 2016.
2	Disposals of gross block assets includes reversal of outstanding liabilities of GHIAL amounting to Rs. Nil (March 31, 2016: Rs. 1.09 crore) pertaining to project construction which are no longer payable now and reversal for depreciation thereon amounting to Rs. Nil (March 31, 2016: 0.17 crore) under depreciation charge of the year.
3	Foreign exchange differences in gross block represents foreign exchange loss of Rs. 108.16 crore (March 31, 2016 : 513.86 crore foreign exchange gain) on account of translation of assets held by foreign entities which are consolidated on non-integral foreign operations as per the requirements of AS-11.
4	Foreign exchange differences in accumulated depreciation represents foreign exchange gain of Rs. 0.03 crore (March 31, 2016 : 2.50 crore foreign exchange loss) on account of the effect of translation of assets held by foreign entities which are consolidated on non-integral foreign operations as per the requirements of AS-11.
5	GKEL was charging depreciation on all assets as per CERC guidelines till Financial year 2014-15. During Financial year 2015-16, the Company has obtained expert legal opinion, which opined that the depreciation as per Companies Act, 2013 can be followed for Boiler, Turbine & Generator (BTG) cost with respect to Unit I and Unit II and CTU Transmission Lines which are generating power for bidding based PPA and sale on Merchant Basis. The Company, during the current year, has re-estimated the useful life of assets depreciated under Companies Act, 2013 to 40 years from 25 years. Due to change in the estimate of depreciation, the depreciation charge for the year has reduced by Rs. 30.45 crore.
6	GKEL has declared commercial operation of Phase 1 of the project constituting Unit 1, 2 & 3 of 350MW each on April 29, 2013, November 11, 2013 and March 24, 2014 respectively and accordingly the Buildings, Plant and machinery have been capitalised on that date based on the percentage of completion as certified by the Technical team of the Company. Certain common items of Phase 2 which is put to use along with Phase 1 have also been capitalised. Claims/ Counter claims arising out of the project related contracts including Engineering, Procurement and Construction (EPC) Contract and Non EPC contracts, on account of delays in commissioning of the project, or any other reason is pending settlement / negotiations with concerned parties. The Company has considered its best estimate of cost on the work completed based on the contract, work and purchase orders issued where the final bills are pending to be received /approved. Any adjustment on account of these contracts/bills would be adjusted to the cost of fixed asset in the year of settlement / crystallization.
7	During the year ended March 31, 2015, GVPGL has settled interest free 'Supplier's credit' of Rs 6,100.00 Lakhs, due on December 31, 2018, for Rs. 2,700.00 Lakhs. As the facility was originally provided by Larsen and Toubro Limited (EPC contractor), the Company has adjusted the difference of Rs 3,400.00 Lakhs with 'Plant and machinery' and the related depreciation expense of Rs. 1,469.65 Lakhs, charged since the date of capitalisation has been adjusted with the depreciation expense for the year ended March 31, 2015.
8	GEL has revised the estimated useful lives of its fixed assets with effect from April 01, 2014 from the rates prescribed as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 to the provisions of Schedule II of the Companies Act, 2013 except in case of plant and machinery for which useful life is considered as 25 years as prescribed by Central Electricity Regulatory Commission being the regulatory authority in the energy sector. Accordingly, the net book value of the fixed assets as at April 01, 2014, is being depreciated on a prospective basis over the remaining useful life. This change in accounting estimate has resulted in a decrease of Rs. 24.41 Million in depreciation expenses, with a corresponding increase in the net block of tangible assets.
9	Disposals include fixed assets written off which have been identified as unusable based on physical verification carried out by HMACPL during the year having a gross book value of Rs. 0.08 crore (March 31, 2016 Rs. 0.35 crore) and written down value of Rs. 0.08 crore (March 31, 2016 Rs. 0.012 crore).
10	DF collection charges of Rs. 1.29 crore (March 31, 2016 : Rs. 5.01 crore) paid towards development of aeronautical assets in DIAL is capitalised from the DFgrant.

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Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

12. Intangible Assets

(Rs. in crore)

Particulars	Goodwill on consolidation	Airport concessionaire rights	Capitalised software	Carriageways	Mining properties (including deferred exploration and stripping costs)	Technical know-how	Total
Gross block							
Cost or valuation							
As at April 1, 2015	3,844.40	1,315.87	115.74	6,342.21	209.62	31.36	11,859.20
Additions	522.39	-	3.61	8.35	68.59	-	602.94
Deletion on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	(0.05)	(1,263.09)	-	-	(1,263.14)
Exchange differences	170.37	(1.52)	0.25	-	10.68	-	179.78
As at March 31, 2016	4,537.16	1,314.35	119.55	5,087.47	288.89	31.36	11,378.78
Additions	-	53.41	4.04	3.79	11.50	-	72.74
Additions on inclusion / additional stake in subsidiaries / jointly controlled entities	9.23	-	0.47	-	-	-	9.70
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	(1.43)	-	(2.85)	-	(59.84)	-	(64.11)
Exchange differences	(48.39)	(27.20)	81.07	-	0.16	-	5.64
As at March 31, 2017	4,496.57	1,340.56	202.28	5,091.26	240.71	31.36	11,402.74
Accumulated Amortisation							
As at April 1, 2015	38.56	66.06	94.39	949.27	68.57	22.36	1,239.21
Charge for the year	38.56	26.69	8.80	213.28	54.91	6.12	348.36
Deletion on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	(0.05)	(51.22)	-	-	(51.27)
Exchange differences	-	(4.37)	0.25	-	5.30	-	1.18
As at March 31, 2016	77.12	88.38	103.39	1,111.33	128.78	28.48	1,537.48
Charge for the year	-	14.94	7.06	195.10	43.55	2.87	263.52
Additions on inclusion / additional stake in subsidiaries / jointly controlled entities	-	-	0.40	-	-	-	0.40
Disposals	-	-	-	-	(0.02)	-	(0.02)
Deletion on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	(0.99)	-	(2.82)	-	(3.81)
Exchange differences	-	(1.09)	(0.01)	-	0.00	-	(1.09)
As at March 31, 2017	77.12	102.23	109.85	1,306.43	169.50	31.35	1,796.48
Accumulated impairment							
As at April 1, 2015	197.76	-	-	-	-	-	197.76
Charge for the year	100.16	-	-	-	-	-	100.16
As at March 31, 2016	297.92	-	-	-	-	-	297.92
Charge for the year	-	-	-	385.70	-	-	385.70
As at March 31, 2017	297.92	-	-	385.70	-	-	683.62
Net block							
As at March 31, 2016	4,162.12	1,225.97	16.16	3,976.14	160.11	2.88	9,543.38
As at March 31, 2017	4,121.53	1,238.33	92.43	3,399.13	71.21	0.01	8,922.64

Notes : Intangible assets

Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities includes :

a. Gross block of Rs. 63.55 crore & accumulated depreciation of Rs. 3.42 crore pertaining to GCHEPL during the year ended 31 March, 2016.

b. Gross block of Rs. 0.56 crore & accumulated depreciation of Rs. 0.39 crore pertaining to GREL during the year ended 31 March, 2016.

Foreign exchange difference in goodwill on consolidation represents foreign exchange loss of Rs. 48.39 crore (March 31, 2016 : 170.37 crore foreign exchange gain) on account of translation of Goodwill arising out of consolidation of foreign subsidiaries / jointly controlled entities which are consolidated as non-integral foreign operations as per AS-11.

Foreign exchange differences in gross block includes foreign gain of Rs. 54.03 crore (March 31, 2016 : 9.41 crore) on account of translation of intangible assets held by foreign entities which are consolidated as non-integral foreign operations as per requirements of AS-11.

Foreign exchange differences in accumulated amortisation represents foreign exchange gain of Rs. 1.09 crore (March 31, 2016 : 1.18 crore foreign exchange loss) on account of effect of translation of intangible assets held by foreign entities which are consolidated as non-integral foreign operations as per requirements of AS-11.

Impairment of goodwill represents :

a. Rs. 100.16 crore of PTDSU during the year ended March 31, 2016.

b. Rs. 61.80 crore of SJK during the year ended March 31, 2015.

c. Rs. 35.94 crore of GAECL and GATL during the year ended March 31, 2015.

d. Rs. 385.70 crore of GHVEPL during the year ended March 31, 2017.

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Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

13 Non-current investments		March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Long term - at cost, unquoted			
A. In Equity shares of companies - Trade			
Vemagiri Power Services Limited			
[5,000 (March 31, 2016: 5,000) equity shares of Rs. 10 each, fully paid up]		0.01	0.01
Power Exchange India Limited			
[4,000,000 (March 31, 2016: 4,000,000) equity shares of Rs. 10 each, fully paid up]		-	4.00
Indian Highways Management Company Limited			
[555,370 (March 31, 2016: 5,55,370) equity shares of Rs. 10 each, fully paid up]		0.56	0.56
GMR Infrastructure Investments (Singapore) Pte. Limited			
[30,000 (March 31 2016: Nil) equity share of SGD 1 each]		0.11	
B. Investment in equity shares of associates - Trade #			
JEPL (net off share of losses amounting to Rs. 7.29 crore till the date on which JEPL ceased to be a subsidiary and became an associate)			
[49,117,388 (March 31, 2016: 49,117388) equity shares of Rs. 10 each, fully paid up]			
Less: Share of losses		-	28.34
UEPL (net off share of losses amounting to Rs. 11.53 crore till the date on which UEPL ceased to be a subsidiary and became an associate)			
[Nil (March 31, 2016: Nil) equity shares of Rs. 10 each, fully paid up]			
Less: Share of losses			
Less: Provision for dimunition in Value of Investments		-	32.50
EDWPCPL (net off share of losses amounting to Rs. 0.01 crore till the date)			
[7,839 (March 31, 2016: 7,839) equity shares of Rs. 10 each, fully paid up]	0.07		
Less: Share of losses	(0.07)	-	-
GOSEHHHPL (net off share of losses amounting to ` 46.62 crore till the date on which GOSEHHHPL ceased to be a subsidiary and became an associate) [82,823,000 (March 31, 2016:82,823,000) equity shares of ` 10 each, fully paid up		20.24	36.20
GCHEPL (net off share of losses amounting to Rs. 949.06 crore till the date on which GCHEPL ceased to be a subsidiary and became an associate)	2,243.10		
[272,05,38,505 (March 31, 2016:272,05,38,505) Equity shares of Rs.10 each fully paid-up]			
Less: Share of losses	(124.38)	2,118.72	
C. In Equity shares of body corporates - Trade			
GMR Holding (Malta) Limited ('GHML')			
[58 (March 31, 2016: 58) equity shares of EURO 1 each] (Rs. 3,924 (March 31, 2016: Rs. 3,924))		0.00	0.00
PT DSSP Power Sumsel			
[125 (March 31, 2016: 125) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%]		0.02	0.01
PT Manggala Alam Lestari ('MAL')			
[12,939 (March 31, 2016: 12,939) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%]		0.01	0.01
D. In Debentures of companies - Trade			
Kakinada Infrastructure Holdings Private Limited ('KIHPL') *			
[100 (March 31, 2016: 100) 0.10% cumulative optionally convertible Debentures of Rs. 10,000,000 each]		100.00	100.00
E. In Equity shares of companies - Other than trade			
Business India Publications Limited			
[5,000 (March 31, 2016: 5,000) equity shares of Rs. 10 each, fully paid up]		0.01	0.01
National Savings Certificate		0.00	
[Investment in Government Securities]			
F. In Government Bonds/ Securities			
Investment in Govt . Securities			
[Government Bonds issued by Government of Philippines]		1.51	
Total (A+B+C+D+E+F)		2,241.18	201.63
Less: Current portion of non-current investments (Rs. 68.70 Cr) (refer note 18)		(20.24)	(68.70)
		2,220.94	132.93

Pursuant to diversements of its Investments in JEPL, UEPL and EDWPCPL by the group during the Year Ended March 31, 2014 and in GOSEHHHPL during the Year ended March 31, 2016 and in GREL and GCHEPL during the Year Ended March 31, 2017, these entities ceased to be subsidiaries and have become associates.

* During the year ended March 31, 2011 GSPHPL had invested Rs. 100 Crore in KIHPL, a shareholder in KSPL, through Cumulative Optionally Convertible Debentures with coupon rate of 0.10% p.a. GSPHPL is entitled to exercise the option of conversion of the aforesaid debentures into Equity Shares of KIHPL at a mutually agreed valuation at any time not exceeding 36 months from the date of execution of the Debenture Agreement i.e., March 18, 2011. This period has been extended by 18 months with effect from March 18, 2014. During the Year Ended March 31, 2016 this period has been further extended by 36 Months from September 18, 2015. In the event GSPHPL, does not exercise the option to convert the debentures into shares within the said period, the debentures shall be compulsorily converted by KIHPL into equity shares on expiry of the aforementioned period.

1. Aggregate amount of non-current unquoted investments - Rs. 2,458.54 crore (March 31, 2016: Rs. 132.93 crore)
2. Aggregate provision for diminution in the value of non current investments - Rs. 4.05 crore (March 31, 2016: Rs. 0.05)

14 Trade receivables

		Non-current		Current	
		March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good		14.83	38.45	847.13	658.05
Unsecured, considered doubtful		-	1.72	62.70	34.00
		14.83	40.17	909.83	692.05
Provision for doubtful trade receivables		-	(1.72)	(62.70)	(34.00)
	(A)	14.83	38.45	847.13	658.05
Other receivables					
Unsecured, considered good		4.72	4.72	2,005.95	1,810.27
Unsecured, considered doubtful		-	-	1.87	-
		4.72	4.72	2,007.82	1,810.27
Provision for doubtful trade receivables		-	-	(1.87)	-
	(B)	4.72	4.72	2,005.95	1,810.27
Total (A+B)		19.55	43.17	2,853.08	2,468.32

15 Other assets

		Non-current		Current	
		March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Unsecured, considered good unless stated otherwise					
Non-current bank balances (refer note 17)		639.99	1,806.83	-	-
	(A)	639.99	1,806.83	-	-
Unamortised expenditure					
Ancillary cost of arranging the borrowings		95.15	305.71	16.30	132.23
	(B)	95.15	305.71	16.30	132.23
Others, unsecured considered good unless stated otherwise					
Interest accrued on fixed deposits		2.21	7.37	37.04	52.04
Interest accrued on current investments		-	-	0.65	0.61
Development fund receivable		-	-	-	83.99
Non trade receivables		316.55	1,228.08	31.34	101.72
Non trade receivables, considered doubtful		-	137.47	-	29.75
Grant receivable from authorities		-	-	3.95	0.04
Unbilled revenue		1.24	-	649.07	402.32
		320.00	1,372.92	722.05	670.47
Provision for doubtful non trade receivables		-	(137.47)	-	(29.75)
	(C)	320.00	1,235.45	722.05	640.72
Total (A+B+C)		1,055.14	3,347.99	738.35	772.95

16 Inventories (valued at lower of cost and net realisable value)

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Raw materials (refer note 22)	132.60	189.62
Work-in-progress	-	-
Traded goods / finished goods	139.61	160.51
Stores, spares and components	112.73	119.17
	384.94	469.30

17 Cash and bank balances

	Non-current		Current	
	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Cash and cash equivalents				
Cheques / drafts on hand	-	-	8.31	18.76
Cash on hand/ credit card collection	-	-	36.59	8.23
Balances with banks:				
– On current accounts ^^ **	0.28	0.28	722.41	693.41
– Deposits with original maturity of less than three months	-	-	1,081.02	887.84
	0.28	0.28	1,848.33	1,608.24
Other bank balances				
– Deposits with original maturity for more than 12 months	33.22	6.10	17.38	-
– Deposits with original maturity for more than 3 months but less than 12 months	230.13	103.60	669.26	472.57
– Restricted deposits * ^	376.36	1,696.85	189.44	1,040.51
	639.71	1,806.55	876.08	1,513.08
Amount disclosed under non-current assets (refer note 15)	639.99	1,806.83	-	-
	-	-	2,724.41	3,121.32

