S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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"UB City" Canberra Block
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INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Energy Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of GMR Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into 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. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

S.R. Batliboi & Associates LLP Bengaluru

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying standalone IND AS financial statements for the year ended March 31, 2017:

1. Note 40(a) regarding reduction of operations and the losses, including cash losses incurred by the Company and GMR Vemagiri Power Generation Limited ('GVPGL'), the consequent erosion of net worth of these entities resulting from the unavailability of adequate supply of natural gas. 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. For the reasons as explained in the said note, the accompanying standalone Ind AS financial statements for the year ended March 31, 2017 do not include any adjustments that might result from the outcome of this significant uncertainty.

2. Note 5(5) to the accompanying standalone Ind AS financial statements for the year ended March 31, 2017 in connection with a 300 MW hydro based power plant on Alaknanda river, Uttarakhand being constructed by GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of the Company. 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 the Company until further orders. The management of the Company is confident of obtaining the requisite clearances and based on business plan and valuation assessment by an external expert is of the view that carrying value of investments in GBHPL as at March 31, 2017 is appropriate.

Our opinion is not qualified in respect of these aforesaid matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and and the Companies (Accounting Standards) Amendment Rules, 2016.;

(e) The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report dated August 04, 2017 in 'Annexure II' to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements;

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

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

iv. The Company has provided requisite disclosures in Note 13 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes (SBNs) on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on management representations, except for the segregation between SBNs and other denominations as more fully described in Note 13 to these standalone Ind AS financial statements upon which we are unable to comment on in the absence of necessary details, we report that the amounts disclosed in the said note is in accordance with the books of account maintained by the Company and produced to us for verification.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI firm registration number: 101049W/E300004

per Sandeep Karnani
Partner
Membership Number: 061207

Bengaluru

Place: New Delhi
Date: August 04, 2017

Annexure I referred to in clause 1 of paragraph on the report on other legal and regulatory requirements of our report of even date

Re: GMR Energy Limited

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) Fixed assets have not been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanations given to us by the management, the title deeds(including the title deeds of the immovable property mortgaged with the lenders as security for the borrowings and confirmed by the lenders) of immovable properties included in fixed assets are held in the name of the Company.

ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv) In our opinion and according to the information and explanations given to us by the management of the Company, there are no loans, guarantees, and securities granted in respect of which provisions of sections 185 and 186 of the Act are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of investments made has been complied with by the Company.

v) The Company has not accepted any deposits from the public.

vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

vii) a) Undisputed statutory dues including provident fund, employees' state insurance, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues as applicable to the Company, have generally been regularly deposited with the appropriate authorities though there have been delays in remittance of income tax in few cases.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

S.R. Batliboi & Associates
Bengaluru

c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statue	Nature of dues	Amount of Demand (Rs. In million)	Period for which amounts relates to	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	857.92*	Financial year 2008-09 to 2012-13	Commissioner of Income Tax (Appeals)
Andhra Pradesh Electricity Duty Act, 1939	Electricity Duty	110.62	June 2010 to December 2011	High Court of Judicature, Andhra Pradesh

* Including Rs. 128.69 million paid under protest by the Company.

viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix) According to the information and explanations given to us by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans during the year and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi) According to the information and explanations given to us by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

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

xiv) According to the information and explanations given to us by the management, the Company has complied with provisions of Section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. The Company has not issued any convertible debentures during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

S.R. Batliboi & Associates LLP Bengaluru

xv) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi) According to the information and explanations given to us and based on a legal opinion obtained by the management of the Company, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R.BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI firm registration number: 101049W/E300004

Per Sandeep Karnani
Partner
Membership number: 061207

S.R. Batliboi & Associates LLP
Bengaluru

Place: New Delhi
Date: August 04, 2017

Annexure II to the Independent auditor's report of even date on the standalone Ind AS financial statements of GMR Energy Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of GMR Energy Limited ('the Company') as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI firm registration number: 101049W/E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership Number: 061207

S.R. Batliboi & Associates LLP
Bengaluru

Place: New Delhi
Date: August 04, 2017

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Balance Sheet as at March 31, 2017

	Notes	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Assets				
Non-current assets				
Property, plant and equipment	3	100.05	5,465.88	5,770.86
Intangible assets	4	6.40	9.81	13.22
Financial assets				
(i) Investments	5	50,171.48	84,925.44	78,540.31
(ii) Loans	6	2,039.43	4,949.04	14,411.58
(iii) Trade receivables	7	-	-	271.46
(iv) Other financial assets	8	1,664.06	3,999.41	4,536.89
Other non-current assets	9	15.93	141.34	131.34
Non current tax assets (net)	10	237.61	128.62	99.74
		54,234.96	99,619.54	103,775.40
Current assets				
Inventories	11	-	88.46	91.61
Financial assets				
(i) Investments	12	-	5.96	-
(ii) Trade receivables	7	165.41	760.88	-
(iii) Cash and cash equivalents	13	542.86	284.59	284.26
(iii) Other bank balances	13	-	85.20	332.09
(iv) Loans	6	-	-	1.15
(v) Other financial assets	8	17.84	29.64	129.03
Other current assets	9	3.95	36.55	21.20
Assets classified as held for sale	30	4,027.56	876.81	-
		4,757.62	2,168.09	859.34
TOTAL		58,992.58	101,787.63	104,634.74
Equity and liabilities				
Equity				
Equity share capital	14	36,069.03	16,949.97	16,949.97
Other equity	15	11,566.73	(9,797.26)	8,859.10
		47,635.76	7,152.71	25,809.07
Non-current liabilities				
Financial liabilities				
(i) Borrowings	16	5,817.03	69,345.52	60,632.89
Long-term provisions	17 (b)	-	87.48	81.90
		5,817.03	69,433.00	60,714.79
Current liabilities				
Financial Liabilities				
(i) Borrowings	18	1,647.04	10,708.09	12,647.65
(ii) Trade payables	19	291.99	1,393.14	556.54
(iii) Other financial liabilities	20	3,141.21	12,675.67	4,822.65
Other current liabilities	21	8.33	124.48	9.35
Net employee defined benefit liabilities	17 (a)	10.28	7.25	26.63
Short-term provisions	17 (b)	-	280.37	48.06
Liabilities directly associated with the assets classified as held for sale	30	440.94	12.92	-
		5,539.79	25,201.92	18,110.88
TOTAL		58,992.58	101,787.63	104,634.74
Summary of significant accounting policies	2.2			

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

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W / E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership Number: 061207

Place: New Delhi
Date: August 04, 2017

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

B.S Raju
Chairman and Managing Director
DIN: 00061686

Madhva Bhimacharya Terdal
Director
DIN: 05343139

Parag Parikh
Chief Financial Officer

Rajesh Kumar
Company Secretary

Place: New Delhi
Date: August 04, 2017

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875
Standalone Statement of Profit and Loss for the year ended March 31, 2017

	Notes	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Continuing operations			
Income			
Revenue from operations	22	-	758.62
Other income	23	757.48	1,615.90
Total income* (I)		757.48	2,374.52
Expenses			
Purchase of coal for trading		-	754.55
Employee benefit expenses	24	34.86	20.36
Other expenses	25	362.35	112.46
Depreciation and amortisation expenses	26	21.35	29.79
Finance costs	27	6,854.00	11,362.28
Total expenses* (II)		7,272.56	12,279.44
(Loss) / profit before tax expenses and exceptional items from continuing operations (III = I - II)		(6,515.08)	(9,904.92)
Exceptional items* (IV)	28	1,998.19	(8,659.51)
(Loss) / profit before tax expenses from continuing operations (V = III - IV)		(4,516.89)	(18,564.43)
Tax expenses of continuing operations			
Current tax		-	-
Deferred tax (credit) / expenses		(805.92)	-
(Loss)/ profit after tax from continuing operations (VI)		(3,710.97)	(18,564.43)
Discontinued operations			
(Loss) / profit from discontinued operations before tax expenses		(638.32)	(92.13)
Tax expense of discontinued operations			
Current tax		-	-
Deferred tax (credit) / expenses		-	-
(Loss) / profit after tax from discontinued operations (VII)		(638.32)	(92.13)
(Loss) / profit for the year (VIII= VI+VII)		(4,349.29)	(18,656.56)
Other comprehensive Income			
A (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax effect		-	-
B (i) Items that will not be reclassified to profit or loss			
- Re-measurement gains / (losses) on defined benefit plans		0.32	0.20
(ii) Income tax effect		-	-
Other comprehensive income for the year, net of tax (IX)		0.32	0.20
Total comprehensive income for the year (X = IX + VIII)		(4,348.97)	(18,656.36)
Earnings per equity share (Rs.) from continuing operations [nominal value of share Rs. 10 each (March 31, 2016: Rs. 10 each)]	29		
Basic and diluted		(1.50)	(10.95)
Earnings per equity share (Rs.) from discontinued operations [nominal value of share Rs. 10 each (March 31, 2016: Rs. 10 each)]	29		
Basic and diluted		(0.26)	(0.05)
Earnings per equity share (Rs.) from continuing and discontinued operations [nominal value of share Rs. 10 each (March 31, 2016: Rs. 10 each)]	29		
Basic and diluted		(1.76)	(11.00)
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W / E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership Number: 061207

Place: New Delhi
Date: August 04, 2017

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

G B S Raju
Chairman and Managing Director
DIN: 00061686

Madhva Bhimacharya Terdal
Director
DIN: 05343139

Parag Parikh
Chief Financial Officer

Rajeev K
Company Secretary

Place: New Delhi
Date: August 04, 2017

GMR ENERGY LIMITED
Corporate Identity Number (CIN): U85110MH1996PLC274875
Notes to the standalone financial statements for the year ended March 31, 2017

(Rs. in Million)

	Attributable to the equity holders							
			Reserves and surplus					
	Equity share capital (refer note 14)	Equity component of preference shares (refer note 15)	General reserve (refer note 15)	Securities premium (refer note 15)	Capital redemption reserve (refer note 15)	Other reserves arising on account of restructuring (refer note 15 and 5(2))	Retained earnings (refer note 15)	Total equity
For the year ended March 31, 2017								
As at April 1, 2016	16,949.97	7,050.00	318.05	16,715.90	285.25	-	(34,166.46)	7,152.71
Profit (loss) for the year	-	-	-	-	-	-	(4,349.29)	(4,349.29)
Other comprehensive income	-	-	-	-	-	-	0.32	0.32
Total comprehensive income	-	-	-	-	-	-	(38,515.43)	2,803.74
Conversion of Portion A securities and Portion B securities	8,298.35	(7,050.00)	-	11,538.45	-	-	-	12,786.80
Issue of equity shares during the year	10,820.71	-	-	9,172.67	-	-	-	19,993.38
Gain on transfer of investment/ ICD/ payable to group companies on account of restructuring (refer note 5(2))	-	-	-	-	-	12,051.84	-	12,051.84
As at March 31, 2017	**36,069.03**	**-**	**318.05**	**37,427.02**	**285.25**	**12,051.84**	**(38,515.43)**	**47,635.76**