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18	Current investments	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
	Trade, unquoted		
	A. Investment in equity shares of associates (refer note 13 for details)		
	UEPL [68,783,615 (March 31, 2016: 68,783,615) equity shares of ` 10 each, fully paid up]	-	32.50
	GOSEHHHPL [82,823,000 (March 31, 2016: 82,823,000) equity shares of ` 10 each, fully paid up]	20.24	36.20
	Other than trade, unquoted		
	A. Investment in mutual funds		
	ICICI Prudential Super Institutional Plan Growth Option [27,61,502 (March 31, 2016: 25,25,763) units of ` 100 each]	66.25	56.41
	Birla Sun Life Cash Plus Institutional Premium Growth [3,26,86,154 (March 31, 2016: 56,00,206) units of ` 100 each]	568.52	135.45
	Birla Sunlife Cash Plus Growth Regular Plan [6,14,483 (March 31, 2016: 8,84,594) units of ` 100 each]	15.25	21.30
	IDFC Cash Fund Growth Regular Plan [20,86,965 (March 31, 2016: 2,91,507) units of ` 1,000 each]	395.00	53.48
	SBI Premier Liquid Fund Regular Plan Growth [5,12,957 (March 31, 2016: 10,40,238) units of ` 1,000 each]	130.50	246.02
	Axis Liquid Fund Growth [10,44,960 (March 31, 2016: 8,33,505) units of ` 1,000 each]	187.77	138.89
	ICICI Prudential Liquid Regular Plan Growth [1,60,04,818 (March 31, 2016: 1,50,76,863) units of ` 100 each]	386.69	334.60
	Sundaram Money Fund Regular Growth [2,92,64,667 (March 31, 2016: 1,72,36,983) units of ` 10 each]	100.00	54.91
	IDFC Cash Fund Super Institutional Plan C Daily Dividend [Nil (March 31, 2016: 1,839) units of ` 1,000 each]	-	1.20
	Baroda Pioneer Liquid Fund Plan A Growth Option [4,35,454 (March 31, 2016: 51,967) units of ` 1,000 each]	81.06	9.00
	Axis Liquid Institutional Growth Option [Nil (March 31, 2016: 1,02,446) units of ` 1,000 each]	-	17.15
	Kotak Liquid Fund Institutional Premium Growth [52,616 (March 31, 2016 : 55,500) units of ` 1,000 each]	17.30	17.01
	HDFC Liquid Fund [6,25,481 (March 31, 2016 : 3,81,495) units of ` 1,000 each]	200.00	112.03
	Kotak Liquid Scheme [577,803 (March 31, 2016 : 2,04,512) units of ` 1,000 each]	190.00	62.60
	DSP Mutual Fund [8,20,156 (March 31, 2016 : 1,55,807) units of ` 1,000 each]	190.00	33.27
	DHFL Pramerica Liquid fund Growth [20,90,558 (March 31, 2016 : 5,69,302) units of ` 100 each]	44.01	11.13
	SBI Treasury Advance Fund Direct Plan Growth [Nil (March 31, 2016 : 17,928) units of ` 1,000 each]	-	3.00
	SBI Short Term Debt Fund [Nil (March 31, 2016 : 6,242) units of ` 1,000 each]	-	1.26
	LIC Nomura Liqud Fund [170,270.79 (March 31, 2016 : Nil) Units of Rs. 1000 each]	50.00	
	Reliance Mutual Fund [7,728,843.10 (March 31, 2016 : Nil) Units of Rs. 1000 each]	105.00	
	IDBI Liquid Fund - Regular plan Growth [2,88,649 (March 31, 2016 : Nil) Units of Rs. 1000 each]	50.00	
	Birla Sunlife Cash Plus-Direct Growth Fund 1,51,567.807 (March 31, 2016: Nil) units of Birla Sunlife Cash Plus-Direct Growth Fund	1.55	
	Other Mutual Funds	199.47	
	B. Investments in venture capital funds:		
	Faering Capital India Evolving Fund [15,90,022 (March 31, 2016: 15,90,022) units of ` 100 each]	16.06	16.06
	SREI Infrastructure Resurrection Fund [19,35,000 (March 31, 2016: 19,35,000) units of ` 100 each]	19.35	19.35
	SREI Infrastructure Project Development Capital [20,00,000 (March 31, 2016: 20,00,000) units of ` 100 each]	20.00	20.00

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C. Investment in hedge funds:		
Haussmann Holdings		
[32 (March 31, 2016: 32) units of USD 2,555 each]	0.44	0.53
Star Emerging Asia Fixed Income Fund		
[Nil (March 31, 2016: 9,998) units of USD 1,000 each]	-	67.64
Harrington Capital Emerging Market Bonds Fund		
[Nil (March 31, 2016 : 9,997) units of USD 1,000 each]	-	65.22
Ilya Multisector Strategy Fund		
[Nil (March 31, 2016: 100,000) units of USD 100 each]	-	67.44
Shs OPES Investments Limited Regular		
[Nil (March 31, 2016: 10,000) units of USD 1,000 each]	-	65.40
D. Investment in other funds:		
Harrington Master		
[4,863 (March 31, 2016 : 4,863) units of USD 1,000 each]	32.74	33.32
Shs Global Emerging Strategies Fund Limited The Amara Fund		
[Nil (March 2016: 50,000) Units of USD 100 each]	-	34.75
E. Commercial Papers		
SREI Infrastructure Finance Limited		
[2000 units (March 2016 : 1500) Units of ` 500,000 each]	140.49	74.01
Total	**3,227.69**	**1,841.13**

Notes:
1. Aggregate market value of current quoted investments ` Nil (March 31, 2016: Nil)
2. Aggregate amount of current unquoted investments (including current portion of non current investments) Rs. 3,227.69 crore (March 31, 2016: 1,841.13 crore)
3. Aggregate provision for diminution in the value of current investments ` Nil (March 31, 2016: Nil)

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19 Sales / income from operations

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Sale of products		
Power segment:		
Income from sale of electrical energy	3,967.06	4,280.51
Income from mining activities	455.63	511.22
	4,422.69	**4,791.73**
Traded goods		
Power segment:		
Income from sale of electrical energy	319.42	387.79
Income from coal trading	520.09	273.19
	839.51	**660.98**
Airport segment:		
Non-aeronautical		
Fuel trading	-	-
Duty free items	1,000.29	1,019.20
	1,000.29	**1,019.20**
Others segment:		
Income from agricultural products trading	-	-
Sale of services / others		
Power segment:		
Electrical energy transmission charges	32.51	69.79
	32.51	**69.79**
Airport segment:		
Aeronautical	4,616.20	3,749.23
Non-aeronautical	1,661.10	1,359.81
Cargo operations	282.88	312.28
Income from commercial property development	103.98	100.06
	6,664.16	**5,521.38**
Roads segment:		
Annuity income from expressways	366.69	367.40
Toll income from expressways	267.66	394.01
	634.35	**761.41**
EPC segment:		
Construction revenue	386.01	179.13
	386.01	**179.13**
Others segment:		
Income from hospitality services	166.88	55.96
Income from management and other services	276.21	188.60
	443.09	**244.56**
Sales / income from operations	**14,422.61**	**13,248.18**

20 Other operating income

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Interest income on		
Bank deposits	57.78	99.17
Current investments	-	-
Rental Income		
Sale of certified emission reductions	-	-
Dividend income on current investments	-	-
Net gain on sale of current investments	9.77	7.95
Others	3.19	2.36
	70.74	**109.48**

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21 Other income

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Interest income on		
Bank deposits	139.64	153.06
Current investments	-	-
Others	89.25	59.45
Provisions no longer required, written back	50.75	41.58
Net gain on sale of current investments	171.77	132.15
Exchange differences (net)	75.74	19.42
Profit on sale of fixed assets (net)	1.49	0.21
Lease income	11.61	8.77
Income from management fees	-	11.84
Miscellaneous income [net of expenses directly attributable to such income]	793.59	27.79
	1,333.84	**454.27**

22 Cost of materials consumed

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Inventory at the beginning of the year	189.62	95.08
Add: Purchases	122.78	133.10
	312.40	**228.18**
Less: Inventory at the end of the year (refer note 16)	132.60	189.62
	179.80	**38.56**

23 Purchase of traded goods

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Purchase of electrical energy	8.73	211.21
Purchase of fuel	-	-
Purchase of coal for trading	548.53	232.15
Purchase of agricultural products for trading	-	-
Purchase of duty free items	353.10	396.66
	910.36	**840.02**

24 (Increase) / decrease in stock in trade

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Stock as at April 1,	160.51	127.70
Add: Stock on acquisition of subsidiary during the year	-	-
Less: Transferred at cost	-	-
Less: Stock on disposal of a jointly controlled entity during the year	-	-
Less: Stock as at March 31,	139.61	160.51
	20.90	**(32.81)**

25 Employee benefits expenses

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Salaries, wages and bonus	688.05	579.28
Contribution to provident and other funds	56.46	42.06
Employee stock option scheme	-	-
Gratuity expenses (refer note 43)	8.64	5.20
Other employment benefits	-	-
Staff welfare expenses	36.11	38.26
	789.26	**664.80**

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26 Other expenses

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Consumption of stores and spares	88.89	67.86
Electricity and water charges	229.44	248.07
Prompt payment rebate	27.89	39.52
Open access charges paid	175.20	149.89
Airport service charges / operator fees	167.16	138.60
Cargo handling charges	16.62	16.85
Freight	16.86	17.64
Rent [includes land lease rentals]	87.48	70.26
Rates and taxes	88.97	71.66
Insurance	41.00	45.52
Repairs and maintenance		
Plant and machinery	207.28	179.76
Buildings	36.51	42.63
Others	157.49	142.44
Manpower hire charges	82.82	70.60
Advertising and sales promotion	35.95	27.01
Transmission and distribution charges	81.01	115.33
Travelling and conveyance	52.99	55.26
Communication costs	12.73	10.10
Printing and stationery	6.71	6.78
Legal and professional fees	411.88	327.98
Directors' sitting fees	2.10	2.71
Adjustments to the carrying amount of current investments	24.24	0.82
Adjustments to the carrying amount of long term investments	-	-
Loss on derivative contracts (including provisions for mark-to-market loss)	-	-
Provision / write off of doubtful advances and trade receivables	70.06	10.21
Exchange differences (net)	-	-
Donation (includes corporate social responsibility expenditure)	43.07	35.88
Fixed assets written off / loss on sale of fixed assets	4.67	4.55
Office maintenance	45.05	35.23
Security expenses	16.35	16.43
Logo fees	6.53	3.03
Impairment of intangible assets under development	-	-
Miscellaneous expenses	94.10	83.19
	2,331.05	2,035.81

27 Depreciation and amortisation expenses

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Depreciation of tangible assets	1,878.81	1,918.26
Amortisation of intangible assets	263.35	347.90
	2,142.16	2,266.16

28 Finance costs

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Interest	4,579.48	3,802.57
Bank charges	149.52	159.63
Amortisation of ancillary borrowing costs	218.13	93.87
Exchange difference to the extent considered as an adjustment to borrowing cost (net)	-	-
Mark to market loss on derivative instruments	-	1.62
	4,947.13	4,057.69

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29 Exceptional items - (losses) / gains

	March 31, 2017 Rs. in crore	March 31, 2016 Rs. in crore
Profit on sale / equity dilution of subsidiaries / associates / jointly controlled entities and others*	129.88	2.31
Provision for dimunition in value of investments in associates	-	(39.22)
Loan prepayment interest & interest rate swap charges	(48.97)	-
Loss on impairment of assets in subsidiaries/others	-	(164.30)
Reimbursement of expenses pertaining to earlier years received by a subsidiary	-	51.42
Impairment of fixed assets	(454.20)	-
Loss on account of provision towards claims recoverable	(312.72)	-
	(686.01)	(149.79)

* Gain on Sale of Stake in GCHEPL is Rs. 1,168.56 Crore and Gain on Sale of GREL is 787.56 Crore

31 Earnings per share ('EPS')

	March 31, 2017	March 31, 2016
Nominal value of equity shares (Re. per share)	1.00	1.00
Weighted average number of equity shares used in computing earnings per share	5,66,30,23,512	5,66,30,23,512
Profit / (loss) after minority interest from continuing and discontinuing operations (Rs. in crore)	(2,815.46)	(2,161.00)
EPS - Basic and diluted (Re. per share)	(4.97)	(3.82)
Profit / (loss) after minority interest from continuing operations (Rs. in crore)	(3,231.51)	(1,891.41)
EPS - Basic and diluted (Re. per share)	(5.71)	(3.34)
Profit / (loss) after minority interest from discontinuing operations (Rs. in crore)	416.05	(269.59)
EPS - Basic and diluted (Re. per share)	0.73	(0.48)

Notes:

1. Considering that the company has incurred loses during the year ended March 31, 2015 and March 31, 2016, the allotment of shares against share warrants, share application money pending allotment, and conversion option in case of FCCBs would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share

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Notes to special purpose consolidated financial statements for the period ended March 31, 2017

30 (i) Profit / (loss) from discontinuing operations

(Rs. in crore)

Particulars	ATSCL		MTSCL		GMIAL		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Income								
Revenue from operations:								
Sales / income from operations	11.93	24.75	20.59	45.04	-		32.51	69.79
Other income	2.51	1.15	4.04	1.99	689.62	0.04	696.17	3.18
Total (A)	14.43	25.90	24.63	47.03	689.62	0.04	39.06	72.93
Expenses								
Consumption of fuel	-	-	-	-	-	-	-	-
Cost of materials consumed	-	-	-	-	-	-	-	-
Purchase of traded goods	-	-	-	-	-	-	-	-
(Increase) / decrease in stock in trade	-	-	-	-	-	-	-	-
Sub-contracting expenses	-	-	-	1.15	-	-	-	1.15
Employee benefits expenses	0.40	0.58	0.95	0.44	4.40	6.28	5.76	7.30
Other expenses	1.27	6.28	1.11	3.83	14.31	11.88	16.69	21.99
Depreciation and amortisation expenses	3.55	6.74	6.15	11.66	-	0.21	9.70	18.61
Finance costs	7.18	14.49	11.18	23.18	138.07	4.25	156.43	41.92
Total (B)	12.40	28.09	19.39	40.26	156.78	22.62	31.80	68.35
(Loss) / profit before exceptional items, tax expenses, minority interest (A) - (B)	2.03	(2.19)	5.24	6.77	532.84	(22.58)	540.10	(18.00)
Exceptional items - (losses)/ gains (net)	-		-	-	-		-	-
(Loss) / profit before tax expenses, minority interest	2.03	(2.19)	5.24	6.77	532.84	(22.58)	540.10	(18.00)
Tax expenses of discontinuing operations								
Current tax	0.41	-	1.07	1.35	-		1.48	1.35
Tax adjustments for prior years	-	-	-	-	-		-	-
Less: MAT credit entitlement	-	-	-	-	-		-	-
Deferred tax expense / (credit)	-	-	-	-	-		-	-
(Loss) / profit from discontinuing operations after tax expenses and before minority interest	1.61	(2.19)	4.17	5.42	532.84	(22.58)	538.62	(19.35)
Minority interest - share of loss / (profit) from discontinuing operations	-		-		(122.57)	10.39	(122.57)	10.39
(Loss)/ profit after minority interest from discontinuing operations (C)	1.61	(2.19)	4.17	5.42	410.26	(12.19)	416.05	(29.74)

* The carrying amount of assets and liabilities attributable to the ATSCL & MTSCL discontinued operations as on 31 March 2017 is Nil as the Group has sold its entire stake in ATSCL & MTSCL in October 2016
** Total Assets attributable to GMIAL after consolidation adjustments are 7.89 Crores, Total Liabilities attributable are 200.24 Crores and Net Assets attributable are (192.35) Crores
*** The previous year's figures are not comparable with those of current year's to the extent of discontinuing operations.

GMR Infrastructure Limited
Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

32 (a) Capital work-in-progress

(Rs. in crore)

Particulars		March 31, 2017	March 31, 2016
Capital expenditure incurred on tangible assets		2,504.91	11,770.37
Salaries, allowances and benefits to employees		200.17	420.23
Contribution to provident and other funds		9.54	26.94
Staff welfare expenses		8.45	18.77
Rent		49.16	101.98
Repairs & maintenance			
Buildings		0.40	6.07
Others		24.60	47.51
Rates and taxes		20.29	43.68
Insurance		15.90	51.43
Legal and professional fees		372.26	669.55
Travelling and conveyance		73.30	148.10
Communication costs		7.45	11.61
Depreciation of tangible assets		10.91	27.28
Amortisation of intangible assets		3.75	4.36
Interest costs		1,611.18	5,324.50
Amortisation of ancillary borrowings costs		-	80.46
Bank charges		32.55	360.45
Printing and stationery		2.70	4.05
Exchange differences (net)		0.04	232.48
Trial run costs		-	192.68
Power and fuel		3.36	11.13
Community development expenses		-	31.84
Security charges		11.07	34.10
Miscellaneous expenses		89.51	69.66
	(i)	**5,051.52**	**19,689.23**
Less : other Income			
Interest income on bank deposits		169.52	161.77
Net gain on sale of current investments		5.92	41.41
Revenue from sale of infirm power		-	60.94
Miscellaneous income		46.61	9.24
	(ii)	**222.05**	**273.36**
Total - (iii) = (i) - (ii)		**4,829.47**	**19,415.87**
Less : Apportioned over the cost of tangible assets		-	15,298.27
Less : Provision for impairment during the year		-	64.14
associate entities during the year		272.11	-
	(iv)	**272.11**	**15,362.41**
Total - (v) = (iii) - (iv)		**4,557.35**	**4,053.46**

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32 (b) Intangible assets under development

(Rs. in crore)

Particulars		March 31, 2017	March 31, 2016
Capital expenditure incurred on intangible assets		163.82	174.94
Salaries, allowances and benefits to employees		134.74	137.72
Contribution to provident and other funds		8.90	8.38
Staff welfare expenses		3.31	5.76
Rent		10.27	3.73
Repairs and maintenance			
Others		1.34	6.13
Rates and taxes		6.83	4.59
Insurance		0.54	0.54
Legal and professional fees		140.99	139.16
Travelling and conveyance		27.50	20.85
Communication costs		4.05	3.65
Depreciation of tangible assets		1.13	0.93
Amortisation of intangible assets		0.18	0.18
Interest costs		86.94	63.05
Amortisation of ancillary borrowing costs		13.36	13.36
Bank charges		31.95	25.85
Printing and stationery		0.15	0.12
Miscellaneous expenses		51.36	33.62
	(i)	**687.35**	**642.56**
Less : Other income			
Interest income on bank deposits		0.00	-
Net gain on sale of current investments		-	-
Miscellaneous income		9.32	6.21
	(ii)	**9.32**	**6.21**
	Total (iii) = (i) - (ii)	**678.03**	**636.35**
Less : Government grant received		13.42	11.71
Less : Apportioned over the cost of intangible assets (net of grant adjusted)		44.28	-
Less : Accumulated impairment		14.20	2.47
Less : Provision for claims recoverable		95.48	95.48
Less : Sale of jointly controlled entities during the year		-	-
	(iv)	**167.38**	**109.66**
	Total (v) = (iii) - (iv)	**510.65**	**526.69**

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

33. Deferred Tax

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

(Rs. in crore)

Particulars	March 31, 2017		March 31, 2016	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Deferred tax liability :				
Depreciation		1,279.96		3,132.30
Carry forward losses/Unabsorbed depreciation	623.84		2,960.72	
Intangibles (Airport Concession rights)	69.96		73.84	
Others	108.65		16.74	
Sub- total (A)	802.45	1,279.96	3,051.30	3,132.30
Deferred tax liability (net)		477.51		81.00
Deferred tax asset :				
Depreciation	6.33			161.90
Carry forward losses/Unabsorbed depreciation	10.58		196.09	
Others	27.84		36.74	
Sub- total (B)	44.75	-	232.83	161.90
Deferred tax asset (net)	44.75		70.93	
Total (A+B)			3,284.13	3,294.20
Deferred tax asset/ (Deferred tax liability) (net)	(432.76)		(10.07)	
Change for the year		(422.69)		(44.26)
Foreign currency translation reserve		(0.62)		(1.05)
Additional Def. Tax due to change in Fixed Assets useful life		-		-
Deferred tax asset/ (liability) on account of acquisition during the year		-		-
Charge/(credit) during the year		**(423.31)**		**(45.31)**

34. Preference shares issued by subsidiaries

(Rs in Crores)

Particulars	March 31, 2017	March 31, 2016
CCPS issued by GEL	-	588.07
Non - cumulative compulsory convertible non-participatory preference shares issued by GAL	396.18	396.18
Total	396.18	984.25

i. CCPS issued by GEL have been converted into equity shares during the year.

ii. During the year ended March 31, 2011, GAL issued 2,298,940 non-cumulative compulsory convertible non-participatory preference shares ('CCPS1') bearing 0.0001% dividend on the face value of Rs. 1,000 each fully paid up amounting to Rs. 229.89 crore at a premium of Rs. 2,885.27 each totaling to Rs. 663.31 crore to Macquaire SBI Infrastructure Investments 1 Limited, ('Investor I') for funding and consolidation of airport related investments by the Group. Further, during the year ended March 31, 2012 GAL issued 1,432,528 non-cumulative compulsory convertible non-participatory preference shares ('CCPS 2') bearing 0.0001% dividend on the face value of Rs. 1,000 each fully paid up amounting to Rs. 143.25 crore at a premium of Rs. 3,080.90 each totaling to Rs. 441.35 crore to Standard Chartered Private Equity (Mauritius) III Limited, JM Financial - Old Lane India Corporate Opportunities Fund I Limited, JM Financial Trustee Company Private Limited and Build India Capital Advisors LLP ('Investors II'). The Company and GAL have provided Investor I and Investors II various conversion and exit options at an agreed internal rate of return as per the terms of the Restructuring Options Agreements and Investment agreements executed between the Company, GAL, Investor I and Investors II.

During the year ended March 31, 2015, DSPL purchased 84,398 CCPS 2 from one of the Investors for a consideration of Rs. 47.83 crore and accordingly an amount of Rs. 13.39 crore representing consideration paid in excess of face value of CCPS 2 has been adjusted against accumulated deficit in the statement of profit and loss in the consolidated financial statements for the year ended March 31, 2015.

Further , as per the terms of CCPS 1 and CCPS 2, these were either convertible into equity shares on or before April 6, 2015 or the Company had an option to exercise the call options anytime between July 5, 2014 to April 5,2015 requiring the investors to transfer these shares in favour of the Company. On the basis of the Investor Agreement, the Company, vide its letter dated April 1, 2015 has exercised the call Option to acquire CCPS 1 and CCPS 2, at a Call Price to be computed in the manner provided in the respective agreements entered between the investors and the Company.

The payment of call price is subject to the prior approval of the Reserve Bank of India.

GIL and the Investors thereafter, basis mutual discussions, decided to restructure the investments; (which is subject to prior approval of RBI) and have filed a joint application to the Reserve Bank of India on October 01, 2015. As per the revised understanding, Class A CCPS will be converted into equity shares in two tranches ending on June 2017. Pending approval of RBI, GIL and the Class A CCPS Shareholders and the Company have signed an 'Amended and Restated Investment Agreement' on December 24, 2015 which shall be effective upon receipt of approval from RBI.

Further, the Company has also entered into a Share Purchase Agreement with JM Financials Trustee Private Limited ('JMFI') and Build India Capital Advisors ('BICA') on December 21, 2015 to buy out their Class A CCPS. Share transfer is yet to be completed.

As per the terms of Non-cumulative Compulsory Convertible Non-participatory Bonus Preference shares (CCPS) Class B, each CCPS of Class B shall convert simultaneously at the time of conversion of CCPS of Class A.

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35 (a) Capital Commitments

(Rs. in Crore)

Particulars	March 31, 2017	March 31, 2016
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances) *	1,685.99	2,139.92

*Includes Nil (March 31, 2016: Rs. 43.89 crore) payable towards certain coal mines allocated to the Group in terms of the Coal Mines (Special Provision) Ordinance 2014 read with Coal Mines (Special Provision) Second Ordinance, 2014 promulgated and the Coal Mines (Special Provision) Rules, 2014 framed for auction and allotment of coal blocks.

(b) Other commitments

1. Entities in roads sectors have entered into various Concession agreements with concessionaires for periods ranging from 17.5 years to 25 years from achievement of date of COD / appointed date as defined in the respective Concession agreements, whereby these entities have committed to comply with certain key terms and conditions pertaining to construction of roads / highways in accordance with the timelines and milestones as defined in the respective Concession agreements, COD as per the respective Concession agreements, construction, management, payment of fees (including revenue share), operation and maintenance of roads / highways in accordance with the respective Concession agreements, performance of the obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of the concessionaire and transfer of the roads / highways projects on termination of relevant agreements or in case of defaults as defined in the respective Concession agreements and utilisation of grants received as per the requirements of the respective concession agreements.

2. a) Entities in airports sector have entered into various agreements with Concessionaires for periods ranging from 25 years to 35 years extendable by another 30 years in certain cases on satisfaction of certain terms and conditions of respective Concession agreements from dates as defined in the respective agreements for development, rehabilitation, expansion, modernisation, operation and maintenance of various airports in and outside India. Pursuant to these agreements, these entities have committed to comply with various terms of the respective agreements which pertains to payment of fees (including revenue share), development / expansion of Airports in accordance with the timelines and milestones as defined in the respective agreements, achievement of COD as per the respective agreements, development, management, operation and maintenance of airports in accordance with the respective agreements, performance of various obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of respective airport concessionaires, compliance with the applicable laws and permits as defined in the respective agreements, transfer of airports on termination of agreements or in case of defaults as defined in the respective agreements.

   b) As per the terms of agreements with respective authorities, DIAL, GHIAL & GIAL are required to pay 45.99%, 4% and 36.99% of the revenue for an initial term of 30, 30 and 35 years which is further extendable by 30, 30 and 20 years respectively.

3. One of the entities in airports sector is committed to pay every year a specified percent of previous year's gross revenue as operator fee to the airport operator for the period specified in the Airport operator agreement.

4. During the year ended March 31, 2017, DIAL has entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million, which is repayable in October 2026. Under this option, DIAL has purchased a call option for USD 522.60 million at a strike price of Rs.66.85/USD and written a call option for USD 522.60 million at a strike price of Rs.101.86/USD at October 31, 2026. As per terms of the agreements, DIAL is required to pay premium of Rs. 1,241.30 crores (starting from January 2017 to October 2026), which is payable on quarterly basis. DIAL has paid Rs.14.96 crore towards premium till March 31, 2017 and remaining balance of Rs. 1,226.34 crores are payable as at March 31, 2017.

5. During the year ended March 31, 2017, DIAL has entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) of USD 288.75 million, which

is repayable in February 2022. Under this option, DIAL has purchased a call option for USD 80.00 million at a strike price of Rs.68.00/USD and written a call option for USD 80 million at a strike price of Rs.85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of Rs.94.33 crore (starting from April 2017 to January 2022), payable on quarterly basis.

6. The Group has entered into agreements with the lenders wherein the promoters of the Company and the Company have committed to hold at all times at least 51% of the equity share capital of the Company / subsidiaries and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.

7. One of the entities in airports sector has entered into a tripartite MSA with the service provider and the holding company of the service provider, whereby this entity is committed to pay annually to the service provider if the receivable of the service provider falls short of subsistence level (as defined in the said MSA). Also in case of delay in payment of dues from customers to the service provider, this entity would fund the deficit on a temporary basis till the time the service provider collects the dues from aforementioned customers.

   As at March 31, 2017, this entity has funded Rs. 11.09 crore (March 31, 2016: Rs. 10.03 crore) towards shortfall in collection from the customers.

8. Certain entities in power sector have entered into PPAs with customers, pursuant to which these entities have committed to sell power of contracted capacity as defined in the respective PPAs, make available minimum PLF over the period of tariff year as defined in the respective PPAs. The PPAs contain provision for disincentives and penalties in case of certain defaults.

9. Certain entities in power sector have entered into fuel supply agreements with suppliers whereby these entities have committed to purchase and suppliers have committed to sell contracted quantity of fuel for defined period as defined in the respective fuel supply agreements, including the fuel obtained through the suppliers outside India.

10. The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective lenders.

11. Refer note 37 for commitments relating to lease arrangements.

12. Refer note 34 for commitments arising out of convertible preference shares.

13. Shares of the certain subsidiaries / joint ventures have been pledged as security towards loan facilities sanctioned to the Group.

14. Refer note 5 (8), for commitments relating to FCCB.

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36 a) Contingent Liabilities

Particulars	March 31, 2017	March 31, 2016
Corporate guarantees	5,836.86	2,961.12
Bank guarantees outstanding / Letter of credit outstanding	1,605.33	2,647.49
Bonds issued to custom authorities	112.00	112.00
Fixed Deposits pledged for loans taken by the enterprises where key management personnel and their relatives exercise significant influence	5.00	21.00
Fixed Deposits pledged for loans taken by the Welfare trust for GMR Group Employees ('WTGGE')	90.00	130.50
Claims against the Group not acknowledged as debts	830.62	716.68
Matters relating to income tax under dispute [1]	253.38	337.34
Matters relating to indirect taxes duty under dispute [2,3]	364.91	162.18
Arrears of cumulative dividends on preference share capital issued by subsidiary	76.17	76.17

(b) Others in addition to (a) above:

1. A search under section 132 of the IT Act was carried out at the premises of the Company and certain entities of the Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. During the year ended March 31, 2015 and March 31, 2016, block assessments have been completed for some of the companies of the Group and appeals have been filed with the income tax department against the disallowances made in the assessment orders. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.

2. The Director General of Central Excise Intelligence, New Delhi has issued a Show Cause Notice F. No. 574/CE/41/2014/Inv./PT. II/11327 dated October 10, 2014 on DIAL, proposing a demand of service tax of Rs.59.91 crore (excluding interest and penalty), considering Advance Development Costs ('ADC') collected by DIAL from the Commercial Property Developers under the service tax category 'Renting of Immovable Property'.
   DIAL has replied to the show cause notice referred to above with appropriate authority on April 17, 2015.

   Subsequently, Additional Director General (Adjudication), DGCEI has passed Order No. 10/2016-ST dated May 02, 2016 confirming demand of service tax of Rs. 54.31 crore and imposed equivalent penalty in respect of this matter.

   However, based on an internal assessment and legal opinions obtained by DIAL in this regard, the management is of the view that service tax is not leviable on ADC, as these are collected for development of certain infrastructure facilities for the common use and not for the exclusive use of any developer. Service tax liability on ADC, if any arises, shall be adjusted from ADC collected by DIAL from the Commercial Property Developers.

   DIAL has filed appeal before CESTAT, New Delhi on August 02, 2016 against the order dated May 02, 2016; and has disclosed the demand along with penalty of Rs. 54.31 crore as contingent liability. Further, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements of the Group for the year ended March 31, 2017.

3. The Commissioner of Service Tax, New Delhi had issued a demand of service tax aggregating to Rs. 275.53 crore (excluding interest and penalty) on the collection of Development Fee ('DF') from passengers in airport for the period from March, 2009 to September, 2013. Out of total demand of service tax of Rs. 275.53 crore, service tax amounting to Rs. 130.17 crore has already been paid by DIAL under protest.

   Subsequently, the Commissioner of Service Tax, has passed Order No. C. No D III/ST/IV/16/Hqrs/Adjn/DIAL/153/2015/1862-ST dated July 12, 2016 confirming the demand of service tax of Rs. 262.06 crore (after giving cum duty effect) and has appropriated amount deposited by DIAL under protest towards service tax, and have further imposed a penalty of Rs.131.89 crore in respect of this matter.

   However, based on an internal assessment and legal views obtained by DIAL in this regard, the management is of the view that service tax is not leviable on DF, as the DF is a statutory levy and is meant to bridge financing gap funding for the airport project. The collection of DF from passengers is not in lieu of provision of any service to them. Further, there is no service provider and service recipient relationship between the DIAL and the passengers paying DF. Service tax liability, if any arises on DF, shall be decided by AERA, keeping in view the final pronouncement of the matter.

   DIAL has filed an appeal against the order before CESTAT, New Delhi on October 10, 2016 and; has disclosed the demand along with penalty of Rs. 131.89 crore as contingent liability. Further, the management of DIAL is of the view that no adjustments are required to be made to these consolidated financial statements.

4. As at March 31, 2014, the South Delhi Municipal Corporation ('SDMC') [earlier known as Municipal Corporation of Delhi ('MCD')] had demanded property tax of Rs. 105.18 crore on the land and properties at Indira Gandhi International (IGI) Airport, New Delhi ('Delhi Airport'). DIAL had filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal

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Corporation (Amendment) Act, 1957 on the land and properties at the Indira Gandhi International Airport and had deposited an amount of Rs.30.66 crore (paid in earlier years) under protest against these demands as at March 31, 2017. SDMC has brought the 'Airports & Airports properties within the purview of property tax w.e.f the financial year 2013-14. Accordingly, from 2013-14 DIAL has started paying property tax and the same has been charged to consolidated statement of profit and loss of respective years/ periods.

The Hon'ble High Court of Delhi vide its order dated September 13, 2013, directed DIAL to make a proposal to the SDMC for settlement of property tax dues. Consequently, SDMC vide its order dated February 10, 2015, revised its demand of property tax to Rs. 60.96 crore and also levied interest of Rs. 24.99 crore for assessment years 2006-07 to 2012-13.

DIAL provided for Rs. 60.96 crore till March 31, 2017 (March 31, 2016: Rs. 60.96 crore). Further, interest of Rs.24.99 crore had also been provided till March 31, 2017 (March 31, 2016: Rs. 24.99 crore), making the total provision of Rs. 81.87 crore (March 31, 2016: Rs. 81.87 crore) [net of self assessment tax paid of Rs. 4.08 crore in earlier years].

However, DIAL has paid amount of Rs. 25.14 crore (after considering the amount of Rs. 30.66 crore paid under protest and Rs. 4.08 crore paid as self-assessment tax) on February 27, 2017 to SDMC as per demand letter no. Tax/ HQ/SDMC/2016/ D-1886 dated December 2, 2016 issued by SDMC under "Amnesty Scheme 2016-17" introduced by SDMC for waiver of full interest and penalty charges on payment of complete tax dues payable up to March 31, 2017. However, the matter is still pending with the Hon'ble High Court of Delhi.

Accordingly, no further adjustments have been made to these consolidated financial statements of the Group.

5. During the year ended March 31, 2017, the Delhi Cantonment Board (DCB) has raised provisional invoice demanding property tax of Rs. 9.01 crore in respect of vacant land at IGI Airport for the Financial Year 2016-17.

   The airport area majorly consists of vacant land area which cannot be commercially let out by the Company because of operational safety, aircraft landing & take off and navigational requirements as per standards laid down by International Civil Aviation Organization (ICAO). However, based on same computation method as used for payment of property tax to SDMC, management has made payment of Rs. 1.15 crore towards property tax for FY 2016-17 and requested DCB to withdraw its demand. The Company has disclosed remaining Rs. 7.86 crore as contingent liability in these special purpose financial statements related to pending demand of FY 2016-17.

   The Company has obtained a legal opinion; wherein it has been opined that liability w.r.t. earlier years cannot be ruled out. As DCB has not raised any demand for earlier years, and the Company's application for adopting the same computation method as considered by SDMC, while arriving at the demand for the FY 2016-17, is pending / under consideration by DCB, the amount of liability for earlier years is unascertainable; and therefore, no provision has been considered necessary by the Company against such demand in these special purpose financial statements.

6. In case of DIAL, w.e.f. June 1, 2007, the Airports Authority of India (AAI) had claimed service tax on the monthly annual fee (MAF) payable to them considering the same as rental from immovable property w.e.f. June 1, 2007. DIAL has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a renting of immovable property, which are specified taxable services under Section 65(105) of Service Tax Act. DIAL has filed a writ petition with Hon'ble High Court of Delhi and was heard on November 17, 2015 and favourable judgment has been received vide High Court order dated February 14, 2017.

7. The Ministry of Civil Aviation (MoCA) issued a Circular No. AV 13028/001/2009-AS dated January 8, 2010 giving fresh guidelines regarding the expenditure which could be met out of the PSF (SC) and was subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, DIAL is not debiting security expenditure to PSF (SC) escrow account. Further, vide circular No. AV 13024/43/2003-SS (AD) dated May 17, 2012, it was further directed that any such expenditure already debited was required to be credited back to PSF(SC) account. However, security expenditure amounting to Rs. 24.48 crore was already incurred prior to April 16, 2010 and was debited to PSF (SC) account.

   DIAL had challenged the said circulars issued by MoCA before the Hon'ble Delhi High Court by way of a Writ Petition. The Hon'ble High Court of Delhi, vide its order dated December 21, 2012, has restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against DIAL and the matter is now listed for hearing on August 10, 2017. Based on an internal assessment and aforesaid order of the Hon'ble High Court, the management is confident that no liability in this regard would be payable and as such no provision has been made in these consolidated financial statements.