	Attributable to the equity holders							
			Reserves and surplus					
	Equity share capital (refer note 14)	Equity component of preference shares (refer note 15)	General reserve (refer note 15)	Securities premium (refer note 15)	Capital redemption reserve (refer note 15)	Other reserves	Retained earnings (refer note 15)	Total equity
For the year ended March 31, 2016								
As at April 1, 2015	16,949.97	7,050.00	318.05	16,715.90	285.25	-	(15,510.10)	25,809.07
Profit (loss) for the year	-	-	-	-	-	-	(18,656.56)	(18,656.56)
Other comprehensive income	-	-	-	-	-	-	0.20	0.20
As at March 31, 2016	**16,949.97**	**7,050.00**	**318.05**	**16,715.90**	**285.25**	**-**	**(34,166.46)**	**7,152.71**
Summary of significant accounting policies	2.2							

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI firm registration number: 101049W/E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date : August 04, 2017

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

G B S Raju
Chairman and Managing Director
DIN: 00061686

Madhva Bhimacharya Terdal
Director
DIN: 05343139

Purne Parikh
Chief Financial Officer

Rajesh [illegible]
Company Secretary

Place: New Delhi
Date : August 04, 2017

GMR Energy Limited
Corporate Identity Number (CIN): U85110MH1996PLC274875

Standalone statement of Cash flow for the year ended March 31, 2017

Particulars	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
A. Cash flow from operating activities		
(Loss)/ profit before tax from continuing operations	(4,516.89)	(18,564.43)
(Loss) / profit before tax from discontinued operations	(638.32)	(92.13)
Profit before tax	(5,155.21)	(18,656.56)
Non-cash adjustment to reconcile (loss) / profit before tax to net cash flows		
Depreciation and amortisation expenses	287.70	303.77
Provision for diminution in value of investments	84.20	8,659.51
Provision / liability no longer required written back	(113.58)	(191.55)
Unrealised foreign exchange (gain) / loss		22.11
Provision towards impairment of inventory	84.50	-
Provision towards impairment of property, plant and equipments	563.84	
Gain on sale of investments	(98.71)	(4.53)
Income on account of redemption of preference share of subsidiaries held by the Company	(1,998.19)	
(Profit)/ loss on sale of property, plant and equipment (net) / write off of property, plant and equipment	(6.98)	0.16
Finance costs	6,875.48	11,393.96
Interest income	(651.79)	(1,609.96)
Operating (loss) / profit before working capital changes	(128.74)	(74.09)
Adjustments for:		
Decrease / (Increase) in loans and advances	-	1.15
Decrease / (Increase) in other assets	117.67	0.92
Decrease / (Increase) in other financial assets	115.47	1.20
Decrease / (Increase) in trade receivables	595.47	(310.98)
Decrease / (Increase) in inventories	3.96	3.15
(Increase) / Decrease in trade payables, other liabilities, other financial liabilities and provisions	(771.07)	801.88
Cash generated (used in) / from operations	(67.23)	423.23
Direct taxes (paid) / refund	(108.99)	(28.88)
Net cash flow (used in) / from operating activities	(176.22)	394.35
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including advances refunded)	5.70	(20.06)
Proceeds from disposal of fixed assets (including advances received towards sale of property, plant and equipment)	-	4.52
Purchase of non current investments (including share / debenture application money)	(1,617.18)	(2,830.70)
Proceeds from sale of non current investments (including refund of share / debenture application money)	2,003.54	971.48
(Purchase) / sale of current investments (net)	(300.21)	628.97
Inter corporate deposits / unsecured loans/ deposits refunded from subsidiaries and other companies	3,324.60	4,225.14
Inter corporate deposits / bills receivables / unsecured loans given to subsidiaries and other companies	(2,172.62)	(2,796.33)
Interest received	40.23	308.92
Net cash flow from / (used in) investing activities	1,284.06	491.94
C. Cash flows from financing activities		
Proceeds from issue of equity shares (including securities premium and net off related securities issue expenses)	19,993.38	-
Repayment of long term borrowings	(22,155.71)	(5,858.63)
Proceeds from long term borrowings	10,387.20	13,445.60
Proceeds from short term borrowings	3,319.24	10,135.28
Repayments of short term borrowings	(6,743.51)	(12,074.84)
Finance costs paid	(5,650.17)	(6,533.37)
Net cash flow (used in) / from in financing activities	(849.57)	(885.96)
Net increase / (decrease) in cash and cash equivalents	258.27	0.33
Cash and cash equivalents at the beginning of the year	284.59	284.26
Cash and cash equivalents at the end of the year	542.86	284.59
Components of cash and cash equivalents		
Cash on hand	0.17	0.40
Balances with banks		
- on current accounts	542.69	47.74
- deposits with original maturity for less than 3 months	-	236.45
Total cash and cash equivalents (note 13)	542.86	284.59

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W / E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership Number 061207

Place: New Delhi
Date: August 04, 2017

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

G B S Raju
Chairman and Managing Director
DIN: 00061686

Madhva Bhimacharya Terdal
Director
DIN: 05343139

Parag Parikh
Chief Financial Officer

Rajesh Kumar
Company Secretary

Place: New Delhi
Date August 04, 2017

GMR Energy Limited
Notes to the standalone financial statements for the year ended March 31, 2017

1. Corporate information

GMR Energy Limited ('GEL' or 'the Company') is a public limited Company domiciled in India. The registered office of the Company is located at Naman Centre, Bandra Kurla Complex, Mumbai, India.

1.1. Going Concern

The Company was engaged in the business of generation and sale of electrical energy from its 220 MW plant situated at Kakinada, Andhra Pradesh, India and investment in power projects including coal mines in India and overseas. In view of lower supplies / availability of natural gas to the power generating companies in India, the Company was facing shortage of natural gas supply. As a result, the Company has not generated and sold electrical energy since May 2013 and had been incurring losses with a consequent erosion of net worth on account of the aforesaid shortage of natural gas supply.

In view of the above, during the year ended March 31, 2017, the Company has entered into Memorandum of Understanding for the sale of said 220MW power plant and is in the process of completing the said transaction. The Company is evaluating certain strategic restructuring options including mergers with other subsidiaries and new avenues of business and accordingly has prepared the standalone Ind AS financial statements on a going concern basis.

2. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 01, 2015 for the purpose of transition to Ind AS, unless otherwise indicated.

2.1. Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment Rules 2016, as amended with effect from April 01, 2016. The standalone financial statements of the Company, have been prepared and presented in accordance with Ind AS. Previous year numbers in the standalone financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of standalone financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 01, 2015 and of the comprehensive net income for the year ended March 31, 2016 (refer note 41 for reconciliations and effect of transitions).

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Company is Indian Rupee ("Rs") which is the currency of the primary economic environment in which the Company operates.

GMR ENERGY LIMITED *

2.2. Summary of significant accounting policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

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

b. Fair value measurement of financial instruments

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

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

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

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

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

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

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

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

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

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

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

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

c. Revenue recognition

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

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

<u>Revenue from sale of energy</u>

Revenue from sale of energy is recognised on an accrual basis in accordance with the provisions of the Power Purchase Agreement ('PPA') and Letter of Intent ('LOI') (collectively hereinafter referred to as the 'PPA') and includes unbilled revenue accrued up to the end of the accounting period.

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

<u>Revenue from coal trading</u>

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.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

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

d. Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

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

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

e. Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets , its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset,
b) An active programme to locate a buyer and complete the plan has been initiated,
c) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the standalone balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

i) Represents a separate major line of business or geographical area of operations,

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ii) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

iii) Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss.

f. Property, plant and equipment

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

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

PPE under installation or under construction as at balance sheet are shown as capital work-in-progress and the related advances are shown as capital advances.

The Company 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 remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit or loss as and when incurred.

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

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

Category of asset*	**Estimated useful life**
Plant and equipment	10 – 25 years*
Office equipment's (including computer equipment's)	3-6 years
Furniture and fixtures	10 years
Vehicles	8 years

Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

* The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Further, the management has estimated the useful lives of asset individually costing Rs. 5,000 or less to be less than one year, whichever is lower than those indicated in Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Definite (6 years)	Straight-line basis	Acquired

Bengaluru

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h. Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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

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

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

a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

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j. Inventories

Components, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

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

k. Impairment of non-financial assets

As at the end of each accounting year, the company reviews the carrying amounts of its PPE, intangible assets and investments in subsidiary, associate and joint venture companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii)in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss

l. Provisions and contingent liabilities

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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

Provisions and contingent liability are reviewed at each balance sheet.

Decommissioning liability:
Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

The Company treats accumulated leave 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.
The Company presents the leave as a current liability in the standalone balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

a. The date of the plan amendment or curtailment, and
b. The date that the Company recognises related restructuring costs

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

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

n. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

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Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

b. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an

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exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting of financial instruments

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

o. Convertible preference shares/ debentures

Convertible preference shares/debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares/debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares/debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

p. Cash and cash equivalents

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

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

q. Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

r. Foreign currencies

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-"First time adoption of Indian Accounting Standard" are recognised directly in equity or added/ deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

s. Corporate social responsibility ('CSR') expenditure

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

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3 Property, plant and equipment

(Rs. in Million)

Particulars	Land	Buildings	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Total
Gross Block							
Cost or valuation							
Deemed cost as at April 01, 2015 (refer note (1) below)	97.75	667.91	4,996.87	4.98	0.54	2.81	5,770.86
Additions	-	-	-	0.05	-	-	0.05
Disposals	-	-	4.92	-	-	0.05	4.97
As at March 31, 2016	97.75	667.91	4,991.95	5.03	0.54	2.76	5,765.94
Additions							-
Disposals	-	545.30	-	-	-	-	545.30
Transferred to asset held for sale (refer note 30)	-	-	4,991.95	-	-	-	4,991.95
As at March 31, 2017	97.75	122.61	-	5.03	0.54	2.76	228.69
Accumulated Depreciation and impairment							
As at April 01, 2015	-	-	-	-	-	-	-
Charge for the year	-	27.16	269.30	2.77	0.41	0.71	300.35
Disposals	-	-	0.29	-	-	-	0.29
As at March 31, 2016	-	27.16	269.01	2.77	0.41	0.71	300.06
Charge for the year	-	20.48	261.67	1.46	0.01	0.67	284.29
Impairment for the year (refer note 5 below)	-	114.32	449.52	-	-	-	563.84
Disposals	-	39.35	-	-	-	-	39.35
Transferred to asset held for sale (refer note 30)	-	-	980.20	-	-	-	980.20
As at March 31, 2017	-	122.61	-	4.23	0.42	1.38	128.64
Net Block							
As at April 01, 2015	97.75	667.91	4,996.87	4.98	0.54	2.81	5,770.86
As at March 31, 2016	97.75	640.75	4,722.94	2.26	0.13	2.05	5,465.88
As at March 31, 2017	97.75	-	-	0.80	0.12	1.38	100.05

Notes

1.**Ind AS 101 exemption:** The Company has availed the exemption available under Ind AS 101, whereas the carrying value of Property, plant and equipment and Intangible assets under the previous GAAP has been carried forward as the costs under Ind AS.