8. During the year ended March 31, 2012, GEL received an intimation from the Chief Electrical Inspectorate, Government of Andhra Pradesh ('GoAP'), whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to Rs. 11.06 Crores calculated at the rate of six paise for each electricity unit generated by the Company for the period from June 2010 to December 2011. The Company filed a writ petition with the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh against the intimation by GoAP and it was granted a stay order on deposit of 1/3rd of the duty demanded within a stipulated time. The Company had not made the requisite deposit and accordingly the interim stay was automatically vacated.

   However, based on an internal assessment and a legal opinion obtained by the Company, the management is confident that the provisions of Electricity Duty Act and Rules, 1939 in respect of payment of electricity duty are not applicable to the Company and accordingly, electricity duty liability of Rs. 14.61 Crores (March 31, 2015: Rs. 14.611 Crores) for the period June 2010 to March 31, 2016 has been considered as a contingent liability as at March 31, 2017 and accordingly no adjustments have been made to the consolidated financial statements of the Company for the year ended March 31, 2017.

9. The Company had entered into a PPA with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. The Company had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naphtha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event there was a shortfall in the purchase of the annual guaranteed quantity.

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During the year ended March 31, 2013, the Company received a notice for good faith negotiation under erstwhile FSA entered into between the Company and the fuel supplier with respect to dispute regarding liquidated damages amounting to Rs. 2,96.164 Crore along with an interest of Rs. 5.554 Crore towards failure of the Company to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. The Company vide its letter dated October 31, 2012 had disputed the demand from the supplier towards the aforementioned damages.

During the year ended March 31, 2014, the fuel supplier had filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. The Company filed its reply on January 8, 2014, and as per the High court order dated September 11, 2014 arbitrators have been appointed. During the year ended March 31, 2015, the fuel supplier has submitted its statement of claim amounting to Rs. 2,72.635 Crore (after adjusting dues of Rs. 29.083 Crore payable to the Company) towards liquidated damages and interest at the rate of 15% p.a. on such liquidated damages. Further, the Company has filed its statement of defense and counter claim amounting to Rs. 35.962 Crore along with interest at the rate of 18% p.a. On 21.08.2016 Arbitration Tribunal passed the arbitral award directing BPCL to pay Rs.32.21 crores to GEL towards its Counter Claim and rejected BPCL's LC claim. Pursuant to it, BPCL has also filed on an interim application under Section 36 of the Act for grant of interim stay on execution of the Arbitration award. GEL has filed its reply to the interim application. Pursuant to the arguments by both the Parties on ad-interim stay application of BPCL, the District City Civil vide its order dated 04.03.2017 passed stay order on the operation of arbitral to BPCL furnishing a Bank Guarantee equivalent to 50% of counter claim amount. The matter is next posted for hearing on 19.06.2017. The matter is currently pending.

10. HMACPL has accrued customs officer's salaries stationed at air cargo terminal based on debit notes raised by the customs department on GHIAL. GHIAL had filed a writ petition under Article, 226 of the Constitution of India in the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad against the demand raised by customs department. During the year ended March 31, 2013, GHIAL had received an order from the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad (Single Judge), stating that the grounds on which the levy was made by customs department were wholly unsustainable and accordingly, HMACPL had reversed the accrued cost of custom's authorities amounting to Rs. 14.02 crore for the period from March 23, 2008 to March 31, 2012.

    Subsequent to the above order, the customs department preferred an appeal against the same and on November 2, 2012, a bench of two judges of the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad passed an order for interim suspension of the said order passed by the Hon'ble Single Judge. The management, based on internal assessment / legal opinion, is confident that there is no financial impact of this interim suspension order and accordingly, no further adjustment has been made to these consolidated financial statements of the Group.

11. DIAL and GHIAL have been utilizing Passenger Service Fees (Security Component) ('PSF (SC)') towards capital expenditure and cost of maintenance of such capital asset as per the provisions of Standard Operating Procedure ('SOP'), guidelines and clarifications issued by Ministry of Civil Aviation ('MoCA') from time to time. MoCA has issued the order vide order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the airport operators to reverse the expenditure since inception to till date, towards procurement and maintenance of security systems / equipment's and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL and GHIAL in a fiduciary capacity.

    As at March 31, 2017, DIAL and GHIAL have incurred Rs. 297.25 crore and Rs. 93.83 crore (excluding related maintenance expenses and interest thereon), respectively towards capital expenditure out of the PSF (SC) escrow account as per SOPs, guidelines and clarification issued by MoCA from time to time on the subject of utilisation of PSF (SC) funds.

    In the opinion of the management of DIAL and GHIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi and Hon'ble High Court of Judicature of Andhra Pradesh respectively. In case of DIAL, the Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on September 19, 2017.

    Based on an internal assessment, the management is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court and pending further orders, DIAL has charged Rs. 58.41 crore from April 1, 2014 till March 31, 2017 towards the expenditure incurred on repair and maintenance of security equipment to the statement of profit and loss which includes Rs. 22.79 crore during the year ended March 31, 2017. In case of GHIAL, the Hon'ble High Court of Hyderabad, vide its Order dated March 3, 2014 followed by further clarification dated April 8, 2014 and December 24, 2014 stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against GHIAL, it shall reverse all the expenditure incurred from PSF (SC). Accordingly, GHIAL is continuing to incur the procurement and maintenance cost of security systems / equipment from PSF (SC) escrow account and during the year ended March 31, 2017 incurred an amount of Rs.2.88 crore on maintenance of security systems / equipment from the PSF (SC) escrow account.

    Based on an internal assessment, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements of the Group.

12. During the year ended March 31, 2011, GPCL had received a refund of customs duty of Rs. 29.57 crore which was paid earlier towards the import of the plant and machinery and which was passed on to Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') (formerly known as Tamil Nadu Electricity Board 'TNEB') as a pass through as per the terms of the PPA. During the year ended March 31, 2012, GPCL received an intimation for cancellation of the duty draw back refund received earlier. The Group does not foresee any liability in respect of the sme demand as a liability, if any, is to be recovered from TAGENDCO, the ultimate beneficiary of the refund received earlier. However pending settlement of the matter, the same has been considered as a contingent liability in these consolidated financial statements of the Group.

13. During the year ended March 31, 2015, in respect of matter detailed in note 48(iii), TANGEDCO has claimed Rs. 285.00 crore before Tamil Nadu Electricity Regulatory Commission ('TNERC') against GPCL.

14. In respect of ongoing land acquisition process of KSPL, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial

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verdicts which are pending settlement and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2017.

15. During the year ended March 31, 2014, the Company along with its subsidiaries GIGL and GIOL entered into a definitive agreement ('SPA') with Malaysia Airport MSC SdnBhd ('the buyer') for sale of their 40% equity stake in jointly controlled entities Istanbul SabihaUluslararasiHavalimaniYatirimYapimVelsletmeAnonimSirketi ('ISG') and LGM HavalimaniIsletmeleriVeTurizmAnonimSirketi ('LGM') for a sale consideration of EURO 20.90 crore (Net of equity gap adjustment of Euro 1.60 crore and subject to debt and other working capital adjustments). Pursuant to the SPA entered with the buyer, the group had provided a guarantee of Euro 4.50 Crore towards tax claims, as specified in the SPA for a period till May 2019.

16. Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as 'investor agreements'), GAL, a subsidiary of the Company, had issued 3,731,468 Class A Compulsorily Convertible Preference Shares ('CCPS A') of Rs. 1,000 each at a premium of Rs. 2,885.27 each and Rs. 3,080.90 each aggregating to Rs. 663.31 crore and Rs.441.35 crore respectively, to certain Private Equity Investors ('Investors'). Further, GAL had allotted bonus shares of 11,046,532 class B Compulsorily Convertible Preference Shares ('CCPS B') to the Company utilizing the securities premium account.

    As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement. The call option was to be exercised by the Company on or before April 6, 2015. If the call option was not exercised by the Company before April 6, 2015, each CCPS A was convertible into 82.821 equity shares of GAL with simultaneous conversion of CCPS B held by the Company into equity shares of GAL as per Articles and Memorandum of Association of GAL.

    The Company vide its letter dated April 1, 2015, had exercised the call option to buy the CCPS A, subject to obtaining the requisite regulatory approvals. However, Investors sought conversion of CCPS A and has initiated arbitration proceedings against GAL and the Company. The investors filed their statement of claim and the Company along with GAL have filed their statement of defense / reply respectively.

    In view of ongoing arbitration and considering the uncertainty regarding the conversion / settlement of CCPS A, the Group has recorded CCPS A received from PE investors at the face value as at March 31, 2017. Further, no adjustments have been made for the call option exercised by GIL to acquire CCPS A and the CCPS B issued to the Company continues to be carried at cost of Nil in the consolidated financial statement of the Group.

37. Leases

a. Finance Lease

The Group has entered into finance lease arrangements (as lessee) in respect of certain assets for periods of 3 to 5 years. The lease has a primary period, which is non-cancellable. The agreements provide for revision of lease rentals in the event of changes in taxes, if any, leviable on the lease rentals. There are no exceptional/ restrictive covenants in the lease agreements.

Particulars	Minimum Lease Payment	Present Value of Minimum Lease	Minimum Lease Payment	Present Value of Minimum Lease
	As at March 31, 2017		As at March 31, 2016	
(i) Payable not later than 1 year	0.02	0.02	0.76	0.68
(ii) Payable later than 1 year and not later than 5 years	0.00	0.00	0.04	0.03
(iii) Payable later than 5 years			-	-
Total – (i)+(ii)+(iii) = (iv)	0.02	0.02	0.80	0.71
Less: Future finance charges (v)	0.00	-	0.09	-
Present Value of Minimum Lease Payments [(iv) – (v)]	0.02	-	0.71	-

b. Operating Leases

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipments and certain non-cancellable operating lease agreements towards office premises and hiring office equipments. The lease rentals received during the year (included in note 21) and charged during the year and the maximum obligation on the long term non-cancellable operating lease payable as per the agreements are as follows:

Particulars	Year Ended March 31, 2017 Rs. In Crore	Year Ended March 31, 2016 Rs. In Crore
Payment:		
Lease rentals under cancelable and non cancellable leases	88.03	72.22
Receipt:		
Lease rentals	11.61	8.77
Obligations on non-cancelable leases:		
Not later than one year	23.19	21.09
Later than one year and not later than five years	82.98	70.03
Later than five years	164.40	59.80

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38. Discloure in terms of of AS - 7 : Construction Contracts

(Rs. in crore)

Particulars	31-Mar-17	31-Mar-16
1.Contract revenue recognised during the year	386.01	178.01
2.Aggregate cost incurred and recognised profits (net of losses) up to reporting date for contracts in progress	2,312.34	1,990.89
3.Amount of customer advances outstanding for contracts in progress	381.72	272.27
4.Retention money due from customers for contracts in progress	10.89	4.69
5.Gross amount due from customers for contract work as an asset	315.78	151.32

39. Negative Grant

Rs in Crores

Name of the subsidiary	Date of Concession Agreement	Total Negative Grant	Repayment Details	Payable as at	
				March 31, 2017	March 31, 2016
GACEPL	November 16, 2015	174.75	Unequal yearly installments over 2 years	66.41	66.41

In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of Rs. 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of Rs. 108.34 crore (March 31, 2015: Rs.108.34 crore) and the balance amount of Rs. 66.41 crore (March 31, 2015: Rs. 66.41 crore) has been disclosed as negative grant under 'Long term borrowings' in these consolidated financial statements of the Group. Refer note 45 B (i) regarding the details of arbitration pursuant to which the arbitration tribunal has stayed the payment of negative grant of GACEPL during the years ended March 31, 2014, March 31, 2015 and March 31, 2016.

40. Information on Jointly controlled entities as per AS - 27

Name of Jointly Controlled Entities	Country of Incorporation	Percentage of Effective Ownership (directly or Indirectly)	
		March 31, 2017	March 31, 2016
RCMEPL	India	9.00%	16.10%
PTGEMS	Indonesia	30.00%	27.89%
RCI	Indonesia	29.70%	27.62%
BIB	Indonesia	29.43%	27.36%
KIM	Indonesia	30.00%	27.89%
KCP	Indonesia	30.00%	27.89%
BBU	Indonesia	30.00%	27.89%
BHBA	Indonesia	30.00%	27.89%
BNP	Indonesia	30.00%	27.89%
TBBU	Indonesia	30.00%	27.89%
TKS	Indonesia	21.00%	19.52%
BAS	Indonesia	30.00%	27.89%
PTGEI	Indonesia	30.00%	27.89%
PTEMS	Indonesia	30.00%	-
PTBSA	Indonesia	30.00%	-
PTWR	Indonesia	30.00%	-
GEMSCR	Singapore	30.00%	27.89%
APFT	India	24.27%	24.51%
Laqshya	India	29.99%	29.99%
DASPL	India	31.09%	31.09%
TFS	India	24.87%	24.87%
DAFF	India	16.17%	16.17%
CDCTM	India	16.17%	16.17%
WAISL	India	16.17%	16.17%
TIM	India	31.03%	31.03%
CJV	Turkey	50.00%	50.00%
GMCAC	Philippines	40.00%	40.00%
MGCJV	Philippines	50.00%	50.00%
SJECL	China	30.00%	27.89%

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DERIVATIVE INSTRUMENTS

a. IRS outstanding as at the balance sheet date:

i. In case of DIAL, as per the conditions precedent to disbursement of External Commercial Borrowing ('ECB') loan, DIAL has entered into an IRS agreement from floating rate of interest to fixed rate of interest against its foreign currency loan of Nil (March 31, 2016: USD 8.65 crore).

<table>
<tr><th>Particulars of Derivatives</th><th colspan="4">Purpose</th></tr>
<tr><td rowspan="4">IRS outstanding as at balance sheet date: Nil (March 2016: USD 8.65 crore)</td><td colspan="4">Hedge of variable interest outflow on ECB. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR:</td></tr>
<tr><th>March 31, 2017</th><th>March 31, 2016</th><th>March 31, 2017</th><th>March 31, 2016</th></tr>
<tr><td>ECB amount (USD in crore)</td><td>ECB amount (USD in crore)</td><td>Interest Rate</td><td>Interest Rate</td></tr>
<tr><td>-</td><td>8.65</td><td>-</td><td>1.94%</td></tr>
</table>

However, these IRS of USD Nil (March 31, 2016: USD 86.453 million) [1.94% p.a. on notional amount payable semiannually and receive USD 6 months LIBOR, semi-annually] were effective from June 30, 2015.

Since the critical terms of the IRS and those of the principal term loan were same, based on the internal assessment carried out by the management, the net impact of the marked to market valuation of the IRS, net of gain/loss on the underlying loan, is not expected to be material and accordingly no adjustment had been made in the financial statements in earlier years.

However, during the year, Interest Rate Swap (IRS) which was outstanding on the external commercial borrowings was cancelled, resulting in breakage cost of Rs. 8.17 crores. This breakage cost has been disclosed as "Exceptional items" in the statement of profit and loss, as per the requierments of Accounting standard-5 'Net Profit or Loss for the period, prior period items and changes in accounting Policies'.

ii. GAPL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 0.29 crore (March 31, 2016: USD 0.59 crore) covering the period from October 12, 2010 to October 06, 2017. The outstanding balance of foreign currency loan as at 31st March 2017 is Rs. 19.30 Crore (March 31, 2016: Rs. 39.39 Crore). Based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

iii. In case of GHIAL, as per the conditions precedent to disbursement of foreign currency loan of USD 12.50 crore (March 31, 2016: USD 12.50 crore), GHIAL has entered into swap agreement from floating rate of interest to fixed rate of interest covering the period of the foreign currency loan from September 10, 2007 to April 01, 2024. The outstanding balance of foreign currency loan as at March 31, 2017 is 479.86 crore (March 31, 2016: 548.18 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

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iv. During the year ended March 31, 2014, GKEL has entered into an IRS from floating rate of interest to fixed rate of interest and a cross currency swap contract against its foreign currency loan amounting to USD 5.48 crore covering the period from October 1, 2014 to December 1, 2017. The outstanding balance of foreign currency loan as at March 31, 2017 is 352.66 crore (March 31, 2016: 362.69 crore). Based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

v. MGAECL has entered into to a derivative contract and the outstanding amount as on 31st March 2017 is USD 40,819,651 (March 31 2016: USD 41,318,353).

b. Derivatives as at the balance sheet date:

i. In case of DDFS, the Company uses forward exchange contracts and cross-currency options to hedge its exposure to movements in foreign exchange rates. The Derivatives outstanding as the reporting date are as follows:

Particulars of Derivatives	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Cross Currency Swap	**Amount in USD Crores**	**Amount in USD Crores**	**Amount in INR Crores**	**Amount in INR Crores**
	2.14	2.84	110.40	146.40

Forward contract outstanding as at balance sheet date:

Particulars	Entity	Currency	Amount in foreign currency in crore	
			March 31, 2017	March 31, 2016
Forward Cover for Hedging of Interest of FCCB	GIL	USD	-	2.25

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Notes to the special purpose consolidated financial statements for the year ended March 31, 2017

41 (b) Un-hedged foreign currency exposure for monetary items is as follows :

(Foreign currencies and Indian Rs. in crore)

Currency	Cash and bank balances	Fixed Assets, non-current investments and current investments	Trade receivables, inventories, long term and short term advances, and other non-current and current assets	Trade payables, other long term and current liabilities and long term and short term provisions	Long term borrowings, short term borrowings and current maturities of long term borrowings
Swiss Franc	0.00	-	0.00	0.00	-
	(0.00)	-	(0.00)	(0.00)	-
Chinese Yuan	-	-	-	-	-
	(0.00)	-	-	-	-
Euro	0.02	0.00	0.01	0.12	-
	(0.01)	0.00	(0.05)	(0.16)	-
Great British Pound ('GBP')	0.03	0.00	0.04	0.04	-
	(0.05)	(0.00)	(0.05)	(0.06)	-
Indonesian Rupiah	12.23	-	-	-	-
	(6,995.17)	(57,856.57)	(20,634.21)	(12,050.17)	-
Nepalese Rupee	0.08	25.29	0.07	0.21	3.69
	(3.14)	(213.23)	(1.03)	(3.46)	(65.00)
Singapore Dollar	0.00	-	-	0.01	-
	(0.01)	-	(0.15)	(0.04)	-
Turkish Lira	-	-	-	-	-
	(0.01)	-	-	-	-
Philippine Peso	76.07	879.57	142.21	138.03	629.62
	(69.42)	(644.76)	(112.18)	(43.48)	(544.73)
United States Dollar ('USD')	5.54	64.50	8.19	27.07	80.27
	(22.95)	(55.50)	(26.41)	(29.07)	(174.85)
Australian Dollar	0.00	-	-	-	-
	-	-	-	(0.02)	-
Canadian Dollar	0.00	-	-	-	-
	-	-	-	-	-
Hongkong Dollar	0.00	-	-	-	-
	-	-	-	-	-
Newzeland Dollar	0.00	-	-	-	-
	-	-	-	-	-
Japanese Yen	0.00	-	-	-	-
	-	-	-	-	-
Kuwait Dinham	0.00	-	-	-	-
	-	-	-	-	-
Omani Rial	0.00	-	-	-	-
	-	-	-	-	-
Qatari Rial	0.00	-	-	-	-
	-	-	-	-	-
Saudi Riyal	0.00	-	-	-	-
	-	-	-	-	-
Malaysian Ringgit	0.00	-	-	-	-
	-	-	-	-	-
Thai Baht	0.00	-	-	-	-
	-	-	-	-	-
United Arab Emirates Dirham	0.00	-	-	0.01	-
	-	-	-	-	-
Maldive Rufiyaa	-	-	-	-	-
	(0.37)	-	-	-	-
Amount in Rs.	465.17	5,406.39	725.19	1,966.84	6,083.91
	(1,673.77)	(5,030.25)	(2,037.97)	(2,083.65)	(12,486.64)

Note : Previous year figures are mentioned in brackets

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GMR INFRASTRUCTURE LIMITED

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

42. Related party transactions

a. Names of the related parties and description of relationship:

Sl. No.	Relationship	Name of the parties
(i)	Holding Company	GEPL
(ii)	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates	AAI African Spirit Trading 307 (Proprietary) Limited APFTSB Arcelormittal India Limited (AIL) Bharat Petroleum Corporation Limited (BPCL) Brindaban Man Pradhang BWWFSIPL CAPL Cargo Service Center India Private Limited (CSCIPL) CELEBI GHDPL Celeebi Hava Servisis A.S. (CHSAS) DIL FAG GMR Institute of Technology (GMRIT) GoAP GoT Greenwich Investments Limited (GRIL) Homeland Energy Management Limited IDFS Trading Private Limited (IDFSTPL) IL & FS Environmental Infrastructure and Services Limited (IEISL) IIF IL & FS Financials Services limited (IL&FS) IL&FS Energy Development Company Limited (ILFSEDCL) IL&FS Urban Infrastructure Services Limited (IUISL) ILFS Renw Indian Oil Corporation Limited (IOCL) Infrastructure Development Finance Company Limited (IDFC) Infrastructure Leasing and Financial Services Limited (IL&FS Limited) Kakinada Refinery& Petrochemicals Private Limited (KRPPL) Kriti Timber Private Limited KIHPL Lanco Group Limited (LGL) Laqshya Event IP Private Limited (LEIPL) LGM Guvenik (LGMG) Limak Yatrim (LY) LISVT Laqshya Media Private Limited (LMPL) M/S G.S.Atwal & Co. MAHB Malaysia Airport (Labuan) Private Limited (MALPL) Malaysia Airports Consultancy Services SDN Bhd (MACS) Malaysian Aerospace Engineering Sdn. Bhd. (MAE) Malaysian Airline System Bhd. (MAS) MAMPL Megawide Construction Corporation (MCC) Mehment Senk Aipsoy (MSA) Menzies Aviation Bobba (Bangalore) Private Limited (MABBPL) Menzies Aviation Cargo (Hyderabad) Limited (MACHL) Menzies Aviation India Private Limited (MAIPL) Menzies Aviation PLC (UK) (MAPUK) Menzies Bobba Ground Handling Services Private Limited (MBGHSPL) Macquarie SBI Infrastructure Investments PTE Limited (MSIF) NAPC Limited (NAPC) Navabharat Power Private Limited (NBPPL) Nepal Electricity Authority (NEA) Odeon Limited (OL) Oriental Structures Engineers Private Limited (OSEPL) Oriental Tollways Private Limited (OTPL) PT Dian Swastatika Sentosa Tbk (PT Dian)

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GMR INFRASTRUCTURE LIMITED

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

42. Related party transactions

a. Names of the related parties and description of relationship:

Sl. No.	Relationship	Name of the parties
		PT Sinar Mas Cakrawala Reliance Industries Limited (RIL) Riverside Park Trading 164 (Pty) Limited (RPTL) Rushil Construction (India) Private Limited Somerset India Fund (SIF) Sterlite Energy Limited (SEL) Tenega Parking Services (India) Private Limited (TPSIPL) Times Innovative Media Limited (TIML) Tottenham Finance Limited (TFL) Travel Foods Services (Delhi) Private Limited (TFSDPL) TVS Communications Solutions Limited (TVSCSL) TVS Sundram Iyengar & Sons limited TVSLSL UE Development India Private Limited (UEDIPL) Veda Infra-Holdings (India) Private Limited (VIHIPL) Wipro Limited (WL) WTGGE YL
(iii)	Enterprises where key management personnel and their relatives exercise significant influence	CISL GEPL GFFT GIVLLP GMR Estate Private Limited (GMREPL) GMR Varalakshmi DAV Public School (GVDPS) GREPL GVF GWT GMR Business and Consultancy LLP (GBC) Polygon Rajam Enterprises Private Limited (REPL)
(iv)	Fellow subsidiary companies (where transactions have taken place)	CIL GBPPL GEOKNO India Private Limited (GEOKNO) GHLM GHML GHTPL GMR Holdings (Overseas) Limited (GHOL) GMR Infrastructure Malta Limited (GIMTL) GPPL GSPL Ravi Verma Realty Private Limited (RRPL) RSSL*
(v)	Jointly controlled entities	APFT BAS BBU BHBA BIB BNP CDCTM CJV DAFF DASPL GEMS Capital PTE Ltd GEMSCR GMCAC KCP KIM Laqshya Megawide - GISPL Construction Joint Venture (MGCJV) NML PTGEMS RCI

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GMR INFRASTRUCTURE LIMITED *

42. Related party transactions

a. Names of the related parties and description of relationship:

Sl. No.	Relationship	Name of the parties
		RCMEPL TBBU TFS TIM TKS WAISL
(vi)	Associates	EDWPCPL JEPL*** GCHEPL GREL GAGL UEPL*** GOSEHHHPL**
(vii)	Key management personnel and their relatives	Mr. G.M. Rao (Chairman) Mrs. G.Varalakshmi Mr. G.B.S.Raju (Director) Mr. Grandhi Kiran Kumar (Managing Director) Mr. Srinivas Bommidala (Director) Mr. K.V.V.Rao Mr. O Bangaru Raju (Director) Mr. Adiseshavataram Cherukupalli (Company Secretary) Mr. Madhava Bhimacharya Terdal (Group CFO) Mrs. B.Ramadevi

*Consequent to acquisition of additional stake from shareholders, RSSL has ceased to be a fellow subsidiary during the previous year ended March 31, 2016 and accordingly has been considered as a subsidiary during the year

** Consequent to disposal of stakes in GOSEHHHPL, the company has ceased to be a subsidiary from March 26, 2016 and accordingly as associate as on March 31, 2016 & March 31, 2017

*** Consequent to disposal of stakes in JEPL & UEPL, the companies has ceased to be associates during FY 2016-17 and accordingly as associate as on March 31, 2017

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GMR INFRASTRUCTURE LIMITED *

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GMR INFRASTRUCTURE LIMITED

Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Purchase of investment in equity shares		
- Holding Company		
GEPL		225.00
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAMPL		508.33
Sale of investments in equity shares		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
OSEPL		17.38
- Associate Companies		
UEPL	47.35	
JEPL	85.83	
- Fellow Subsidiaries		
GHML (Amounting to Rs. 3,924)		0.00
Share warrants forfeited		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP		141.75
Allotment of shares in Right Issue from Share Application Money		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC		889.57
Loans/ advances repaid by		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
LISVT		0.24
- Jointly controlled entities		
Laqshya	0.77	0.55
- Associates		
JEPL	4.50	
GCHEPL	425.60	
UEPL	16.40	
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	-	8.64
- Enterprises where key management personnel and their relatives exercise significant influence		
GVDPS	-	0.41
Loans taken from		
- Holding company		
GEPL	310.65	-
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
KTPL	142.50	
OSEPL	-	5.78

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GMR INFRASTRUCTURE LIMITED

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Loans repaid		
- Holding company		
GEPL	144.29	
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAIPL	0.10	0.20
LMPL	2.17	1.55
Wipro Limited	1.04	
Conversion of share application money into loans		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAHB		26.11
Liability written back		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAE	2.33	-
- Associates		
GAGL	149.51	
Sale of fixed assets		
- Jointly controlled entities		
APFT (Amounting to Rs. 13,321)	-	0.00
- Associates		
GCHEPL	0.15	
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
LMPL	0.01	0.03
Purchase of fixed assets/Services		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WL	12.28	1.28
- Fellow Subsidiaries		
GPPL	-	1.78
GEONKO	-	0.03
Deposit received		
- Enterprises Where Key Managerial Personnel and their Relatives Exercise significant influence		
GVF		0.15
GFFT	0.39	
- Jointly controlled entities		
DAFF	7.87	-
Laqshya	0.01	-
TFS		0.38
DASPL	-	0.04
CDCTM	-	7.13

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GMR INFRASTRUCTURE LIMITED ★

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Deposit repaid		
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	-	16.35
- Fellow Subsidiaries		
GPPL	-	0.02
Deposits given		
- Key management personnel and their relatives		
Mrs. B. Ramadevi	0.03	-
Mr. Madhva Bhimacharya Terdal	0.15	
Mrs. G.Varalakshmi	0.06	-
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
APFTSB		0.04
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	-	16.37
Deposit refund received		
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	1.25	-
CISL		8.59
Refund of Capital Advances		
- Fellow Subsidiaries		
GPPL		50.00
Equity dividend paid by subsidiaries / jointly controlled entities		
- Jointly controlled entities		
TIM	4.61	
DAFF	10.41	
DASPL	1.25	
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
YL	13.81	14.82
MACHL	1.10	5.50
Preference dividend paid by subsidiaries		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MACHL	0.54	2.16
Sub- Contracting Expenses		
- Fellow Subsidiaries		
GEOKNO		4.22
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
OSEPL		4.06

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GMR INFRASTRUCTURE LIMITED ★

GMR INFRASTRUCTURE LIMITED

Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Revenue from operations		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	3.12	3.00
LMPL	5.02	4.67
TIML	4.67	6.83
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	1.44	0.09
Grandhi Kiran Kumar	0.15	
GFFT	0.16	
- Fellow Subsidiaries		
GSPL	0.30	0.02
GEOKNO	0.50	
- Associates		
JEPL	2.12	-
GCHEPL	4.97	
GREL	1.51	
GAGL	8.14	
GOSEHHHPL	2.63	
UEPL	11.51	44.72
- Jointly controlled entities		
Laqshya	17.17	11.99
TIM	70.15	60.02
PT GEMS	22.80	
DAFF	-	11.83
CDCTM	99.05	101.64
TFS	10.22	10.89
DASPL	3.31	3.24
GMCAC	212.08	7.35
APFT	0.82	0.67
Fees received for services rendered		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CELEBI GHDPL	3.07	3.04
BWWFSIPL	3.92	3.07
CAPL	0.04	2.21
- Jointly controlled entities		
PTGEMS	-	2.99
GMCAC	-	2.61
Fee paid for services received		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WL	-	9.31
GoT	3.29	3.12
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	0.10	-

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GMR INFRASTRUCTURE LIMITED

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Interest income		
- Associates		
UEPL	0.01	0.01
JEPL	0.68	0.80
- Jointly controlled entities		
CDCTM	-	0.60
DASPL	0.10	1.38
TFS	0.58	
- Fellow Subsidiaries		
GPPL	0.96	1.00
Airport operator fees		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
FAG	151.05	128.68
Revenue share paid/payable to concessionaire grantors		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	2,634.84	2,304.15
Rental expenses		
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	4.98	4.40
GREPL	1.29	1.25
- Key management personnel and their relatives		
Mrs. B. Ramadevi	0.16	0.16
G Varalakshmi	0.15	0.07
Mr. G.B.S.Raju	0.26	0.61
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
Wipro Limited	0.00	
AAI	-	0.03
Managerial remuneration to		
- Key management personnel and their relatives		
Mr. G.M. Rao	4.57	4.07
Mr. G.B.S.Raju	1.69	1.42
Mr. Srinivas Bommidala	5.70	4.95
Mr. B.V. Nageswara Rao	1.01	2.70
Mr. Grandhi Kiran Kumar	3.99	3.42
Mr. O Bangaru Raju	2.86	2.51
Mr. C.P. Sounderarajan		0.28
Mr. Adiseshavataram Cherukupalli	0.84	0.46
Mr. Madhava Bhimacharya Terdal	1.96	1.65
Mr. K.V.V.Rao	0.12	2.06
Logo fee paid/payable to		
- Holding company		
GEPL	7.80	3.03

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GMR INFRASTRUCTURE LIMITED

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Technical and consultancy fees		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
FAG	0.07	0.28
MACS	-	3.03
AAI	0.12	-
TIML	-	3.01
MAPUK	7.21	6.99
APFTSB	0.35	0.33
Other expenses - others		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	0.08	0.03
TPSIPL	3.45	2.68
MAPUK	0.59	0.66
BPCL	0.11	0.11
APFTSB	0.00	-
LEIPL	-	0.05
LMPL	-	0.40
BWWFSIPL	0.98	0.91
TIML	2.02	0.68
GHARL Novotel	0.62	
- Jointly controlled entities		
WAISL	2.57	15.01
Laqshya	0.12	0.14
TIM	0.06	
TFS	3.73	
CDCTM	0.32	0.34
- Associates		
GCHEPL	9.54	
- Fellow Subsidiaries		
RSSL		28.25
GEOKNO	1.16	
GPPL	-	0.01
GSPL	0.50	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	1.81	0.33
GVF	0.26	
GMR Varalakshmi DAV Public School (GVDPS)	0.93	0.72
Purchase of fuel		
- Jointly controlled entities		
BIB	-	7.97
ATC Development Fund Utilization		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	-	10.00

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Reimbursement of expenses incurred on behalf of the Group		
- Holding company		
GEPL	-	1.36
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CHSAS	0.08	0.11
MAIPL	0.22	0.20
MAPUK	0.08	0.08
Times Innovative Media Ltd	0.23	
Wipro Limited	0.01	
LMPL	-	0.05
YL	0.22	0.51
CELEBI GHDPL	0.03	0.04
APFTSB	(0.04)	0.02
- Jointly controlled entities		
GMCAC	3.09	
TFS	0.04	0.04
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	1.47	1.03
GFFT (Amounting to Rs. 37,961)	-	0.00
Expenses incurred by the Group on behalf of		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	18.73	18.15
CELEBI GHDPL	0.05	0.01
TFS Pvt Limited	0.02	
WL	-	0.01
LMPL	0.41	0.00
YL	1.03	0.03
- Jointly controlled entities		
DASPL	6.42	5.27
CDCTM	12.05	11.46
TIM	2.04	2.12
TFS	2.42	2.63
Laqshya	0.60	0.46
APFT	0.13	0.13
- Fellow Subsidiaries		
GBPPL	-	0.01
GEOKNO	0.11	0.13
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	0.07	0.06
GFFT	-	0.02
- Associates		
GCHEPL	0.02	
MTSCL	0.02	
UEPL		0.03
Donations		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	16.02	18.13

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GMR INFRASTRUCTURE LIMITED

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Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Lease income		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CELEBI GHDPL	1.73	0.15
IOCL	0.00	0.00
BPCL	0.02	0.02
- Jointly controlled entities		
TIM	0.75	
DAFF	12.69	
CDCTM	20.26	
DASPL	0.08	
- Associates		
GCHEPL	0.08	
Cargo handling charges paid		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CELEBI GHDPL	0.22	0.21
BWWFSIPL	0.27	0.21
CAPL	0.00	0.11
Interest expenses		
- Holding company		
GEPL	7.79	-
- Jointly controlled entities		
Laqshya	0.01	
APFT	0.12	
- Associates		
GAGL	0.09	
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	5.03	2.10
CHSAS	0.42	0.37
WL	0.05	0.10
KTPL	0.05	
Purchase of Raw Materials		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
TFS Kolkatta Pvt Ltd	0.01	
Provisions no longer required written back		
- Jointly Controlled Entities		
RCMEPL		0.10
Corporate guarantee extinguished		
- Associates		
UEPL		696.87
JEPL		353.48
Bank guarantees extinguished		
- Associates		
UEPL		12.50
JEPL		17.50

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GMR INFRASTRUCTURE LIMITED *