Information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

(Rs. in Million)

Particulars	Land	Buildings	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Total
Gross Block as at April 01, 2015	97.75	879.87	13,865.21	131.71	18.33	8.17	15,001.04
Less: Accumulated depreciation as at April 01, 2015	-	211.96	8,907.00	126.73	17.79	5.36	9,268.84
Net Block value as per previous GAAP	97.75	667.91	4,958.21	4.98	0.54	2.81	5,732.20
Adjustments to Plant and machinery on account of decommissioning liability	-	-	38.66	-	-	-	38.66
Deemed cost as on April 01, 2015	97.75	667.91	4,996.87	4.98	0.54	2.81	5,770.86

2. Plant and machinery was offered as a security in connection with a rupee term loan availed by GIL from a financial institution as at March 31, 2016 and April 01, 2015. As per the loan agreement between GIL and the lenders, the lenders had an exclusive first charge on the Barge Mounted Power Plant.

3. Refer note 16 and 18 as regards pledge of tangible and intangible asset against the borrowings of the Company.

4. The entire tangible and intangible assets of the Company were offered as security as second pari passu charge on the letters of credit availed by the Company from a bank. Also refer note 16.

5. During the year ended March 31, 2017, the Company has entered into a Memorandum of Understanding for the sale of its Barge Mounted Power Plant located at Kakinada, pursuant to which the Company has made a provision of Rs. 563.84 Million towards its plant and machinery and building and made a provision of Rs. 84.50 Million towards inventory. Refer note of 30 on discontinued operations.

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4 Intangible assets

(Rs. in Million)

Particulars	Computer software	Total
Gross Block		
Cost or valuation		
Deemed cost as at April 01, 2015	13.22	13.22
Addition	-	-
Disposals	-	-
As at March 31, 2016	**13.22**	**13.22**
Addition	-	-
Disposals	-	-
As at March 31, 2017	**13.22**	**13.22**
Accumulated Amortisation		
As at April 01, 2015	-	-
Charge for the year	3.41	3.41
Disposals	-	-
As at March 31, 2016	**3.41**	**3.41**
Charge for the year	3.41	3.41
Disposals	-	-
As at March 31, 2017	**6.82**	**6.82**
Net block		
As at April 01, 2015	13.22	13.22
As at March 31, 2016	9.81	9.81
As at March 31 , 2017	6.40	6.40

Ind AS 101 exemption: The Company has availed the exemption available under Ind AS 101, whereas the carrying value of Property, plant and equipment and Intangible assets under the previous GAAP has been carried forward as the costs under Ind AS.

Information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

(Rs. in Million)

Particulars	Computer software
As at April 01, 2015	
Gross Block	46.91
Less: Accumulated depreciation	33.69
Net book value as per previous GAAP	**13.22**
Deemed cost as on April 01, 2015	**13.22**

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5 **Financial assets - Investments**

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
A. Investments (valued at cost, unless otherwise stated)			
Unquoted			
a) In equity shares of subsidiaries			
- Indian Companies			
GMR Vemagiri Power Generation Limited ('GVPGL') [1,14] [274,500,134 (March 31, 2016 : 274,500,134, April 01, 2015: 274,500,134) equity shares of Rs. 10 each fully paid-up]	2,959.00	2,959.00	2,959.00
GMR Power Corporation Limited ('GPCL') [1,2,6] [Nil (March 31, 2016 : 126,225,000, April 01, 2015: 126,225,000) equity shares of Rs. 10 each fully paid-up]	-	1,649.76	1,649.76
GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL') [5] [4,995,100 (March 31, 2016 : 4,995,100, April 01, 2015: 4,995,100) equity shares of Rs. 10 each fully paid-up]	49.95	49.95	49.95
GMR Consulting Services Private Limited (GCSPL) [49,900 (March 31, 2016 :49,900, April 01, 2015: 9,900) equity shares of Rs. 10 each fully paid-up]	0.50	0.50	0.10
GMR Bajoli Holi Hydropower Private Limited (GBHHPL) [1] [364,095,600 (March 31, 2016 : 182,538,000, April 01, 2015 : 182,538,000) equity shares of Rs. 10 each fully paid-up]	3,640.96	1,825.38	1,825.38
GMR Kakinada Energy Limited (GKEPL) [2] [Nil (March 31, 2016: 10,000, April 01, 2015: 10,000) equity shares of Rs. 10 each fully paid-up]	-	0.10	0.10
GMR Coastal Energy Private Limited (GCEPL) [2] [Nil (March 31, 2016: 10,000, April 01, 2015: 10,000) equity shares of Rs. 10 each fully paid-up]	-	0.10	0.10
GMR Londa Hydro Power Private Limited (GLHPL) [2] [Nil (March 31, 2016: 10,000, April 01, 2015: 10,000) equity shares of Rs. 10 each fully paid-up]	-	0.10	0.10
GMR Warora Energy Limited ('GWEL') [1,11] [870,000,000 (March 31, 2016: 870,000,000, April 01, 2015: 435,000,000) equity shares of Rs. 10 each fully paid-up]	9,987.50	9,987.50	5,637.50
SJK Powergen Limited ('SJK') [2,3] [Nil (March 31, 2016: 349,984, April 01, 2015 : 349,984) equity shares of Rs. 10 each fully paid-up]	-	650.00	650.00
GMR Maharastra Energy Limited ('GMEL') [50,000 (March 31, 2016: 50,000, April 01, 2015: 50,000) equity shares of Rs. 10 each fully paid-up]	0.50	0.50	0.50
GMR Rajam Solar Power Private Limited ('GRSPPL') (Formerly known as GMR Uttar Pradesh Energy Private Limited ('GUPEL')) [10,000 (March 31, 2016: 10,000, April 01, 2015: 10,000) equity shares of Rs. 10 each fully paid-up]	0.10	0.10	0.10
GMR Gujarat Solar Power Private Limited ('GGSPPL') [1] [73,600,000 (March 31, 2016: 73,600,000, April 01, 2015 : 73,600,000) equity shares of Rs. 10 each fully paid-up]	736.00	736.00	736.00
GMR Bundelkhand Energy Private Limited ('GBEL') [10,000 (March 31, 2016: 10,000, April 01, 2015: 10,000) equity shares of Rs. 10 each fully paid-up]	0.10	0.10	0.10
GMR Genco Assets Limited ('GENCO') [formerly known as GMR Hosur Energy Limited (GHEL)] [15] [Nil (March 31, 2016: Nil, April 01, 2015: 49,940) equity shares of Rs. 10 each fully paid-up]	-	-	0.50
Aravali Transmission Service Company Limited ('ATSCL') [1,13] [Nil (March 31, 2016: 5,230,000, April 01, 2015: 5,230,000) equity shares of Rs. 10 each fully paid-up]	-	-	54.80
Maru Transmission Service Company Limited ('MTSCL') [1,13] [Nil (March 31, 2016: 8,940,000, April 01, 2015: 8,940,000) equity shares of Rs. 10 each fully paid-up]	-	-	93.90
GMR Indo Nepal Energy Links Limited ('GINELL') [50,000 (March 31, 2016: 50,000, April 01, 2015: 50,000) equity shares of Rs. 10 each fully paid-up]	0.50	0.50	0.50
GMR Indo Nepal Power Corridors Limited ('GINPCL') [50,000 (March 31, 2016: 50,000, April 01, 2015 : 50,000) equity shares of Rs. 10 each fully paid-up]	0.50	0.50	0.50
GMR Chhattisgarh Energy Limited ('GCEL') [1,2,4] [Nil (March 31, 2016: 1,658,400,000, April 01, 2015 : 1,658,400,000) equity shares of Rs. 10 each fully paid-up]	-	16,584.00	16,584.00
GMR Rajahmundry Energy Limited ('GREL') [1,14] [Nil (March 31, 2016: 1,157,000,000, April 01, 2015 : 520,000,000) equity shares of Rs. 10 each fully paid-up]	-	11,570.00	5,200.00
- Body Corporates			
GMR Energy (Mauritius) Limited ('GEML') (Rs.3,954; March 31, 2016: Rs. 3,954, April 01, 2015 : Rs. 3,954) [7] [95 (March 31, 2016: 95, April 01, 2015 : 95) equity shares of USD 1 each fully paid-up]	0.00	0.00	0.00
Himtal Hydropower Company Private Limited ('HHCPL') [1,640,000 (March 31, 2016: 1,640,000, April 01, 2015 : 1,640,000) equity shares of NPR 100 each fully paid-up]	317.88	317.88	317.88
GMR Coal Resources Pte Limited (GCRPL) [1,2,8] [Nil (March 31, 2016: 570,000, April 01, 2015 : 570,000) equity shares of SGD 1 each fully paid-up]	-	21.01	21.01
b) In equity shares of joint ventures and associates			
- Indian Companies			
Rampia Coal Mine and Energy Private Limited (RCMEPL) [9] [24,348,016 (March 31, 2016: 24,348,016, April 01, 2015 : 24,348,016) equity shares of Re 1 each fully paid-up]	24.35	24.35	24.35
GMR Kamalanga Energy Limited ('GKEL') [1] [1,878,440,283 (March 31, 2016: 1,847,671,052, April 01, 2015 : 1,847,671,052) equity shares of Rs. 10 each fully paid-up]	18,876.71	18,476.71	18,476.71

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(c) Investment in additional equity of subsidiaries, joint ventures and associates on account of fair valuation of loans, debentures, preference shares and guarantees			
GWEL	1,935.57	1,935.57	4,870.09
GGSPPL	32.77	155.32	143.26
GREL	-	905.17	5,192.23
GKEL	3,780.34	3,780.34	3,269.31
GLHPL	-	62.16	150.16
MTSCL	-	-	415.92
ATSCL	-	-	341.11
GENCO	-	-	66.14
GMEL	35.78	35.78	35.69
GCEPL	-	16.18	16.18
GMEPL	-	3.85	3.85
GINPCL	1.95	1.95	1.95
GINELL	1.09	1.09	1.09
GRSPPL	3.48	3.48	0.81
GBHHPL	1,660.43	2,319.48	2,319.48
PT Golden Energy Mines	-	12.70	-
GCEL	-	13,675.36	6,595.86
GCRPL	-	798.65	195.38
GBHPL	4,093.16	3,648.31	-
Investments at amortised cost			
d) In preference shares of subsidiaries (Unquoted)			
- Indian Companies			
GCEL [1,2,4] [Nil (March 31, 2016: 1,035,588,775, April 01, 2015: 521,024,000) 1% Non cumulative redeemable preference shares of Rs.10 each fully paid-up)	-	1,115.88	493.19
GWEL [11] [75,000,000 (March 31, 2016: 75,000,000, April 01, 2015: Nil) 0% Non cumulative redeemable preference shares of Rs.10 each fully paid-up]	120.31	105.73	
GVPGL [14] [50,000 (March 31, 2016: Nil, April 01, 2015 : Nil) 7% cumulative redeemable preference shares of Rs 100,000 each]	2,517.72	-	-
- Body Corporate			
GEML [7] [10,731,900 (March 31, 2016: 15,891,900, April 01, 2015: 28,771,900) class A preference shares of USD 1.00 each fully paid-up]	785.19	1,061.11	1,814.36
GCRPL [8] [Nil (March 31, 2016: 25,170,000, April 01, 2015 : 5,750,000) equity shares of SGD 1 each fully paid-up]	-	906.58	167.98
e) In debentures of subsidiaries			
GWEL [11] [Nil (March 31, 2016: Nil, April 01, 2015: 435,000) 0.10% unsecured non convertible debentures of Rs 10,000 each fully paid up.]	-	-	668.40
Investments at Fair value through statement of profit and loss			
f) In equity shares of other companies			
- Indian Companies			
Power Exchange India Limited [17] [4,000,000 (March 31, 2016: 4,000,000, April 01, 2015: 4,000,000) equity shares of Rs 10 each fully paid-up]	40.00	40.00	40.00
GMR Energy Trading Limited [14,060,000 (March 31, 2016 : 14,060,000, April 01, 2015 : 14,060,000) equity shares of Rs 10 each fully paid-up]	140.60	140.60	140.60
g) Quoted investments (At cost)			
In equity shares of subsidiaries			
- Body Corporates			
Homeland Energy Group Limited (HEGL) [10] [Nil (March 31, 2016: Nil, April 01, 2015 : 263,119,895) Non-assessable common shares representing 55.72% ownership as at April 01, 2015)	-	-	1,679.38
Total (a+b+c+d+e+f+g)	**51,742.94**	**95,579.33**	**82,905.26**
Less: Provision for diminution in the value of investments			
- GKEPL	-	0.10	-
- HEG	-	-	1,679.38
- SJK	-	650.00	650.00
- GCRPL	-	1,726.24	61.59
- GCEL	-	5,498.45	271.87
- GEML	775.79	1,061.11	343.34
- RCMEPL	24.35	24.35	24.35
- MTSCL	-	-	48.20
- ATSCL	-	-	135.86
- GLHPL	-	62.26	22.49
- GENCO	-	-	14.51
- GCEPL	-	16.28	8.88
- GMEPL	-	3.85	1.77
- Power Exchange India Limited	40.00	0.00	0.00
- GINPCL	0.94	0.94	0.68

- GINELL	0.52	0.52	0.37
- GRSPPL	0.85	0.85	0.42
- GWEL	317.33	317.33	189.49
- GBHHPL	91.64	91.64	55.93
- GREL	-	879.93	598.92
- GKEL	264.99	264.99	218.66
- GGSPPL	28.00	28.00	18.80
- GMEL	27.05	27.05	19.44
Total	**50,171.48**	**84,925.44**	**78,540.31**

Aggregate amount of non-current quoted investments	-	-	1,679.38
Market value of non-current quoted investments	-	-	76.37
Aggregate provision for diminution in the value of non-current quoted investments			1,679.38
Aggregate amount of non-current unquoted investments	51,742.94	95,579.33	81,225.88
Aggregate provision for diminution in the value of non-current unquoted investments	1,571.46	10,653.89	2,685.57

Notes:

1. Refer note 33(III)(v) for details of shares pledged.

2. During the year ended March 31, 2017, the Company along with certain GMR Group entities into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors have acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 300.00 Million through primary issuance of equity shares of GEL. The transaction was completed on November 4, 2016 and GEL has allotted equity shares to the Investors for the said consideration of USD 300.00 Million. As per the conditions precedent to the completion of the transaction, GEL's investment in certain component entities of GEL (excluded entities) have been transferred from GEL to GMR Group companies along with the transfer of loan payable by the Company to GIL and its other subsidiaries towards discharge of consideration for the investment in entities transferred. Pursuant to the above transaction, compulsory convertible preference shares issued by the Company to the PE investors and to certain GMR Group entities have been converted into equity shares.

Pursuant to such restructuring, during the year ended March 31, 2017, the Company has accounted a surplus amounting to Rs. 12,051.84 Million which has been included in Other equity. Also, refer note 31 regarding related party transactions.

3. SJK is in the early stage of developing a 2*660 MW imported coal based power plant at Village Lalapur, Madhya Pradesh. During the year ended March 31, 2015, based on an internal assessment, the Company has provided for a diminution in the value of its investments in equity shares of SJK in full. During the year ended March 31, 2017, the Company has transferred its investments in SJK to GGAL. Refer 14(e).

4. The Company had investments in GCEL as at March 31, 2016 and April 01, 2015. GCEL 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 Rs. 2,0327.80 Million as at March 31, 2017. 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). 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 SDR 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.

As at March 31, 2016 and April 01, 2015, based on the business plans and valuation assessment, the Company had provided Rs. 5,498.45 Million and Rs. 271.87 Million towards the diminution in the value of investments in GCEL (including Rs. 5,226.57 Million for the year ended March 31, 2016, which has been disclosed as an 'exceptional item'). During the year ended March 31, 2017, the Company has transferred its investments in GCEL to GGAL. Refer 14(e).

5. As at March 31, 2017, the Company along with its subsidiary has investments (including investments in equity share capital, subordinate loan and interest accrued thereon) in GBHPL. 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 Company 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 Company is of the view that the carrying value of the investments in GBHPL is appropriate.

6. The PPA entered into by GPCL with Tamil Nadu Distribution and Generation Corporation Limited ('TANGEDCO') for 15 years expired on February 14, 2014 and was extended for a year, which expired on February 14, 2015. There has been no further renewal of the PPA post the aforementioned date and as a result GPCL has not generated and sold electricity subsequent to February 14, 2015. During the year ended March 31, 2017, the Company has transferred its investments in GPCL to GGAL. Refer note 14(e).

7. During the year ended March 31, 2014, the Company and GEPML, a fellow subsidiary, entered into an agreement for sale of Class 'A' 74,559,100 Preference Shares of USD 1.00 each held by the Company in GEML at cost. As at March 31, 2016, the Company has completed the transfer of 69,190,000 shares to GEPML. During the year ended March 31, 2016, the Company sold of 15,200,000 shares to GEPML.

As at March 31, 2016 and April 01, 2015, based on an internal assessment and valuation assessment done by an external expert, the Company has made a provision of Rs. 1,061.11 Million and Rs. 343.34 Million towards the full value of investments in GEML (including Rs. 717.77 Million for the year ended March 31, 2016 which has been disclosed as an exceptional item). The impairment was on account of the investments of GEML in PT Dwikarya Sejati Utama ('PTDSU'). PTDSU and its subsidiaries are engaged in the development of mines in Indonesia. During the year March 31, 2017, GEML has transferred its stake in PTDSU to GGAL. Refer note 14(e)

Further, during the year ended March 31, 2017, GEML has redeemed 5,300,000 preference shares held by GEL, pursuant to which the Company has received Rs. 352.40 Million, which has been disclosed as an 'exceptional item' in the financial statements of the Company.

8. The Company through its subsidiary GCRPL had investments of Rs. 33,847.11 Million (USD 506.92 Million) in PT Golden Energy Mines ('PTGEMS'), a jointly controlled entity of the Company as at March 31, 2016. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. Based on a valuation assessment carried out by an external expert, the management of the Company had made a provision for diminution in the value of its investments, including advances, in GCRPL amounting to Rs. 1,729.84 Million and Rs. 61.59 Million as at March 31, 2016 and April 01, 2015 respectively (including Rs. 1,668.25 Million during the year ended March 31, 2016). The Company has disclosed such provision as an exceptional item in the financial statements of the Company.

Further, during the year ended March 31, 2017, the Company sold its equity investments in GCRPL to GMR Infrastructure Overseas Limited for Rs. 31.69 Million (USD 0.48 Million). GCRPL also has redeemed its preference share capital of USD 25.17 Million held by GEL, pursuant to which the Company has received Rs. 1,614.10 Million. Accordingly, the Company has disclosed Rs. 1,645.79 Million as exceptional item in the financial statements for the year ended March 31, 2017.

9. Pursuant to a writ petition filed before the Hon'ble Supreme Court of India ('the Court'), the Court through its Orders dated August 25, 2014 and September 24, 2014 ('the Orders') cancelled the allocations of all but four coal blocks made between 1993 and 2010 as the Court has considered the allocations being arbitrary and illegal under the applicable laws. The allocation of the Rampia coal mine to RCMEPL was cancelled by the aforesaid Orders. The Company has made a provision for diminution in the value of its investment (including share application money of Rs. 3.91 Million) in RCMEPL amounting to Rs. 28.26 Million during the year ended April 01, 2015.

10. Based on valuation assessment and the realisable value of the mines, the Company had made a provision for diminution in the value of its investments, including advances, in HEGL amounting to Rs. 3,890.54 Million as at March 31, 2014. During the year ended March 31, 2015, the Company has entered into an agreement for sale of its entire stake in HEGL for CAD 100, subject to obtaining of the required approvals from the relevant authorities, pursuant to which the Company has made a further provision towards balance loan, doubtful of recovery of Rs. 9.57 Million. During the year ended 31 March, 2016, the Company has completed the transfer of all its shares in HEGL for a consideration of CAD 100. Further the Company has received a letter bearing number FE.CO.OID/15542/19.07.433/2014-15 dated March 31, 2015 from Reserve Bank of India (RBI), whereby RBI has approved the divestment of the Company's entire stake in HEGL subject to the compliance with all other provisions of Regulation 16 of the Foreign Exchange Management Act ('FEMA') and intimating RBI within 30 days from the date of divestment in the prescribed form along with the relevant documents. Pursuant to the aforesaid approval, the Company has written off such investments including advances during the year ended March 31, 2016, for which adequate provisions were made in earlier year as stated above.