GMR INFRASTRUCTURE LIMITED

Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
Arrears of cumulative dividends on preference share capital issued by a subsidiary		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
OL		20.65
b. Balance Payable/ (Receivable) with the above related parties are as follows:		
- Holding company		
GEPL	178.53	4.03
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	135.04	104.16
FAG	79.99	68.35
APFTSB	0.54	0.28
LISVT	(0.06)	0.28
MACS	0.04	15.42
MAHB	-	26.11
TIML	(0.29)	1.10
WL	11.94	11.36
LMPL	7.98	11.01
LEIPL	-	0.02
MAIPL	1.02	0.70
MAPUK	4.40	0.80
GoT	3.37	318.25
CHSAS	6.86	6.97
TPSIPL	0.84	0.73
CELEBI GHDPL	(0.75)	(0.47)
BWWFSIPL	(0.97)	(1.55)
CAPL	-	(3.95)
YL	(0.01)	0.53
TFSPL	0.03	
KTPL	142.54	
GHARL Novotel	0.07	
MCC	-	0.39
BPCL	0.04	0.04
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	(29.94)	(38.92)
GVF	1.51	2.96
GWT	(115.00)	(115.00)
GREPL	0.12	-
GVDPS	-	1.90
Polygon	-	(22.90)
- Fellow Subsidiaries		
GPPL	(321.37)	(641.41)
GEOKNO	(0.70)	(0.23)
GSPL	0.00	0.00
GBPPL	(1.11)	(1.18)
RRPL	-	0.01
- Jointly controlled entities		
PTGEMS	2,335.20	34.52
GMCAC	(64.81)	(0.67)
CJV	-	(0.62)

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GMR INFRASTRUCTURE LIMITED ★

GMR INFRASTRUCTURE LIMITED

Notes to the Special Purpose consolidated financial statements for the year ended March 31, 2017

b. Summary of transactions with the above related parties are as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2017	March 31, 2016
MGCJV	(1.97)	(0.86)
Laqshya	(6.42)	(4.75)
APFT	(1.58)	(1.23)
DASPL	7.09	6.66
TFS	0.55	(2.35)
DAFF	125.27	117.30
CDCTM	89.51	91.09
WAISL	(4.63)	(5.47)
TIM	2.44	6.74
- Associates		
UEPL	2.56	(103.25)
JEPL	1.08	(8.06)
GCHEPL	(3,559.90)	-
GREL	(1,202.89)	-
GAGL	(2.37)	-
GOSEHHHPL	(0.07)	(22.22)
- Key management personnel and their relatives		
Mr. G.M. Rao	1.60	0.94
Mrs. G.Varalakshmi	(0.08)	(0.08)
Mr. G.Kiran Kumar	(0.12)	
Mrs. B. Ramadevi	-	0.00
Mr. G.B.S.Raju	-	0.31
Outstanding corporate guarantees		
- Associates		
GCHEPL	4,690.47	
Outstanding bank guarantees		
- Fellow Subsidiaries		
GEOKNO	1.30	2.48
- Associates		
GOSEHHHPL		1,080.00
Outstanding pledge of fixed deposits		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WTGGE		130.50
- Enterprises where key management personnel and their relatives exercise significant influence		
GREPL	5.00	21.00
Money received against share warrants		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP	-	141.75
Arrears of cumulative dividends on preference share capital issued by a subsidiary		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
OL		76.17

Notes:

1. The Group has provided securities by way of pledge of investments for loans taken by certain companies.
2. Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GEPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group.

3. Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Company as a whole
4. Certain bank guarantees and corporate guarantees given on behalf of subsidaries have not been considered in the above transactions and outstanding balances.

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43. Gratuity and other post employment benefits plans

a) Defined contribution plan

Contributions to provident and other funds included in capital work-in-progress (note 32(a)), intangible assets under development (note 32(b)), discontinued operations(note 30(i)) and employee benefits expenses(note 25) are as under:

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Contribution to provident fund	28.55	22.86
Contribution to superannuation fund	12.69	12.86
	41.24	35.72

b) Defined benefit plan

Provident fund

Contributions to provident funds by DIAL included in capital work-in-progress (note 32(a)) and employee benefits expenses(note 25) are as under:

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Contribution to provident fund	5.73	5.51
	5.73	5.51

The Guidance on Implementing of Accounting Standard 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India, states that benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans.

The details of the fund and plan asset position are as follows:

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Plan assets at the year end, at fair value	94.27	82.23
Present value of benefit obligation at year end	94.27	82.23
Net (liability) / asset recognized in the balance sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	March 31, 2017	March 31, 2016
Discount Rate	7.10%	7.80%
Fund Rate	9.50%	9.30%
EPFO Rate	8.60%	8.60%
Withdrawal Rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	Indian Assured Lives Mortality (2006-08) (modified)Ult *

*As published by Insurance Regulatory and Development Authority ('IRDA') and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective April 1, 2013

Gratuity Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for defined benefit plans/ obligations.

Statement of profit and loss

(i) Net employee benefit expenses:

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Current service cost	8.02	8.21
Net interest cost on defined benefit obligation	0.79	3.29
Expected return on plan assets	(1.24)	(3.35)
Net actuarial (gain)/loss recognised	5.34	1.78
Net benefit expenses	12.91	9.93

Balance Sheet

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	58.50	50.50
Fair value of plan assets	37.87	37.99
Plan asset / (liability)	(20.63)	(12.51)

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Other defined post employment benefit
Certain entities in the group located outside India have defined unfunded post employment benefits, for its employees.

The following tables summarises the components of net benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for these defined post-employment benefits..

Statement of profit and loss

(i) Net employee benefit expense:

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Current service cost	0.48	1.52
Actuarial loss / (gain)	(0.05)	(0.96)
Interest cost on benefit obligation	0.20	0.27
Net benefit expenses	0.63	0.83

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

(Rs. in crore)

Particulars	March 31, 2017	March 31, 2016
Opening defined benefit obligation	7.00	8.39
Interest cost	0.20	0.27
Current service cost	0.48	1.52
Benefits paid	(1.48)	(2.22)
Actuarial (gains) / losses on obligation	(0.05)	(0.96)
Closing defined benefit obligation	6.15	7.00

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Notes to the special purpose consolidated financial statements for the period ended March 31, 2017

44.Segment Reporting
a) The segment reporting of the Group has been prepared in accordance with AS 17 on Segment Reporting, notified under section 133 of the Companies Act, 2013.
b) For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.
c) The business segments of the Group comprise of the following:

Segment	Description of Activity
Airports	Development and operation of airports
Power	Generation of power and provision of related services and exploration and mining activities
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solution in the infrastructure sector
Others	Urban Infrastructure and other residual activities

d) Geographical segments are categorised as 'India' and 'Outside India' and are based on the domicile of the customers.
e) Various business segments comprise of the following companies:

Airports
GMR Hyderabad International Airport Limited
Gateways for India Airports Private Limited
Hyderabad Menzies Air Cargo Private Limited
Hyderabad Airport Security Services Limited
GMR Aerostructure Services Limited (GASL)
GMR Hyderabad Aerotropolis Limited
GMR Hyderabad Aviation SEZ Limited
GMR Aerospace Engineering Limited (GAEL)
GMR Hyderabad Airport Power Distribution Limited
GMR Aero Technic Limited(GATL)
Asia Pacific Flight Training Academy Limited
Laqshya Hyderabad Airport Media Private Limited
Delhi International Airport Limited
Delhi Aerotropolis Private Limited
Delhi Aviation Services Private Limited
Travel Food Services (Delhi Terminal 3) Private Limited
Delhi Duty Free Services Private Limited
Delhi Aviation Fuel Facility Private Limited
Celebi Delhi Cargo Terminal Management India Private Limited
Delhi Airport Parking Services Private Limited
TIM Delhi Airport Advertising Private Limited
GMR Airports Limited
GMR Airports (Mauritius) Limited
GMR Airports (Malta) Limited
GMR Male International Airport Private Limited
GMR Megawide Cebu Airport Corporation
GMR Goa International Airport Limited (GIAL)

Power	
GMR Energy Limited (GEL)	GMR Genco Assets Limited (GGEAL)
GMR Power Corporation Limited (GPCL)	GMR Gujarat Solar Power Private Limited
GMR Vemagiri Power Generation Limited (GVPGL)	Karnali Transmission Company Private Limited
GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Marsyangdi Transmission Company Private Limited
GMR Mining & Energy Private Limited	GMR Indo-Nepal Energy Links Limited
GMR Kamalanga Energy Limited	GMR Indo-Nepal Power Corridors Limited
Himtal Hydro Power Company Private Limited	GMR Generation Assets Limited
GMR Energy (Mauritius) Limited	PT Era Mitra Selaras (PTEMS)
GMR Lion Energy Limited	PT Berkat Satria Abadi (PTBSA)
GMR Upper Karnali Hydropower Limited	GMR Infrastructure (Singapore) Pte Limited
GMR Energy Trading Limited	GMR Coal Resources Pte Limited
GMR Consulting Services Private Limited	PT Golden Energy Mines Tbk
GMR Coastal Energy Private Limited	PT Roundhill Capital Indonesia
GMR Bajoli Holi Hydropower Private Limited	PT Borneo Indobara
GMR Londa Hydropower Private Limited	PT Kuansing Inti Makmur
GMR Kakinada Energy Private Limited	PT Karya Cemerlang Persada
Rampia Coal Mine and Energy Private Limited	PT Bungo Bara Utama
GMR Chhattisgarh Energy Limited	PT Bara Harmonis Batang Asam
GMR Energy (Cyprus) Limited	PT Berkat Nusantara Permai
GMR Energy (Netherlands) B.V.	PT Tanjung Belit Bara Utama
PT Dwikarya Sejati Utma	PT Trisula Kencana Sakti
PT Duta Sarana Internusa	GMR Energy Projects (Mauritius) Limited
PT Barasentosa Lestari	PT Karya Mining Solution (KMS)
GMR Rajahmundry Energy Limited	PT GEMS Energy Indonesia
SJK Powergen Limited	GEMS Trading Resources Pte Limited
PT Unsoco	GMR Power Infra Limited
GMR Warora Energy Limited	Shanghai Jingguang Energy Co Ltd
GMR Maharashtra Energy Limited	Indo Tausch Trading DMCC
GMR Bundelkhand Energy Private Limited	PT Wahana Rimba (PTWR)
GMR Rajam Solar Power Private Limited	

Others	
GMR Hospitality and Retail Limited (GHRL)	GMR Utilities Private Limited
Wipro Airport IT Services Limited	Raxa Securities Private Limited
GMR Aviation Private Limited	GMR Infrastructure (Mauritius) Limited
GMR Krishnagiri SEZ Limited	GMR Infrastructure (Cyprus) Limited
Advika Properties Private Limited	GMR Infrastructure Overseas Limited
Aklima Properties Private Limited	GMR Infrastructure (UK) Limited
Amartya Properties Private Limited	GMR Infrastructure (Global) Limited
Baruni Properties Private Limited	GMR Energy (Global) Limited
Bougianvile Properties Private Limited	GMR Infrastructure (Overseas) Limited
Camelia Properties Private Limited	Kakinada Gateway Port Limted (KGPL)
Deepesh Properties Private Limited	GMR SEZ Infra Services Limited (GSISL)
Eila Properties Private Limited	GMR Infra Developers Limited
Gerbera Properties Private Limited	Pranesh Properties Private Limited
Lakshmi Priya Properties Private. Limited	GMR Business Process and Services Private Ltd
Honeysuckle Properties Private Limited	GMR Hosur EMC Private Limited
Idika Properties Private Limited	Namitha Real Estates Pvt.Ltd
Krishnapriya Properties Private Limited	Lilliam Properties Private Limited
Larkspur Properties Private Limited	Honeyflower Estates Pvt. Ltd
Nadira Properties Private Limited	Suzone Properties Private Limited
Padmapriya Properties Private Limited	East Godavari Power Distribution Company Private Limited
Prakalpa Properties Private Limited	Lantana Properies Private Limited
Purnachandra Properties Private Limited	
Radhapriya Properies Private Limited	
Shreyadita Properties Private Limited	
Sreepa Properties Private Limited	
GMR SEZ and Port Holdings Limited	
GMR Corporate Affairs Private Limited	
Dhruvi Securities Private Limited	
Kakinada SEZ Limited	
Asteria Real Estates Private Limited	

EPC
GMR Airport Developers Limited
GADL International Limited
GADL (Mauritius) Limited
Limak GMR Construction JV
Megawide GISPL Construction Joint Venture
GIL - EPC Segment

Roads			
GMR Tambaram Tindivanam Expressways Limited	GMR Pochanpalli Expressways Limited	GMR Highways Projects Private Limited	GMR Chennai Outer Ring Road Private Limited
GMR Tuni Anakapalli Expressways Limited	GMR Highways Limited	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	GMR OSE Hungund Hospet Highways Private Limited
GMR Ambala Chandigarh Expressways Private Limited		GMR Hyderabad Vijayawada Expressways Private Limited	

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Notes to the consolidated financial statements for the year ended March 31, 2017

f. The details of segment information is given below
Business segment

(Rs. in crore)

Particulars	Power		Roads		Airports		EPC		Others		Discontinuing operations		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Revenue																		
Revenue from operations	5,262.20	5,110.08	634.35	686.71	7,667.64	6,542.89	386.01	179.13	443.09	197.48	32.51	531.89	-	-	-	-	14,425.80	10,935.25
Other operating revenue	-	-	-	-	-	-	-	-	67.55	109.48	-	-	-	-	-	-	67.55	152.43
Inter segment revenue	-	-	-	-	8.77	13.23	277.02	35.65	55.29	488.86	-	-	(341.08)	(537.74)	-	-	-	-
Total revenue (a)	5,262.20	5,110.08	634.35	686.71	7,676.41	6,556.12	663.03	214.78	565.93	795.82	32.51	531.89	(341.08)	(537.74)	-	-	14,493.35	11,087.68
Other income (excluding interest income) (b)	202.78	30.46	6.51	3.90	188.80	138.46	(5.75)	16.60	24.80	17.37	696.17	50.71	(8.36)	(15.74)	-	-	1,104.95	241.76
Expenditure																		
Revenue share paid/payable to concessionaire grantors	-	-	81.89	82.36	2,681.04	2,329.93	-	-	-	-		-		-	-	-	2,762.93	2,412.29
Consumption of fuel	1,907.98	2,243.11	-	-	-	-	-	-	5.65	4.10		278.75		-	-	-	1,913.62	2,525.96
Cost of materials consumed	0.66	-	-	-	3.94	5.01	113.32	27.62	61.96	5.97		-	(0.07)	(0.04)	-	-	179.80	38.56
Purchase of traded goods and (increase) / decrease in stock in trade	572.65	429.71	-	-	365.47	377.46	-	-	(6.86)	0.04		-		-	-	-	931.26	807.21
Sub-contracting expenses	355.14	404.67	117.93	123.03	-	1.36	282.04	122.21	-	0.01		6.44	(119.66)	(29.33)	-	-	635.45	628.39
Employee benefits expenses	190.89	155.84	23.68	24.64	326.13	319.57	47.89	32.61	197.53	121.09	5.76	12.20	(1.26)	(1.15)	-	-	790.62	664.80
Other expenses	959.30	807.42	42.33	54.32	1,218.89	1,107.59	82.41	36.53	148.77	129.28	16.69	53.68	(148.40)	(153.01)	-	-	2,319.99	2,035.81
Utilisation fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation/amortisation	962.27	947.32	195.74	190.53	930.03	928.91	14.14	13.58	40.08	48.45	9.70	137.42	(0.10)	(0.05)	-	-	2,151.86	2,266.16
Total expenditure (c)	4,948.88	4,988.07	461.58	474.88	5,525.50	5,069.83	539.79	232.55	447.13	308.94	32.15	488.49	(269.50)	(183.58)	-	-	11,685.53	11,379.18
Segment results (a)+(b)-(c)	516.10	152.47	179.28	215.73	2,339.72	1,624.75	117.49	(1.17)	143.60	504.25	696.53	94.11	(79.94)	(369.90)	-	-	3,912.77	2,220.24
Unallocated income/(expense)																		
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,947.13)	(4,057.69)	(4,947.13)	(4,057.69)
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	228.89	212.51	228.89	212.51
Interest expenses(net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,718.24)	(3,845.18)	(4,718.24)	(3,845.18)
Exceptional items																		
Provision for diminution in value of investments in associates	-	-	-	-	-	-	-	-	-	-	-	(39.22)	-	-	-	-	-	(39.22)
Loss on impairment of assets in subsidiaries	-	(164.30)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(164.30)
Impairment of Fixed Assets	(68.50)	-	(385.70)	-	-	-	-	-	-	-	-	-	-	-	-	-	(454.20)	-
Reimbursement of expenses pertaining to earlier years received by a subsidiary	-	51.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.42
Profit on sale / equity dilution of subsidiaries / associates / jointly controlled entities and others	170.75	-	(1.50)	-	(39.37)	-	-	-	-	-	-	2.31	-	-	-	-	129.88	2.31
Loan prepayment interest & interest rate swap charges	-	-	-	-	(48.97)	-	-	-	-	-	-	-	-	-	-	-	(48.97)	-
Loss on account of provision towards claims recoverable	-	-	(312.72)	-	-	-	-	-	-	-	-	-	-	-	-	-	(312.72)	-
Segment result/profit/(loss) before tax expenses and minority interest	618.35	39.59	(520.64)	215.73	2,251.38	1,624.75	117.49	(1.17)	143.60	504.25	696.53	57.20	(79.94)	(369.90)	(4,718.24)	(3,845.18)	(1,491.48)	(1,774.73)
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	810.21	224.21	810.21	224.21
Segment result/profit/(loss) before minority interest	618.35	39.59	(520.64)	215.73	2,251.38	1,624.75	117.49	(1.17)	143.60	504.25	696.53	57.20	(79.94)	(369.90)	(5,528.45)	(4,069.39)	(2,301.69)	(1,998.94)

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Notes to the consolidated financial statements for the year ended March 31, 2017

f. The details of segment information is given below
Business segment

(Rs. in crore)