11. The Company has investments (including investments in equity share capital / preference share capital, subordinate loans and interest accrued thereon) in GWEL and has also provided corporate / bank guarantee towards loans taken by GWEL from the lenders. 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. 9,110.10 Million as at March 31, 2017, which has resulted in erosion of GWEL's entire 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. The Company has made a provision of Rs. 317.33 Million and Rs. 189.49 Million as at March 31, 2016 and April 01, 2015 respectively towards the investments in GWEL, including Rs. 127.84 Million during the year ended March 31, 2016 which has been disclosed as an 'exceptional item' in the financial statements of the Company. The management of GWEL expects that the plant will generate sufficient profits in the future years 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 Company is of the view that the carrying value of its investments in GWEL as at March 31, 2017 is appropriate.

12. The Company has investments (including investments in equity share capital, subordinate loans and interest accrued thereon) in GKEL and also provided corporate / bank guarantee towards loan taken by GKEL from the project lenders. 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. 17,675.50 Million 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. The Company has a provision of Rs. 264.99 Million and Rs. 218.66 Million as at March 31, 2016 and April 01, 2015 respectively towards the investments in GKEL, including Rs. 46.33 Million during the year ended March 31, 2016 which has been disclosed as an 'exceptional item' in the financial statements of the Company. The losses in GKEL have been declining and 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 01, 2017. Further, 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 carried out by an external expert and continued financial support by the Company, the management of the Company is of the view that the carrying value of the investments in GKEL as at March 31, 2017 is appropriate.

13. As at March 31, 2016 and as at April 01, 2015, based on a valuation assessment of its investments (including unsecured loans) in ATSCL and MTSCL, the Company has made a provision towards diminution in value of investment including loans, doubtful of recovery, of Rs. 208.26 Million and Rs. 184.06 Million respectively including Rs. 24.20 Million for the year ended March 31, 2016, which was disclosed as an 'exceptional item'.

During the year ended March 31, 2016, GEL has entered into a memorandum of understanding ('MOU') for divestment of its 100% equity stake in its subsidiaries MTSCL and ATSCL and hence has disclosed the same as asset held for sale. The consideration is subject to certain working capital and debt related adjustments. During the year ended March 31, 2017, the transaction was completed and the Company has incurred loss of Rs. 44.20 Million on sale of these entities.

14. Refer note 40(a) and 40(b) as regards investments (including loans and interest accrued thereon) in GVPGL and GREL. Further, based on an internal assessment, the Company has made a provision of Rs. 879.93 Million and Rs. 598.92 Million at March 31, 2016 and April 01, 2015 (including Rs. 281.01 Million during the year ended March 31, 2016 which has been disclosed as an 'exceptional item')

15. During the year ended March 31, 2016, pursuant to Board meeting dated March 30, 2016, the Company has sold its stake in GENCO to GGAL at cost.

16. As at March 31, 2016 and April 01, 2015, based on a valuation assessment of its investments (including unsecured loans and interest accrued thereon) in GENCO, GLHPL, GKEPL, GCEPL, GMEL, GBHHPL, GGSPPL, GRSPPL, GINPCL, GINELL and GMR Mining & Energy Private Limited ('GMEPL'), the Company has a provision towards diminution of value of investments and towards loans, doubtful of recovery, of Rs. 705.44 Million and Rs. 143.28 Million respectively (including Rs. 567.54 Million during the year ended March 31, 2016 which has been disclosed as an 'exceptional item'.)

17. During the year ended March 31, 2017, based on an internal assessment, the Company has provided Rs. 40.00 Million for the value of investments in Power Exchange India Limited.

18. The Company has investments in certain companies of GMR Group that are in the business of development of highways on build, operate and transfer model on annuity or toll basis and in Delhi International Airport Private Limited. These investments have been funded by GIL against an agreement to pass on any benefits or losses out of investment to GIL and has been approved by the Board of Directors of the Company. Accordingly, such investments are not accounted in the financial statements of the Company, the details of which are as below:

			Number of shares
	March 31, 2017	March 31, 2016	April 01, 2015
a) In equity shares			
GMR Jadcherla Expressways Private Limited (GJEPL)	-	589,125	589,125
GMR Pochanpalli Expressways Private Limited (GPEPL)	690,000	690,000	690,000
Delhi International Airport Private Limited (DIAL)	100	100	100
GMR Ulunderpet Expressways Private Limited (GUEPL)	-	993,750	993,750
GMR Chennai Outer Ring Road Private Limited (GCORRPL)	3,000,000	3,000,000	3,000,000
GMR Ambala - Chandigarh Expressways Private Limited (GACEPL)	24,222,593	24,222,593	24,222,593
b) In preference shares			
GCORRPL	1,200,000	1,200,000	1,200,000

Bengaluru

GMR ENERGY LIMITED

6 **Loans**

		Non-current			Current		
		March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Loan and advances to related parties (refer note 31)							
Unsecured, considered good		2,039.43	4,949.04	14,411.58	-	-	-
Unsecured, considered doubtful		68.42	420.26	2,004.11	-	-	9.57
	(A)	**2,107.85**	**5,369.30**	**16,415.69**	-	-	**9.57**
Loan to employees							
Unsecured, considered good		-	-	-	-	-	1.15
	(B)	-	-	-	-	-	**1.15**
Total (A + B)		2,107.85	5,369.30	16,415.69	-	-	10.72
Less: Provision for doubtful loans and advances		68.42	420.26	2,004.11	-		9.57
		2,039.43	**4,949.04**	**14,411.58**	-	-	**1.15**

Notes:
1. Also refer note 5(4), 5(5), 5(7), 5(8), 5(10), 5(11), 5(12), 5(13), 5(16)
2. Refer note 40(a) and 40(b) as regards loans to GVPGL and GREL
3. Advance given to HEGL, amount outstanding as on March 31, 2016 Rs. 2,009.75 Million were written off during the year ended March 31, 2016 as the management of the Company assessed the same as not recoverable.
4. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.

7 **Trade receivables**

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Unsecured, considered good unless stated otherwise						
Receivable from related parties (refer note 31)	-	-	447.62	-	-	-
Other trade receivable	-	-	-	165.41	760.88	
Less: Allowance for doubtful debts (including expected credit loss allowance)	-	-	(176.16)	-	-	-
	-	-	**271.46**	**165.41**	**760.88**	-

Notes:
1. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. Trade receivables are non-interest bearing
3. Refer Note 37 (c) for details pertaining to ECL.

8 **Other financial assets**

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Unsecured, considered good unless stated otherwise						
Security deposits	13.64	28.35	527.67	-	-	-
Advances, other than capital advances		332.73	387.24	-	8.40	3.38
Non-current bank balances (refer note 13)	1,633.61	1,143.53	1,527.00	-	-	-
Other than trade receivables	-	107.04	-	-	-	6.90
Other than trade receivables, considered doubtful	-	-	-	272.69	272.69	272.69
Interest accrued on fixed deposits	-	-	-	17.84	17.53	73.04
Interest accrued on unsecured loans / inter corporate deposits to related parties considered good	16.81	2,387.76	2,094.98	-	3.71	45.71
Interest accrued on unsecured loans / inter corporate deposits to related parties considered doubtful	-	-	-	-	-	210.96
Total	**1,664.06**	**3,999.41**	**4,536.89**	**290.53**	**302.33**	**612.68**
Less: Provision for other than trade receivables	-	-	-	272.69	272.69	272.69
Less: Interest accrued on unsecured loans / inter corporate deposits to related parties considered doubtful	-	-	-	-	-	210.96
	1,664.06	**3,999.41**	**4,536.89**	**17.84**	**29.64**	**129.03**

9 **Other assets**

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Advances, other than capital advances	-	-	-	2.42	-	-
Non-trade advances (note (i) below), considered doubtful	150.00	150.00	150.00	-	-	-
Prepaid expenses	15.93	27.77	14.44	1.53	33.22	21.20
Balances with statutory / government authorities	-	113.57	116.90	-	3.33	-
Balances with statutory / government authorities, unsecured considered doubtful	-	45.99	45.99	-	-	-
Total	**165.93**	**337.33**	**327.33**	**3.95**	**36.55**	**21.20**
Less: Provision towards balances with statutory / government authorities	-	45.99	45.99	-	-	-
Less: Provision for non-trade advances	150.00	150.00	150.00	-	-	-
	15.93	**141.34**	**131.34**	**3.95**	**36.55**	**21.20**

i. The Company has given an advance of Rs. 150.00 Million towards investment in Dheeru Powergen Limited. In view of the Orders of the Court as referred in Note 5(9), the Company has made a provision towards such an advance of Rs. 150.00 Million.

10 Tax assets (net)

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Advance income-tax (net of provision for tax and including amount paid under protest Rs. 128.69 Million (March 31, 2016 : Rs. 20.60 Million, April 01, 2015 : Rs. Nil))	237.61	128.62	99.74	-	-	-
	237.61	128.62	99.74	-	-	-

11 Inventories (valued at lower of cost and net realizable value)

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Stores, spares and components (net of provision of inventory of Rs. 157.14 Million (March 31, 2016: Rs. 72.64 Million, April 01, 2015: Rs. 72.64) (Refer note 3(5))	-	88.46	91.61
Total	-	88.46	91.61

12 Financial asset- Current investments

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Investments carried at fair value through statement of profit and loss			
Unquoted investments			
Birla sunlife cash plus - growth regular fund	-	5.96	-
	-	5.96	-

13 Cash and cash equivalent

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Balances with banks:						
– On current accounts	-	-	-	542.69	47.74	163.75
Deposits with original maturity for less than 3 months	-	-	-	-	236.45	120.00
Cash on hand	-	-	-	0.17	0.40	0.51
Total (A)	-	-	-	542.86	284.59	284.26
Bank balances other than Cash and cash equivalent						
– Restricted balances with bank *	1,633.61	107.53	-	-	-	30.39
– Deposits with remaining maturity for less than 12 months**	-	1,036.00	1,527.00	-	85.20	301.70
Total (B)	1,633.61	1,143.53	1,527.00	-	85.20	332.09
Amount disclosed under non-current assets (refer note 8)	1,633.61	1,143.53	1,527.00	-	-	-
Total (C)	1,633.61	1,143.53	1,527.00	-	-	-
Total (A+B-C)	-	-	-	542.86	369.79	616.35

* Includes Rs.1,525.00 Million under lien for borrowings availed by GBHPL.

** A charge was created over the deposits for the purpose of DSRA maintained by the Company with respect to NCD issued to ICICI and on unsecured loans from GIL.

i) During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 08, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Rs. in Million)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.22	0.16	0.38
(+) Permitted receipts	-	0.37	0.37
(-) Permitted payments	-	0.24	0.24
(-) Amount deposited in banks	0.22	-	0.22
Closing cash in hand as on December 30, 2016	-	0.29	0.29

* For the purpose of this disclosure, the term 'SBNs' shall have the same meaning provided in the notification of the Government of India in the Ministry of Finance, Department of Economic Affairs Number SO 3407(E), dated November 8, 2016.

S.R. Batliboi & Associates LLP Bengaluru

GMR ENERGY LIMITED

14 Equity share capital

a) Authorised share capital

	Equity shares		Preference shares of Rs. 10 each		Preference shares of Rs. 1,000 each	
	Number of shares	Rs. in Million	Number of shares	Rs. in Million	Number of shares	Rs. in Million
At April 01, 2015	3,000,000,000	30,000.00	172,500,000	1,725.00	14,275,000	14,275.00
Increase / (decrease) during the year	-	-	-	-	-	-
At March 31, 2016	3,000,000,000	30,000.00	172,500,000	1,725.00	14,275,000	14,275.00
Increase / (decrease) during the year[1]	1,000,000,000	10,000.00	-	-	-	-
At March 31, 2017	4,000,000,000	40,000.00	172,500,000	1,725.00	14,275,000	14,275.00

1 During the year ended March 31, 2017, the authorised share capital was increased by Rs 10,000 00 Million i e. 1,000,000 000 equity shares of Rs. 10 each

b) Issued equity capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	Number of shares	Rs. in Million
At April 01, 2015	1,694,996,895	16,949.97
At March 31, 2016	1,694,996,895	16,949.97
Issued during the year		
- Conversion of preference shares (refer note 14 (d))	829,834,991	8,298.35
- Issue of equity shares during the year (refer note 14 (e))	1,082,070,808	10,820.71
At March 31, 2017	3,606,902,694	36,069.03

c) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Every member holding equity shares therein shall have voting rights in proportion to their 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 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 preferential amounts The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Terms/ rights attached to preference shares

During the year ended March 31, 2011, the Company issued 13,950,000 compulsorily convertible cumulative preference shares ('CCCPS') of Rs. 1,000 each These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited, and Argonaut Ventures (collectively called as PE Investors).

During the year ended March 31, 2014, GEL entered into an amended and restated share subscription and shareholders agreement ('Amended SSA') with the investors, GIL and other GMR group companies The Investors continue to hold 6,900,000 CCCPS in GEL and a new investor GKFF Capital subscribed to additional 325,000 CCCPS of Rs. 1,000 each (collectively referred to as 'Portion B securities').

As per the Amended SSA and Share Purchase Agreement ('SPA') between the investors, GEL and other GMR Group Companies, 7,050,000 CCCPS with a face value of Rs. 7,050.00 million ('Portion A Securities') have been bought by GGAL and GEPML for a consideration of Rs. 11,691.70 million Portion A Securities shall be converted into equity shares of the Company as per the terms prescribed in clause 5 of the SPA not later than the date of conversion of Portion B Securities. CCCPS of Rs 7,050.00 million has been considered as 'Other equity' considering that the Company has agreed to convert Portion A Securities into agreed number of equity shares.

As defined in the terms of Amended SSA, GEL has to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of Rs 12,786.73 million ('Investor exit amount') In case of non-occurrence of Qualified Initial Public offer ('QIPO') within 24 months from the last return date, GMR Group may give an exit to Portion B Securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR group companies as stated aforesaid, the Portion B Securities investors have the sole discretion to exercise the various rights under clause 10 of the Amended SSA.
During the year ended March 31, 2017, GGAL has purchased 449,988 Portion B securities from PE Investors for a consideration of Rs. 857.97 million. Subsequently, GEL and other GMR Group Companies have entered into Amended and Restated Shareholders' Agreements with PE investors for the conversion of remaining 5,430,665 Portion B Securities into 537,659,768 equity shares of the Company Further, the Company has converted 7,499,988 CCPS held by GGAL and GEPML into 292,175,223 equity shares of the Company. Pursuant to such conversion, the Company has accounted Securities Premium of Rs 11,538.45 million during the year ended March 31, 2017 and is in the process of regularising the statutory filings with the Ministry of Corporate Affairs filed pursuant to Section 39(4) and 42(9) of the Companies Act, 2013 and rule 12 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 towards the allotment of equity share capital at a premium as per Section 52 (1) of the Companies Act, 2013.

e) GEL along with other GMR Group companies entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors have acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of Rs. 19,993.38 million (USD 300.00 million) through primary issuance of equity shares of GEL. The transaction was completed on November 4, 2016 and GEL has allotted 1,082,070,808 equity shares to the Investors for the said consideration of USD 300.00 Million. As per the conditions precedent to the completion of the transaction, GEL's investments in certain erstwhile subsidiaries of GEL have been transferred from GEL to other subsidiaries of GIL and certain borrowings availed by the Company from GIL and other GMR Group companies has been novated to GGAL.

f) Out of the equity and preference shares issued by the Company, shares held by its holding company, ultimate company and their subsidiaries / associates are as below:

Shares held by enterprises that jointly control the Company and its continuing subsidiaries (Refer note 5(2))

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	01-Apr-15 Rs. in Million
GGAL			
1,177,903,116 (March 31, 2016: 891,316,557, April 01, 2015: 891,316,557) equity shares of Rs. 10 each	11,779.03	8,913.17	8,913.17
GEPML			
150,912,717 (March 31, 2016: 141,211,225, April 01, 2015 : 141,211,225) equity shares of Rs. 10 each.	1,509.13	1,412.11	1,412.11
GIL			
536,894,545 (March 31, 2016: 536,894,545, April 01, 2015 : 536,894,545) equity shares of Rs. 10 each.	5,368.95	5,368.95	5,368.95
Welfare trust for GMR Group Employees			
15,000,000 (March 31, 2016: 15,000,000, April 01, 2015 : 15,000,000) equity shares of Rs. 10 each	150.00	150.00	150.00
Power and Energy International (Mauritius) Limited			
1,082,070,808 (March 31, 2016: Nil, April 01, 2015 : Nil) equity shares of Rs 10 each	10,820.71	-	-

g) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
During the year ended March 31, 2014, 215,109,146 1% non-cumulative redeemable preference shares of Rs. 10 each have been converted into 78,221,506 equity shares of the Company.	782.22	782.22	782.22
During the year ended March 31, 2014, 280,493,375 1% cumulative redeemable preference shares of Rs. 10 each have been converted into 101,997,590 equity shares of the Company.	1,019.98	1,019.98	1,019.98
During the year ended March 31, 2014, 536,894,545 equity shares have been issued by conversion of borrowings of Rs. 14,764.62 Million of the Company.	5,368.95	5,368.95	5,368.95
During the year ended March 31, 2014, 7,050,000 CCCPS of Rs. 1,000 each have been converted into 7,050,000 Portion A Securities. [Refer note 14 (d)]	7,050.00	7,050.00	7,050.00
During the year ended March 31, 2014, 6,900,000 CCCPS of Rs. 1,000 each have been converted into Portion B Securities. [Refer note 14 (d)]	6,900.00	6,900.00	6,900.00
During the year ended March 31, 2014, 110,554,848 equity shares were allotted by conversion of the aforesaid 1,344,347 Portion B Securities. [Refer note 14 (d)]	1,105.55	1,105.55	1,105.55
During the year ended March 31, 2017, 537,659,768 equity shares were allotted by conversion of the 5,880,653 Portion B Securities. [Refer note 14 (d)]	5,376.60	-	-
During the year ended March 31, 2017, 292,175,223 equity shares were allotted by conversion of the 7,050,000 Portion A Securities. [Refer note 14 (d)]	2,921.75	-	-

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

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10 each						
GGAL	1,177,903,116	32.66%	891,316,557	52.59%	891,316,557	52.59%
GIL	536,894,545	14.89%	536,894,545	31.68%	536,894,545	31.68%
GEPML	150,912,717	4.18%	141,211,225	8.33%	141,211,225	8.33%
Claymore Investments (Mauritius) Pte. Limited	447,414,382	12.40%	77,652,220	4.58%	77,652,220	4.58%
IDFC Private Equity Fund III	118,487,402	3.29%	20,565,144	1.21%	20,565,144	1.21%
Infrastructure Development Finance Company Limited	23,697,279	0.66%	4,112,828	0.24%	4,112,828	0.24%
IDFC Investment Advisors Limited	-	-	4,112,828	0.24%	4,112,828	0.24%
Ascent Capital Advisors India Private Limited	-	-	4,112,828	0.24%	4,112,828	0.24%
Power and Enery International (Mauritius) Limited	1,082,070,808	30.00%	-	-	-	-
Portion B Securities of Rs. 1,000 each						
Claymore Investments (Mauritius) Pte. Limited	-	-	3,705,749	63.02%	3,705,749	63.02%
IDFC Private Equity Fund III*	-	-	999,940	17.00%	999,940	17.00%
Infrastructure Development Finance Company Limited*	-	-	199,988	3.40%	199,988	3.40%
IDFC Investment Advisors Limited*	-	-	449,988	7.65%	449,988	7.65%
Ascent Capital Advisors India Private Limited*	-	-	199,988	3.40%	199,988	3.40%
GKFF Capital	-	-	325,000	5.53%	325,000	5.53%
Portion A Securities of Rs. 1,000 each						
GGAL	-	-	6,400,000	90.78%	6,400,000	90.78%
GEPML	-	-	650,000	9.22%	650,000	9.22%

* Joint investors under the same share subscription and shareholders agreement.

As per the records of the Company, including its register of shareholders / members, the above shareholding represents both the legal and the beneficial ownership of shares.