Particulars	Power		Roads		Airports		EPC		Others		Discontinuing operations		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Other information																		
Segment assets	24,518.57	32,037.48	4,955.10	5,550.60	17,904.32	16,560.35	1,266.53	1,112.63	19,564.81	19,499.68	744.44	7,224.74	(19,227.58)	(15,640.11)	-	-	49,726.19	66,345.37
Unallocated segment assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,120.66	826.42	1,120.66	826.42
Total Assets	24,518.57	32,037.48	4,955.10	5,550.60	17,904.32	16,560.35	1,266.53	1,112.63	19,564.81	19,499.68	744.44	7,224.74	(19,227.58)	(15,640.11)	1,120.66	826.42	50,846.85	67,171.79
Segment liabilities	4,338.28	8,385.10	921.55	1,709.83	3,227.19	1,888.70	1,092.58	869.32	1,805.48	1,233.56	538.03	805.93	(2,900.32)	(7,407.35)	-	-	9,022.79	7,485.09
Unallocated segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,206.24	52,098.09	35,206.24	52,098.09
Total Liabilities	4,338.28	8,385.10	921.55	1,709.83	3,227.19	1,888.70	1,092.58	869.32	1,805.48	1,233.56	538.03	805.93	(2,900.32)	(7,407.35)	35,206.24	52,098.09	44,229.03	59,583.18
Capital expenditure	107.53	1,281.72	3.41	8.71	599.92	306.06	-	-	127.71	550.99	-	460.73		-		-	838.57	2,608.21
Depreciation/amortisation	962.27	947.32	195.74	190.53	930.03	928.91	14.14	13.58	40.08	48.45	9.70	137.42	(0.10)	(0.05)	-	-	2,151.86	2,266.16
Other non cash expenses	148.26	172.55	698.42	1.23	48.56	7.42	-	-	9.99	0.32	-	39.22	-	-	-	-	905.24	220.74

The segment wise details of revenue, expenses, results, assets and liabilities of the discontinuing operations disclosed above are as below:

Discontinuing operations

(Rs. in crore)

Particulars	Power		Roads		Airports		Others		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Total revenue	32.51	412.47	-	119.42	-	-	-	-	32.51	531.89
Other income (excluding interest income)	6.55	50.02	-	0.65	689.62	0.04	-	-	696.17	50.71
Total expenditure	31.80	434.73	-	35.39	156.78	18.37	-	-	188.58	488.49
Segment results	7.26	27.76	-	84.68	532.84	(18.33)	-	-	540.10	94.11
Segment assets	-	5,630.06	-	-	744.44	1,594.68	-	-	744.44	7,224.74
Segment liabilities	-	581.96	-	-	538.03	223.97	-	-	538.03	805.93

The Group has two geographical segments: India and outside India
Geographical segments

(Rs. in crore)

Particulars	Revenue		Assets		Capital expenditure	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Continuing Operations:						
India	13,164.52	12,033.30	43,210.01	52,484.36	528.23	1,873.23
Outside India	1,296.32	792.47	7,636.84	7,462.69	310.34	274.25
Discontinuing Operations:						
India	32.51	531.89	-	6,029.30	-	460.73
Outside India	-	-	7.90	1,195.44	-	-
Total	14,493.35	13,357.66	50,854.75	67,171.79	838.57	2,608.21

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45. Other matters:

A. Matters relating to certain airport sector entities:

i. DF Order

AERA DF Order No. 28/2011-12, 30/ 2012-13 and AERA tariff order No. 03/2012-13 on determination of Aeronautical Tariff; issued on November 14, 2011, December 28, 2012 and April 24, 2012 respectively.

DIAL has accrued DF amounting to Rs. 350.00 crore during the year 2012-2013 earmarked for construction of Air Traffic Control (ATC) tower, which is currently under progress as at March 31, 2017. DF amounting to Rs. 350 crore (March 31, 2016: Rs. 345.85 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2017 and balance DF amounting to Rs. Nil (March 31, 2016: Rs. 4.15 crore and April 01, 2015: Rs. 41.17 crore), pending utilization, has been disclosed under other current liabilities.

The total expenditure incurred on construction of ATC tower is Rs. 393.07 crore till March 31, 2017 which exceeds the earmarked DF of Rs. 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

Pending discussion with AAI for the excess amount, DIAL has included the additional amount of Rs. 43.07 crore (March 31, 2016: Rs. Nil and April 01, 2015: Rs. Nil) under Capital Work in Progress (CWIP) as at March 31, 2017.

While calculating such additional DF amount:

a. In accordance with the earlier Standard Operating Procedure (SOP) approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, DIAL was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate / amount of DF and manner of collection and administration cost incurred thereupon had already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; DIAL has capitalized DF collection charges aggregating to Rs. 28.37 crore till March 31, 2017 (March 2016: Rs. 27.07 crore).

b. Airport Economic Regulatory Authority (AERA) has passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cut-off date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI six months' time after cutoff date (i.e April 30, 2016) to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF. However, the same has not yet been finalized. This over / under recovery will be accounted for on final reconciliation of ADF pending with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.

ii. In case of GHIAL, the Airport Economic Regulatory Authority ('AERA'), passed an Aeronautical tariff order No. 38 dated February 24, 2014, in respect of control period from April 1, 2011 to March 31, 2016. GHIAL had filed an appeal, challenging the disallowance of pre control period losses, foreign exchange loss on ECB and other issues for determination of its tariff with the AERA Appellate Tribunal (AERAAT) against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad for the State of Telangana and for the State of Andhra Pradesh, which is yet to be heard.

GHIAL filed an application with AERA for determination of Aeronautical Tariff in respect of Second Control period from April 1, 2016 to March 31, 2021 including True up for shortfall of receipt vis a vis entitlement for the first control period. Pending determination of Aeronautical Tariff, AERA vide its order No. 19 dated March 31, 2017 has allowed to continue to charge the Aeronautical tariff as prevailed on March 31, 2017 for a period of 6 months w.e.f. April 1, 2017 or till determination of tariff for the aforesaid period whichever is earlier.

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iii. GATL has been incurring losses including cash losses and has accumulated losses of Rs. 363.92 crore as at March 31, 2017. Though the networth of GATL is fully eroded, the losses have reduced and are Rs. 39.11 crore for the year ended March 31, 2017 respectively vis-a-vis losses of Rs. 73.32 crore for the year ended March 31, 2016. Further, the management of the Group expects that there will be a significant increase in the operations of GATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, the management of the Group believes that the carrying value of net assets of GATL as at March 31, 2017 is appropriate.

iv. As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by Ministry of Civil Aviation ('MoCA') on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land amounting to Rs. 69.92 (March 31, 2016: 69.92 crore) crore was debited to the Passenger Service Fee (Security Component) Fund [PSF(SC) Fund] with intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF(SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land / construction and other related costs regarding the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, residential quarters continue to be accounted in the PSF(SC) Fund and no adjustments have been made to the consolidated financial statements of the Group for the year ended March 31, 2017.

v. In case of DIAL, the Airport Economic Regulatory Authority ('AERA') vide its powers conferred by Section 13(1)(a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five-year control period (i.e. 2009 - 2014). The first five-year control period referred to above ended on March 31, 2014.

DIAL had filed a writ petition before the Hon'ble High Court of Delhi seeking extension of existing tariff as allowed vide AERA order No. 03/2012-13 till disposal of DIAL's appeal pending before Airports Economic Regulatory Authority Appellate Tribunal ('AERAAT'). Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No. 03/2012-13 issued on April 24, 2012 shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

Subsequently, AERA released the tariff order No. 40/2015-16 dated December 08, 2015 for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings pending before AERAAT. As per AERA order for second control period, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period).

DIAL has filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 with AERAAT on January 11, 2016. In view of above legal proceedings, the AERA order for second control period could not be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period shall be adjusted from the aggregate revenue.

Earlier, AERA has filed a Special Leave Petition ("SLP") dated April 24, 2015 in the Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble High Court of Delhi dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and Hon'ble Supreme Court has disposed off Special Leave Petition on May 12, 2016 with directions to AERAAT to dispose of the Tariff Appeals within three months from receipt of this order. The tariff matters were listed for hearing by AERAAT on October

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17, 2016; however, as extension for members of AERAAT was not approved till date, the matter was further adjourned till the next communication by AERAAT.

In February, 2017, Air India filed an SLP for expeditious disposal of Tariff matters and the Supreme Court directed AERAAT to dispose off the Tariff appeals within 2 months i.e. by April 2017. In compliance of the aforesaid Supreme Court order Tribunal has decided to hear Tariff appeals on priority. The tariff appeal filed against the AERA order no. 03/2012-13 are being heard and would be concluded in due course.

In the opinion of the management, in view of the profits earned over the last five financial years, DIAL's business plans and cash flow projections for the next one year, DIAL expects to earn sufficient cash profits and does not foresee any difficulty in continuing its business / operations and meeting its financial obligations.

vi. DIAL has received advance development costs of Rs. 660.06 crore (March 31, 2016: Rs. 653.13 crore) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, DIAL has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2017, DIAL has incurred development expenditure of Rs. 469.72 crore (March 31, 2016: Rs. 426.61 crore) which has been adjusted against the aforesaid advance and balance amount of Rs. 190.34 crore (March 31, 2016: Rs. 226.52 crore) is disclosed under other liabilities.

vii. DIAL is collecting 'Marketing Fund' at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by DIAL. The financial statements of such marketing fund are being audited by one of the Joint Statutory auditors of DIAL. As at March 31, 2017, DIAL has billed Rs. 92.48 crore (March 31, 2016: Rs. 71.04 crore) towards such Marketing Fund and has incurred expenditure amounting to Rs. 39.05 crore (net of income on temporary investments) till March 31, 2017 (March 31, 2016: Rs. 31.50 crore) from the amount so collected. The balance amount of Rs. 53.43 crore pending utilization as at March 31, 2017 (March 31, 2016: Rs. 39.54); as marketing fund billing and utilization was not forming part of marketing fund) against such sales promotion activities is included under 'Other current liabilities' as specific fund to be used for the purpose to be approved by the Marketing fund committee constituted for this purpose.

viii. a) The consolidated financial statements of the Group do not include accounts for PSF (SC) of DIAL and GHIAL as the same are maintained separately in the fiduciary capacity by these entities on behalf of GoI and are governed by SOP issued vide letter number AV/13024/047/2003-SS/AD dated January 19, 2009 issued by MoCA, GoI.

b) The consolidated financial statements of the Group do not include billing to Airlines for DF by DIAL, as the management of the Group believes that DIAL's responsibility is restricted only to the billing on behalf of AAI in accordance with the provisions of AAI (Major Airports) Development Fee Rules, 2011 and DF SOP.

ix. DIAL has a receivable of Rs. 564.47 crore as at March 31, 2017 (March 31, 2016: Rs. 516.37 crore) (including unbilled revenue) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing "Airport Enhancement and Financing Service Agreement" with the International Air Transport Association for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Company considers its dues from Air India as good and fully recoverable.

x. The Comptroller and Auditor General of India ('CAG') had conducted the performance audit of Public Private Partnership ('PPP') project of AAI at Delhi Airport for the period 2006 to 2012. CAG had presented its report before the Rajya Sabha on August 17, 2012 wherein they had made certain observations on DIAL. The Public Accounts Committee ('PAC'), constituted by the Parliament of India, has examined the CAG report and submitted its observations and recommendations to Lok Sabha vide its ninety fourth report in February 2014. The management of the Group is of the view that the observations in the CAG report and the PAC report do not have any financial impact on these consolidated financial statements of the Group.

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xi. AERA had passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority had decided to adjust DF of Rs. 3,241.37 crore out of allowed DF of Rs. 3,415.35 crore based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of Rs. 173.98 crore on utilization basis as and when it is incurred. However, DIAL availed loans of Rs. 3,415.35 crore based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2017. Accordingly, the differential interest i.e. paid by DIAL on DF loans and considered on actual spent amounting to Rs. 48.06 crore (March 31, 2016: Rs. 47.90 crore) is required to be absorbed by DIAL. Accordingly, during the year ended March 31, 2017 interest expense of Rs. 0.16 crore (March 31, 2016: Rs. 47.90 crore) has been provided in the books of accounts. Further, DIAL had incurred a sum of Rs. 17.29 crore towards interest from December 2011 to February 2012 which was not allowed by AERA and accordingly interest expense of Rs. 17.29 crore had also been provided in the books of accounts during previous year ended March 31, 2016.

xii. Preference Shares issued by subsidiaries:

Pursuant to investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as "investor agreement"), Company has issued 3,731,468 of non-cumulative compulsorily convertible participatory preference shares (Class A CCPS) of Rs. 1,000 each fully paid-up at a premium of Rs. 2,885.27 and Rs 3,080.90 per share for 2,298,940 Class A CCPS ('First Tranche') and 1,432,528 Class A CCPS ('Second Tranche') respectively. Further, Company had allotted bonus shares of 11,046,532 class B Compulsorily Convertible Preference Shares ("CCPS B") to GMR Infrastructure Limited ("GIL" or "Holding Company"), utilising the securities premium.

As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement. The call option was to be exercised by the Company on or before April 6, 2015. If the call option was not exercised by the Company before April 6, 2015, each CCPS A was convertible into 82.821 equity shares of GAL with simultaneous conversion of CCPS B held by the Company into equity shares of GAL as per Articles and Memorandum of Association of GAL.

The Company vide its letter dated April 1, 2015, had exercised the call option to buy the CCPS A, subject to obtaining the requisite regulatory approvals. However, Investors sought conversion of CCPS A and has initiated arbitration proceedings against GAL and the Company. The investors filed their statement of claim and the Company along with GAL have filed their statement of defence / reply respectively.

In view of ongoing arbitration and considering the uncertainty regarding the conversion / settlement of CCPS A, the Group has recorded CCPS A received from PE investors at the face value as at March 31, 2017. Further, no adjustments have been made for the call option exercised by GIL to acquire CCPS A and the CCPS B issued to the Company continues to be carried at cost of Rs. Nil in the consolidated financial statement of the Group.

xiii. DIAL had entered in to an IT service arrangement with WAISL, a joint venture of the Group, to provide IT services at the Airport on its behalf. As per the agreement, DIAL pays or receives a true up amount to WAISL depending upon the actual billing and subsistence level agreed. WAISL cannot offer such services to any other customer and it is not economically feasible for WAISL to offer the level of services using any other equipment. DIAL concluded that the arrangement contains a lease of the IT equipment and other assets. The lease was classified as a finance lease at inception of the arrangement and payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on incremental borrowing rate of interest.

However, during the year ended March 31, 2017, there is modification in the terms of arrangement and as per the modified terms; this arrangement no longer contains an embedded lease. Accordingly, DIAL has derecognised the assets and liabilities recognised under finance lease. Refer note 3 for further disclosure.

DIAL entered into a tripartite Master Service Agreement (MSA) with Wipro Airport IT Services Limited (WAISL) and WIPRO Limited by which DIAL is committed to pay annually, premium fee to WAISL, determined and mutually agreed on the basis of estimated receivable and subsistence level (as defined in the said MSA further amended vide addendum number 14, dated January 20, 2017). During the year ended March 31, 2017, the Company accounted for Rs. 2.75 crore (Year ended March 31, 2016: Rs. 18.14 crore) towards such premium paid to WAISL and this is disclosed as "Information technology and related expenses".

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Also in case of delay in payment of dues from customers to WAISL, the Company would fund the deficit on a temporary basis till the time WAISL collects the dues from such customers. As at March 31, 2017, the Company has funded Rs. 11.09 crore (March 31, 2016: Rs. 10.03 crore) towards shortfall in collection from customer.

xiv. As per the transfer pricing rules prescribed under the Income tax act, 1961, DIAL is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions during year ended March 31, 2017.

xv. A survey under section 133A of the Income Tax Act, 1961 was carried out at the premises of the DIAL by the Income Tax authorities on June 22 -23, 2016. The Income Tax department has sought information vide its letter dated July 18, 2016. The management has provided majority of the information and is in the process of providing the rest of the information to the department. The management of the Company believes that it has complied with all the applicable provisions of the Income Tax Act, 1961 and does not expect any additional tax liability on account of survey operations

xvi. During the year ended March 31, 2017, the DIAL refinanced its existing external commercial borrowings of USD 83.92 million and rupee term loans of Rs. 2,928.20 crore outstanding as at October 20, 2016; by issuance of 6.125% senior secured notes (2026) of USD 522.60 million. As a result of such refinancing, the Company has incurred the following costs:

A. The prepayment charges of Rs. 40.80 crore have been paid to various erstwhile lenders on prepayment of existing external commercial borrowings and rupee term loans outstanding as on the date of repayment / prepayment.

B. Interest Rate Swap (IRS) which was outstanding on the existing external commercial borrowings was cancelled, resulting in breakage cost of Rs. 8.17 crore.

The above amounts of Rs. 48.97 crore have been disclosed as "Exceptional Items" in the Statement of profit and loss, as per the requirement of Accounting Standard – 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

In addition to above, the unamortized portion of other borrowing costs of Rs. 26.21 crore related to erstwhile external commercial borrowings and rupee term loans has also been expensed off under 'Finance costs' in the Statement of profit and loss.

xvii. GHIAL, has agreed to buy out the 60% stake i.e. 60% shareholding amounting to Rs. 5.34 crore, in Asia Pacific Flight Training Academy Ltd.(APFTAL) held by its JV partner M/s Asia Pacific Flight Training Academy, SDN, BHD, Malaysia (APFT-Malaysia) at a value of One US Dollar considering the market potential of flight training business in India.

xviii. GHIAL has recognized, Minimum alternate tax (MAT) credit entitlement of Rs. 171.96 crore (March 31, 2016: Rs.66.57 crore), as the Company based on estimates expects to adjust this amount after expiry of the tax holiday period (i.e. AY 2022-23) u/s 80IA of the Income Tax Act, 1961. Management is confident that in view of the anticipated tariff orders for the control periods which will be effective from financial year 2017-18, the Company's normal tax liability will be more than the MAT payable after considering the deduction under section 80IA of the Income Tax, Act, 1961.