15 Other Equity

		Rs. in Million
Equity component of preference shares (refer note 14(d))		
Balance as at April 01, 2015		7,050.00
Balance as at March 31, 2016		7,050.00
Changes during the period (refer note 14(d))		(7,050.00)
Balance as at March 31, 2017	(A)	-
Securities premium		
Balance as at April 01, 2015		16,715.90
Balance as at March 31, 2016		16,715.90
Add: securities premium towards conversion of CCPS into equity shares (refer note 14(d))		11,538.45
Add: received during the year on issue of equity shares (refer note (i) below)		9,172.67
Balance as at March 31, 2017	(B)	37,427.02

(i) Refer note 14(e). The Company has issued 1,082,070,808 equity shares having face value at Rs 18.48 per share

General reserve		
Balance as at April 01, 2015		318.05
Balance as at March 31, 2016		318.05
Balance as at March 31, 2017	(C)	318.05
Capital redemption reserve		
Balance as at April 01, 2015		285.25
Balance as at March 31, 2016		285.25
Balance as at March 31, 2017	(D)	285.25
Other equity		
Balance as at April 01, 2015		-
Balance as at March 31, 2016		-
Add: surplus during the year on account of restructuring as detailed in note 5(2)		12,051.84
Balance as at March 31, 2017	(E)	12,051.84
Surplus in the statement of profit and loss		
Balance as at April 01, 2015		(15,510.10)
Profit/ (loss) for the year		(18,656.56)
Less: Re-measurement (losses)/ gains on post employment defined benefit plans		0.20
Balance as at March 31, 2016		(34,166.46)
Profit/ (loss) for the year		(4,349.29)
Less: Re-measurement (losses)/ gains on post employment defined benefit plans		0.32
Balance as at March 31, 2017	(F)	(38,515.43)
Total other equity (A+B+C+D+E+F+G+H)		
Balance as at April 01, 2015		8,859.10
Balance as at March 31, 2016		(9,797.26)
Balance as at March 31, 2017		11,566.73

Bengaluru

GMR ENERGY LIMITED

16 Financial liabilities - Borrowings

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Liability component of compound financial instrument						
Convertible Preference shares (unsecured)						
5,880,653 CCPS of Rs 1,000 each (refer note 14(d), 14(e))	-	12,455.81	10,693.13	-	-	-
Debentures						
Nil (March 31, 2016: 8,000, April 01, 2015 8,000) Secured redeemable and non convertible debentures of Rs Nil (March 31, 2016 Rs 830,000 April 01, 2015 Rs 967,500) each [1]	-	5,481.29	6,598.91	-	900.00	800.00
Nil (March 31, 2016: 10,000, April 01, 2015 : 10,000) Unsecured, redeemable and non convertible debentures of Rs Nil (March 31, 2016: Rs 867,500 April 01, 2015 Rs 967,500) each [2]	-	7,118.29	8,600.02	-	1,500.00	1,000.00
Term loans						
Indian rupee term loan from a bank (secured) [3,4,5]	-	6,682.69	9,156.43	-	1,433.75	396.25
Indian rupee term loan from banks (unsecured) [6]	-	1,490.36	1,485.08	1,496.27	-	-
Indian rupee term loan from a financial institution (unsecured) [8]	5,817.03	6,978.03	6,972.98	1,166.67	-	-
Bill discounted (secured) [7]	-	-	-	-	-	1,347.00
Other borrowings						
Loans from intermediate holding Company and related parties (unsecured) [9,10]	-	29,139.05	17,126.34	-	822.40	-
	5,817.03	**69,345.52**	**60,632.89**	**2,662.94**	**4,656.15**	**3,543.25**
The above amount includes						
Secured borrowings	-	12,163.98	15,755.34	-	2,333.75	2,543.25
Unsecured borrowings	5,817.03	57,181.54	44,877.55	2,662.94	2,322.40	1,000.00
Amount disclosed under the head 'other current financial liabilities' (refer note 20)	-	-	-	(2,662.94)	(4,656.15)	(3,543.25)
	5,817.03	**69,345.52**	**60,632.89**	-	-	-

1 During the year ended March 31, 2012, the Company had issued 8,000 secured, redeemable and non convertible debentures ('NCD') of Rs 1.00 Million (Rs. 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures were secured by way of first ranking: (a) pari passu charge on the fixed assets of GMR Vemagiri Power Generation Limited ('GVPGL'), (b) pari passu pledge over 30% of fully paid-up equity shares of Rs 10 each of the Company held by GGAL, (c) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GVPGL held by the Company; (d) pari passu charge over GVPGL excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI and (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by the Company with ICICI. These debentures were 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 25, 2012. As at March 31, 2016, the Company had partially redeemed these debentures and the revised face value of these debentures after redemption was Rs 830,000 (April 01, 2015 Rs 967,500) per debenture. During the year ended March 31, 2017, the Company has redeemed these debentures in full.

2 During the year ended March 31, 2012, the Company entered into an agreement with GIL to issue 7,000 unsecured, redeemable, non convertible debentures of Rs 1.00 Million each ('Tranche 1'). During the year ended March 31, 2013, the Company has further entered into an agreement with GIL to issue 3,000 unsecured, redeemable, non convertible debentures of Rs 1.00 Million each ('Tranche 2'). These debentures were 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. GIL has waived such premium w.e.f April 01, 2016. The Tranche 1 was redeemable in thirty seven quarterly unequal instalments starting from March 25, 2012 and Tranche 2 was redeemable in thirty six quarterly unequal instalments starting from June 25, 2012. As at March 31, 2016, the Company had partially redeemed these debentures and the revised face value of these debentures after redemption was Rs 867,500 (April 01, 2015: Rs. 967,500) per debenture. Pursuant to the restructuring undertaken as a pre condition precedent to the investment by a strategic investor as detailed in note 5(2), during the year ended March 31, 2017, GEL has novated these debentures to GGAL.

3. Secured Indian rupee term loan from a bank of Rs. Nil (March 31, 2016: Rs.1,753.98 Million, April 01, 2015: Rs. 2,167.21 Million) was 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 the Company, valued at Rs. 3,000.00 Million (d) Non Disposable Undertaking ('NDU') of the shares of GIL held by GMR Enterprise Private Limited ('GEPL') for Rs. 600.00 Million. The loan carried interest of bank's base rate plus 1.00% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank had 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. During the year ended March 31, 2017, the Company has prepaid the loan in full.

4. Secured Indian rupee term loan from a bank of Rs. Nil (March 31, 2016: Rs. 2,579.39 Million, April 01, 2015 : Rs. 3,102.34 Million) was 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 the Company, valued at Rs. 2,100.00 Million (d) corporate guarantee of GIL (e) exclusive charge by way of mortgage on immovable fixed assets owned by the Company 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 tenor of the facility. (f) pledge of 25% equity shares of GVPGL held by GEL. The loan carried interest rate of bank's base rate plus 1.00% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank had 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. During the year ended March 31, 2017, the Company has prepaid the loan in full.

5. Secured Indian rupee term loan from a bank of Rs. Nil (March 31, 2016: Rs. 3,783.08 Million, April 01, 2015 : Rs. 4,283.14 Million) was 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 the Company valued at Rs. 2,600.00 Million (d) corporate guarantee of GIL (e) exclusive charge by way of mortgage on office space Bandra Kurla complex, Mumbai (f) pledge of 30% shares of GPCL (g) NDU of 21% share holding of GPCL held by GEL. The loan carried interest rate of bank's base rate plus 1.25% p.a. and was repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The lender had 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. During the year ended March 31, 2017, the Company has prepaid the loan in full.

6. Unsecured Indian rupee term loan from a bank of Rs. 1,496.27 million (March 31, 2016: Rs. 1,490.36 million and April 01, 2015: Rs. 1,485.08 million) of the Company was secured by pledge of total paid up equity share capital of the Company held by GIL for an amount equivalent to the loan facility, subject to Banking Regulation Act, 1949 and corporate guarantee by GIL guaranteeing the repayment of the loan and payment of interest and other charges thereon. The loan carried interest rate of 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.

7. Bills discounted was secured by the first charge over the current assets of the Company and second charge over the entire fixed assets of the Company. The security would be shared on a pari passu basis with existing charge holders. During the year ended March 31, 2016, the banks have demanded repayment by their letter dated February 10, 2016 and accordingly the amount has been classified as short term borrowings. The loan outstanding as at March 31, 2017 is Rs. Nil (March 31, 2016: Rs. 846.86 Million, April 01, 2015 : Rs. 1,347.00 Million). The loan carried an interest rate of 17.00% p.a.. The Company has settled the loan during the year ended March 31, 2017.

8. During the year ended March 31, 2013, the Company has taken an unsecured loan from a financial institution of Rs. 6,983.69 Million (March 31, 2016: Rs. 6,978.03 Million, April 01, 2015 : Rs. 6,972.99 Million) which is repayable in 6 equal instalments after fifth year from the date of first disbursement. The loan carries an interest of 12.00% p.a. payable quarterly. The loan was secured by first pari passu charge on the land of Kakinada SEZ Private Limited ('KSPL') and corporate guarantee of GIL as at March 31, 2016. As at March 31, 2017, the loan is secured by i) exclusive first charge on Barge Mount power plant located at Kakinada. ii) Pledge of shares of GIL held by GEPL. As at March 31, 2017, the Company has defaulted in the quarterly payment of interest of Rs 207.12 Million (March 31, 2016: Rs 209.42 Million, April 01, 2015 : Rs. Nil)

9. During the year ended March 31, 2014, the Company had taken an unsecured loan of Rs. 10,000.00 million from GIL which was repayable in 32 unequal quarterly instalments commencing from April 2016 and ending in January 2024. Interest rate shall be the aggregate of base rate plus spread. During the year ended March 31, 2016, the base rate was 9.35% p.a and spread was 4.75% p.a. The outstanding loan as at March 31, 2016 was Rs. 9,825.51 million (April 01, 2015 : Rs. 9,800.14 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

10. During the year ended March 31, 2014, the Company had taken an unsecured loan of Rs. 2,000.00 million from GIL, which was repayable in 18 equal quarterly instalments at Rs 111.10 million commencing from October 2016 and ending in January 2021. The loan carried an interest rate of 14.25% p.a. or as mutually agreed between the parties. The loan outstanding as at March 31, 2016 was Rs.1,935.87 million (April 01, 2015 : Rs. 1,931.60 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

11. During the year ended March 31, 2015, the Company had taken an unsecured loan of Rs. 3,360.00 million from GIL. The loan was for a period of 3 years from the date of disbursement or such other time as may be mutually agreed between the parties. The loan carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs 1,096.37 million (April 01, 2015 : Rs. 1,577.87 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

12. During the year ended March 31, 2015, the Company had taken an unsecured loan of Rs. 500.00 million from GIL. The loan was for a period of 3 years from the date of disbursement or such other time as may be mutually agreed between the parties. The loan carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs 500.00 million (April 01, 2015 : Rs. 500.00 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

13. During the year ended March 31, 2015, the Company had taken an unsecured loan of Rs. 540.00 million from GIL. The loan was for a period of 90 months from the date of disbursement or such other time as may be mutually agreed between the parties. The loan carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs. 431.00 million (April 01, 2015 : Rs. 431.00 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

14. During the year ended March 31, 2015, the Company had taken an unsecured loan of Rs. 2,150.00 million from GIL. The loan period was for a period of 3 years from the date of disbursement or such other date as the lender may specify at its sole discretion. The loan carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs. 2,150.00 million (April 01, 2015 : Rs. 2,150.00 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

15. During the year ended March 31, 2015, the Company had taken an unsecured loan of Rs. 1,300.00 million from GIL. The loan was for a period of 3 years from the date of disbursement or such other time as may be mutually agreed between the parties. The loan carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs 1,179.73 million (April 01, 2015 : Rs. 735.73 million). GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

16. During the year ended March 31, 2016, the Company has taken certain unsecured loans aggregating to Rs. 14,844.70 million from GIL. These loans was for a period of 3 years from the date of disbursement or such other time as may be mutually agreed between the parties. The loans carried an interest rate of 12.25% p.a. till March 31, 2016. The loan outstanding as at March 31, 2016 was Rs. 12,842.97. GIL has waived the interest w.e.f April 01, 2016 and further, during the year ended March 31, 2017, the loan has been novated to GGAL for reasons as detailed in note 5(2).