B. Matters relating to certain road sector entities:

i. GACEPL, a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of Rs. 302.35 crore as at March 31, 2017. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant which was due during the years ended March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 till further orders Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the carrying value of net assets in GACEPL as at March 31, 2017 is appropriate.

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ii. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and Company has filed a claim of Rs. 14.24 crore, Rs. 57.13 crore, Rs. 63.78 crore and Rs. 87.64 crore for FY 2012-13, FY 2013-14, FY 2014-15 and FY 2015-16 respectively on NHAI. The management has also obtained a legal opinion which confirms that these events are Change in Law and Company is entitled to the claim for losses suffered on this account. NHAI has rejected these claims and consequently the Company has invoked dispute resolution process as per the provisions of the Concession Agreement. NHAI has intimated that Conciliation has failed. The Company has initiated arbitration proceeding and appointed nominee arbitrator in June 2016. NHAI has appointed its nominee arbitrator as well in the month of Dec 2016. As discussions are going on between company & NHAI on settlements of change in law issue, company has requested NHAI to keep arbitration in abeyance till such time.

In the interest of the stakeholders, the Company has also issued notice of force majeure (Political Event) as per article 34 of the concession agreement vide its letter dated June 13, 2016. Though NHAI has not reverted yet, based on the preliminary discussions with NHAI, the management is confident that matter will be amicably settled and the loss on account of change of law will be received in due course. Accordingly force majeure notice has not been considered for preparation of accounts.

Further in accordance with the Concession Agreement, concession period for project is 25 years from the appointed date. The project was initially developed from existing 2 lanes to 4 lane and be further developed to 6 lining subsequently (before 14th anniversary of the appointed date). If six laning is not carried out (if so required by NHAI/desired by the Company), concession period will be restricted to 15 years.

Based on an internal assessment, legal opinion and expected traffic flow, the management is confident about recovery of claim and 6 laning of the project. Accordingly concession period has been considered as 25 years and impairment on the Carriageways does not arise.

C. Matters relating to certain other sector entities:

i. The Company has given an interest free loan of Rs. 115.00 crore to Welfare Trust of GMR Infra Employees ('GWT') during the year ended March 31, 2011 for the purpose of employee benefit scheme. Based on the confirmation received from GWT, the trust has utilized the proceeds of the loan received from the Company in the following manner:

	(Rs. in crore)
Equity shares of GIL	101.55
Equity shares of GAL	11.28
Others	2.17
Total	**115.00**

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying 'The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014' ('SEBI Regulations') whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. SEBI published Frequently Asked Question ('FAQ') on SEBI Regulations and clarified that appropriation of shares towards ESPS / ESOP / SAR / General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next three years so that no unappropriated inventory remains thereafter. The shareholders have approved the revised terms and conditions of the scheme by passing a special resolution in the annual general meeting of the Company held on September 23, 2015 and the

Company will ensure compliance with other applicable provisions of the new regulations within the permissible time period.

ii. KSPL is in the process of acquiring land for implementing a Multi Product Special Economic Zone within the meaning of Special Economic Zone Act 2005 and it has obtained an initial Notification from the Ministry of Commerce, Government of India vide Notification No. 635(E) dated April 23, 2007 for an extent of 1,035.67 hectares. The formal approval for the same was initially given for 3 years from June 2006. Subsequently, the said formal approval was extended till August 2016. KSPL has obtained further notification from Government of India vide Notification No. 342(E) dated February 06, 2013 for an extent of 1,013.64 hectares and the formal approval was given initially for 3 years from February 2012, which on application by KSPL was extended further upto February 2016. KSPL's proposal for merger of both approvals is approved by Ministry of Commerce in December 2015 and extension of formal approval is no longer required. KSPL upon completion of acquisition of the desired land will apply for an appropriate Notification, pending the same the entire land that is acquired till date by KSPL is treated as land acquired for the purpose of implementation of Special Economic Zone awaiting notification.

Land acquisition for SEZ Project comprises direct purchases, land acquired from Andhra Pradesh Industrial Infrastructure Corporation ('APIIC') and land awarded by Government of Andhra Pradesh (GOAP) through notification. The land acquired through awards by GOAP includes, payment towards structures, standing crops, solatium and interest from the date of notification till the date of award. All the above costs are treated as part of land acquisition cost.

In respect of ongoing land acquisition process, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending, the final impact if any on financial statements of KSPL towards the ongoing project execution is not determinable as on the date of the consolidated financial statements.

Further to the acquisition of land for development of SEZs, KSPL has initiated various rehabilitation and resettlement initiatives to relocate the inhabitants residing in the land acquired. The amount of expenditure incurred by KSPL towards rehabilitation and resettlement initiatives amounting to Rs. 68.60 crore (March 31, 2016: Rs. 66.84 crore) is treated as part of land acquisition cost. However, no provision has been made towards additional cost, in the consolidated financial statements, as the negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is still going on.

During the year, KSPL has incurred a sum of Rs. 190.23 crore (March 31, 2016 Rs. 479.77 crore) towards expenditure incurred in respect of ongoing SEZ project under execution by KSPL. This expenditure is directly connected with land acquisitions which is the primary asset of the project.

The expenditure during the previous year in respect of the project includes Rs. 314.89 crore towards non-prejudicial additional compensation for land owners and farmers announced by special land acquisition to hasten the proposed project activities, which was in addition to the statutory compensation already paid. An amount of Rs. 122.44 crore has been paid by KSPL.

D. Matters relating to certain power sector entities:

i. The Group through its subsidiary GCRPL has investments of Rs. 3,249.19 crore in PTGEMS, a joint venture of the Group as at March 31, 2017. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The Group has a Coal Supply Agreement ('CSA') with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount. The Group has not significantly commenced the offtake of the coal under the CSA, however the management of the Group is of the view that the same will not have an impact on their total entitlement of offtake of coal under the CSA. Though, the coal prices had significantly declined during the year ended March 31, 2016, there has been an increase in coal prices thereafter. Further, during the year ended March 31, 2017, Group has restructured its loan facility with the lenders whereby the loan is repayable over a period of 5 years commencing January 2017. Based on these factors and valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group believes that the carrying value of investments in PTGEMS as at March 31, 2017 is appropriate.

ii. GPCL, a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation

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Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to Rs. 481.68 crore and recognised Rs. 79.55 crore as income in the books of account. TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order from APTEL, TAGENDCO deposited Rs. 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The Hon'ble Supreme Court vide its Order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties in so far as the quantum of amount is concerned. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014. The matter was heard by TNERC and has been reserved for Order. Further, TAGENDCO has filed the petition in the Hon'ble Supreme Court against APTEL order which is pending before the Hon'ble Supreme Court, GPCL was availing tax holiday under Section 80IA of the Income Tax Act, 1961 ('IT Act') in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL offered the claims upto March 31, 2014 as income in its tax returns and claimed the deduction as available under Section 80IA of the IT Act. In accordance with the above, the amount received towards the above mentioned claims after the date of Order is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality. Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised such balance claim in the books of account.

iii. GBHPL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India, while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. However, based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group is of the view that the carrying value of investments of GBHPL by GEL as at March 31, 2017 is appropriate.

iv. During the year ended March 31, 2016, based on an internal assessment of its investments in certain power entities, the Group has made an impairment provision of Rs. 64.15 crore towards the carrying value of the net assets in such entities, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016.

v. GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of Rs. 911.01 crore as at March 31, 2017 which has resulted in substantial erosion of GWEL's net worth. GWEL has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and has tied up entire power supplies capacity with customers and has completed the refinancing of its term and other loans with the lenders which has resulted in the reduction in the rate of interest and extended repayment period. Though the net worth of GWEL is fully eroded, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment by an external expert, the management of the Group believes that the carrying value of the investments in GWEL by GEL as at March 31, 2017 is appropriate.

vi. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. GKEL has accumulated losses of Rs. 1,767.55 crore as at March 31, 2017, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. However, pursuant to the Reserve Bank of India's framework for revitalizing distressed assets in the economy (including strategic debt restructuring scheme), the consortium of bankers have amended the rupee term loan agreement on June 29, 2015 and accordingly loan is to be repaid in 66 quarterly structured instalments from

October 1, 2017. During the year ended March 31, 2016, GKEL received favourable orders with regard to its petition for 'Tariff Determination' in case of PPA with GRIDCO Limited and for 'Tariff Revision' in case of PPAs with Haryana DISCOMS through PTC India Limited from Central Electricity Regulatory Commission ('CERC'). In view of these matters, business plans, valuation assessment by an external expert, the management is of the view that the carrying value of the investments in GKEL by GEL as at March 31, 2017 is appropriate.

vii. GEL and its subsidiary GVPGL are engaged in the business of generation and sale of electrical energy from their gas based power plants of 220 MW and 387 MW situated at Kakinada and Vemagiri respectively. In view of lower supplies / availability of natural gas to the power generating companies in India, these entities are facing limitations on fuel supply and PPA tie-up at competitive tariffs. As a result, the Company has not generated and sold electrical energy since April 2013 and GVPGL has not generated and sold electrical energy since May 2013 till March 31, 2015 and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of net worth.

In March 2015, the Ministry of Power, GoI issued a scheme for utilisation of the gas based power generation capacity for the years ended March 31, 2016 and 2017. The scheme envisages supply of imported spot RLNG "e – bid RLNG" to the stranded gas based plants as well as plants receiving domestic gas, up to the target PLF, selected through a reverse e-bidding process and also sacrifices to be collectively made by all stakeholders. The Company, GVPGL participated in the e- bidding process. GVPGL emerged as successful bidder in the e-bid RLNG process and won the bid to operate the plant from April 2016 to September 2016 under phase III of the scheme. The plant operated at PLF of around 20% during the said period due to lower availability of gas under the scheme. GVPGL could also secure the bid for Phase IV of the e-Bid Scheme to operate the plant from October 2016 to March 2017, however due to tariff unviability, as offered by DISCOM, it could not operate the plant from October 2016 to March 2017.

The e-RLNG Scheme was valid till March 31, 2017 and no further extension has been announced so far. The Company and the Association of Power Producers continue to monitor the macro economic situation and are pursuing with appropriate authorities for extension of the scheme. The management of the Company is hopeful that GoI would take further necessary steps / initiatives in this regard to improve the situation of the gas based power plants. The GoI has come out with Deep Water Gas policy for production of natural gas from the KG basin deep water fields. Presently, ONGC is producing 1.10 mmscmd gas from these fields and expected to increase the production of gas to around 6.0 mmscmd from December 2017 onwards. ONGC is planning to invest around USD5.00 billion in these fields to increase the gas production. It is expected that the production of gas would increase to around 20.00 mmscmd by FY23 from these deep water gas fields

The management of GEL carried out valuation assessment of these gas based companies considering certain assumptions relating to the availability and pricing of domestic gas from deep water fields and imported gas, future PPA tariff and other operating parameters which it believes, reasonably reflect the future expectations from these gas based power plants. The management of the Company will monitor these aspects closely and take steps as is considered necessary and is confident that these gas based plants will be able to generate sufficient margin in future years and would be able to meet their financial obligations as and when they arise.

Based on the above mentioned reasons, business plans and a valuation assessment carried out by an external expert, the management of the Company considers that the going concern assumption and the investments (including advances) made by the Company directly or indirectly through its subsidiaries ('investments'), in GVPGL as at March 31, 2017 are appropriate. In the meantime, the Company has also committed to provide necessary financial support to GVPGL as may be required for continuance of its normal business operations.

The company is also negotiating for sale of Barge with identified parties. In this regard, definitive discussions have been concluded and the Company expects to conclude the asset sale process expeditiously. The company is actively considering strategic group restructuring which will provide additional leverage for borrowings and further improve the liquidity position. The Company has also taken active steps to diversify into transmission, renewables and O&M projects. Based on the various initiatives and the options being considered, the management of the Company is of the view that the aforesaid sale will not have an impact on the going concern of the Company and the Company will be able to meet its obligations in the near future as and when they become due. Accordingly, the special purpose standalone financial statements of the Company have been prepared on going concern basis.

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GMR Infrastructure Limited

viii. GCEL (formerly GCHEPL) has declared commercial operations of Unit I and coal mine on November 1, 2015 and Unit II on March 31, 2016 of its 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh. GCEL does not have any PPAs currently and has been incurring losses since the commencement of its commercial operations and has accumulated losses of ` 2,032.78 crore as at March 31, 2017. GCEL is taking steps to tie up the power supply through power supply agreements on a long / medium term basis with various customers including State Electricity Boards and is hopeful of tying up significant part of generation capacity in the ensuing financial year. GCEL has experienced certain delays and incurred cost overruns in the completion of the project including receipt of additional claims from the EPC contractors. The claims of the key EPC contractor, Doosan Power Systems India Private Limited ('DPS') is under arbitration in the Singapore International Arbitration Centre (SIAC). Based on the legal opinion, the management is confident that it has strong defence for the claims raised by the EPC contractor and believes that the claims are not tenable in law and accordingly no financial implications are expected out of the said arbitration. GCEL has also obtained provisional Mega Power status certificate from the Ministry of Power, GoI, and accordingly has availed an exemption of customs and excise duty against bank guarantees of ` 955.68 crore and pledge of deposits of ` 50.94 crore. The grant of final mega power status of GCEL was dependent on its achieving tie up for supply of power for 85% of its installed capacity through the long term power purchase agreements within stipulated time which has been extended to 120 months from the date of import, as per the recent amendment to Mega Power Policy 2009 by the Government of India. The management of GCEL is certain of fulfilling the conditions relating to Mega Power status in the foreseeable future, pending which cost of customs and excise duty has not been included in the cost of the project.

During the year ended March 31, 2017, under a Framework for Revitalising Distressed Assets in the Economy by RBI, the lenders of GCEL have implemented the Strategic Debt Restructuring Scheme on February 21, 2017 pursuant to which certain borrowings of GCEL got converted into equity shares and the bankers have taken over 52.38% of the paid up equity share capital of GCEL. GCEL was allotted two coal mines at Ganeshpur and Talabira to meet its fuel requirements. During the quarter ended June 30, 2017, GCEL has filed writ petition with Delhi High Court for surrendering both the coal blocks allotted during the year ended March 31, 2015. The management is of the opinion that in view of the recent decisions by the Delhi High Court in similar cases, no adjustments are needed to the consolidated financial statements of the Group.

GCEL had entered into Bulk Power Purchase Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL'), per which GCEL was granted Long Term Access (LTA) of 386MW in Western Region and 430MW in Northern Region. GCEL has written letters to PGCIL for surrendering these transmission lines. GCEL based on an internal assessment is of the view that the factors adversely impacting the supply of power by GCEL is "Force Majeure" as per BPTA and accordingly, believes that this will not have financial implications on the Group. The Group has obtained a valuation report from an external expert during the year ended March 31, 2017 estimating the future cash flows of GCEL on discounted cash flow basis. The valuation is dependent on the achievement of certain key assumptions considered by the management around GCEL's future revenues, profitability of operations and servicing of its debts which are dependent on tying up of GCEL entire generation capacity for profitable rates through long term and medium term PPAs in a power scarce market, achievement of higher PLF, projected sales mix of PPA and merchant power, fuel linkage tie ups and refinancing of existing loans with lower interest rates with banks, achievement of mega power status and successful gains from the government announced initiatives of tolling linkage and continued financial support by the Company. The Group is monitoring these assumptions closely on a periodic basis and based on business plans and valuation assessment carried out by an external expert during the year ended March 31, 2017, the management of the Group is of the view that the carrying value of the investments in GCEL is appropriate.

ix. GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly as at March 31, 2017, GWEL has raised claim of ` 222.76 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2017. MSEDCL preferred an appeal with Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, receipt of substantial amount towards reimbursement of transmission charges and the legal opinion stating that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ` 171.34 crore relating to the period from April 01, 2015 to March 31, 2017 (including ` 92.30 crore for the year ended March 31, 2017) as reduction from transmission expenses and ` 51.42 crore as an 'exceptional item' in the consolidated financial statements for the year ended March 31, 2016, as the said recovery pertained to the period prior to April 01, 2015.

x. As at March 31, 2017, GEL along with its subsidiary has investments of Rs. 4143.11 Million in GBHPL. GBHPL is in the process of setting up 300 MW hydro based power plant in Alaknanda river, Chamoli District of

Guru & Jana, Chartered Accountants

Uttarakhand. The Hon'ble Supreme Court of India, while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment, Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. However, based on its internal assessment and a legal opinion, the management of the Company is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert, the management of the Company is of the view that the carrying value of the investments in GBHPL is appropriate. Accordingly, no adjustments have been made in the standalone financial statements of the Company for the Year ended 31st March,2017.

xi During the year ended March 31, 2017, GEL entered into an agreement with GGAL pursuant to which it had novated a liability towards certain EPC contractors of GCHEPL for Rs.4,360.97 Million (including liabilities payable in foreign currency, March 2016 Rs. 4,300.00 Million), after obtaining necessary regulatory approval from the RBI.

xii During the year ended March 31, 2017, GEL entered into a Memorandum of Understanding for the sale of its power plant. The management has assessed the fair value of the barge mounted power plant and its associated facilities based on the agreed sale consideration and the excess of the carrying value over the fair value for Rs. 606.47 Million and Rs. 87.66 Million has been adjusted in the Property, Plant and Equipment and Inventories respectively in the underlying financial statements.

46. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the Special Purpose Consolidated financial statements of the Group have been rounded off or truncated as deemed appropriate by the management of the Group.

47. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year's classification.

As per our report of even date

For Guru & Jana Chartered Accountants
ICAI Firm registration number: 006826S
Chartered Accountants

M Surendra Reddy
Partner
Membership number: 215205

Place: Bengaluru
Date: 29th September, 2017

For and on behalf of the Board of Directors of
GMR Infrastructure Limited

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Place: Mumbai
Date: 29th September, 2017