17. The period and amount of default as on the balance sheet date with respect to abovementioned borrowings are as follows:

Particulars	Nature	March 31, 2017 (Rs. In Million)	March 31, 2016 (Rs. In Million)	April 01, 2015 (Rs. In Million)	Period of Default (No. of Days)
Indian Rupee term loans from financial institutions	Payment of Interest	208.97	211.70	-	0-90
Indian Rupee term loans from banks	Payment of Interest	-	84.62	-	0-30
Loans from intermediate holding Company and related parties	Payment of Interest	-	1,849.96	203.49	0-365
Total		208.97	2,146.28	203.49	

17 (a) Net employee defined benefit liabilities

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Provision for employee benefits						
Provision for compensated absences	-	-	-	4.97	3.55	10.21
Provision for other employee benefits	-	-	-	5.31	3.70	16.42
	-	-	-	10.28	7.25	26.63

17 (b) Provisions

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Provision for decommissioning liability	-	87.48	81.90	-	-	-
Provision for debenture redemption premium	-	-	-	-	280.37	48.06
	-	87.48	81.90	-	280.37	48.06

Provision for decommissioning liability	Rs. in Million
As at April 01, 2015	81.90
Add: Accrual of notional interest for the year	5.58
As at March 31, 2016	87.48
Add: Accrual of notional interest for the year	6.02
Less: Discontinued operations	93.50
As at March 31, 2017	-

18 Short-term borrowings

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Short term loans from banks (secured) [1, 2]	-	846.86	1,300.00
Short term loans from banks (unsecured) [3, 4]	-	533.41	1,899.88
Short term loans from financial institute (unsecured) [5, 6]	10.20	2,460.20	1,567.50
Short term loans from related parties (unsecured) [7, 8]	1,636.84	6,867.62	7,880.27
	1,647.04	10,708.09	12,647.65
The above amount includes			
Secured borrowings	-	846.86	1,300.00
Unsecured borrowings	1,647.04	9,861.23	11,347.65

1. Secured Indian rupee short term loan from a bank of Rs. Nil (March 31, 2016: Rs. Nil and April 01, 2015: Rs. 1,300.00 million) of the Company was secured by 10% cash margin in the form of fixed deposit lien marked in favour of the bank. The rate of interest was base rate plus 1.25% p.a. and was repayable in eight equal quarterly instalments commencing from the end of 36th month from the date of first disbursement. The loan was prepaid during the year ended March 31, 2016.
2. Refer note 16(7).
3. Secured Indian rupee short term loans from banks of Rs. Nil (March 31, 2016: Rs. 58.70 million and April 01, 2015: Rs. 1,899.88 million) of the Company were secured against fixed deposits of GPCL and GVPGL and carried a rate of interest ranging from 9.75% to 12.00% p.a. During the year ended March 31, 2017, the Company has repaid the loan in full.
4. Unsecured Indian rupee short term loans from a bank of Rs. Nil (March 31, 2016: Rs. 474.71 million and April 01, 2015: Rs. Nil) of the Company carried interest rate ranging from 10.55% to 10.95% p.a. During the year ended March 31, 2017, the Company has repaid the loan in full.
5. Unsecured Indian rupee short term loans from a financial institution of Rs. 10.20 Million (March 31, 2016: Rs. 10.20 Million and April 01, 2015: Rs. 1,567.50 Million) of the Company is secured against (a) exclusive charge by way of pledge on 100% equity shares of GMR Pochanpalli Expressways Limited (b) exclusive charge by way of pledge on 49% equity shares of GMR Tuni Anakapalli Expressways Limited ('GTAEPL') (c) exclusive charge by way of pledge on 49% equity shares GMR Tambaram Tindivanam Expressways Limited ('GTTEPL') (d) exclusive charge by way of pledge on 26% equity shares of GMR Hyderabad Vijayawada Expressways Private Limited (e) cross collateralisation with existing securities (including pledge of GIL shares, mortgage of properties, DSRA deposits and others at the sole discretion of the lender) offered for the existing facilities extended to GMR Group by the financial institution under the existing loan agreements (vi) corporate guarantee of GMR Highways Limited ('GMRHL') (f) 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 had an option to require the Company to repay the entire loan. The rate of interest is lender's benchmark rate minus 4.00% p.a. spread. The loan is repayable unequally over a period of four years, after a moratorium period of six months.
6. Unsecured Indian rupee short term loans from a financial institution of Rs. Nil (March 31, 2016: Rs. 2,450.00 Million and April 01, 2015: Rs. Nil) of the Company was secured against (a) exclusive charge by the way of pledge on 17.00 million equity shares of GIL held by GEPL (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 of immovable properties of certain related parties (h) exclusive charge by the way of mortgage immovable properties located at Maharashtra. (i) NDU on 11% equity shares of GAHL held by GIL. The rate of interest was lender's benchmark rate minus 4.00% p.a. spread. The loan was repayable unequally over a period of four years, after a moratorium period of six months. During the year ended March 31, 2017, the loan has been repaid in full.
7. Short term loan from GIL of Rs. Nil (March 31, 2016 : Rs. Nil, April 01, 2015 : Rs. 1,850.00 Million) carried an interest rate ranging from 11.00% p.a to 12.25% p.a. During the year ended March 31, 2016 the loan was converted into long term borrowings.
8. Short term loan from other related parties of Rs. 1,636.84 Million (March 31, 2016 : Rs. 6,867.62 Million, April 01, 2015 : Rs. 6,030.27 Million) carries an interest rate ranging from 9.00% p.a. to 12.50% p.a. (March 31, 2016 : 7.20% p.a. to 13.75% p.a.).
9. The period and amount of default as on the balance sheet date with respect to abovementioned borrowings are as follows

Particulars	Nature	March 31, 2017 (Rs. In Million)	March 31, 2016 (Rs. In Million)	April 01, 2015 (Rs. In Million)	Period of Default (No. of Days)
Indian Rupee term loans from financial institutions	Repayment of principal	-	68.25	-	0-30
Indian Rupee term loans from banks	Repayment of principal	-	846.86	-	0-60
Indian Rupee term loans from financial institutions	Payment of Interest	1.31	1.00	-	0-365
Indian Rupee term loans from banks	Payment of Interest	-	4.64	-	0-30
Loans from related parties	Payment of Interest	-	503.98	83.43	0-365
Total		1.31	1,424.73	83.43	

19 Trade payables

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Trade payables to related parties (refer note 31)	-	-	-	24.32	42.38	65.26
Trade payables - others	-	-	-	267.67	1,350.76	491.28
	-	-	-	291.99	1,393.14	556.54

Notes:

1. Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2017, March 31, 2016 and April 01, 2015.
2. Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing
- For explanations on the Company's credit risk management processes, refer note 37 (c)
- The dues to related parties are unsecured.

20 Other financial liabilities

	Non-Current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Current maturities of long-term borrowings (refer Note 16)	-	-	-	2,662.94	4,656.15	3,543.25
Interest accrued but not due on borrowings	-	-	-	175.83	205.54	206.25
Interest accrued and due on borrowings	-	-	-	210.28	2,655.90	286.92
Non trade payables	-	-	-	5.52	4,512.55	228.60
Financial guarantee contracts	-	-	-	86.64	645.53	557.63
	-	-	-	3,141.21	12,675.67	4,822.65

21 Other liabilities

	Non-current			Current		
	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Tax deductible at source payable	-	-	-	8.01	124.23	8.45
Other statutory dues	-	-	-	0.32	0.25	0.90
	-	-	-	8.33	124.48	9.35

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22 Revenue from operations

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Sale of products		
Income from sale of electrical energy	-	-
Traded goods		
Income from coal trading	-	758.62
	-	758.62

23 Other income

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Interest income		
Bank deposits	69.85	126.32
Long term investments (refer note 31)	32.61	522.57
Others	8.59	7.82
Notional income on unwinding financial assets	540.74	944.25
Profit on sale of current investments (other than trade)	98.71	4.53
Land lease income (refer note 31)	-	0.86
Provision / liability no longer required written back	-	8.73
Other non-operating income (net of expenses directly attributable to such income Rs. Nil (March 31, 2016 : Rs. 2.50 Million))	6.98	0.82
	757.48	1,615.90

24 Employee benefit expenses

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Salaries, wages and bonus	31.19	15.56
Contribution to provident and other funds (Refer Note 32)	1.99	1.92
Gratuity expenses (Refer Note 32)	0.22	1.16
Staff welfare expenses	1.46	1.72
	34.86	20.36

25 Other expenses

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Rent	4.00	11.76
Rates and taxes	3.00	3.60
Repairs and maintenance	6.41	5.10
Bidding expenses	1.61	0.01
Travelling and conveyance	3.01	8.62
Communication costs	0.50	1.48
Printing and stationery	0.09	0.60
Legal and professional fees*	209.48	57.56
Directors' sitting fees	2.59	3.15
Exchange difference (net)	42.76	8.58
Donations	2.08	2.21
Security expenses	0.41	0.50
Business promotion	1.18	0.05
Power and fuel	0.49	3.57
Loss on sale of fixed assets (net) / write off of fixed assets	-	0.16
Provision for diminution in value of investments and loans/ loss on sale of investment	84.20	-
Miscellaneous expenses	0.54	5.51
	362.35	112.46

*Legal and professional fees includes remuneration to auditors as follows:

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
As auditors:		
Audit fee (including fee for audit of consolidated financial statements of the Company including service tax)	11.73	11.68
Other services (including certification fees)	1.73	2.14
Reimbursement of expenses	1.84	1.13
	15.30	14.95

26 Depreciation and amortisation expenses

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Depreciation of property, plant and equipment (refer note 3)	17.94	26.38
Amortisation of intangible assets (refer note 3)	3.41	3.41
	21.35	29.79

27 Finance costs

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Interest	4,356.25	11,345.70
Bank and other finance charges	126.69	16.58
Interest on unwinding of financial liabilities	2,371.06	-
	6,854.00	11,362.28

28 Exceptional items (net)

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Provision for diminution in the value of investment including loans doubtful of recovery[1]	-	(8,659.51)
Income on account of redemption of preference share of subsidiaries held by the Company[2]	1,998.19	0.00
	1,998.19	(8,659.51)

1 Refer 5(4), 5(7), 5(8), 5(11), 5(12), 5(13), 5(14), 5(16)
2 Refer 5(7) and 5(8)

29. Earnings Per Share ('EPS')

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

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

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Nominal Value of equity shares (Rs. per share)	10	10
Total number of equity shares outstanding at the beginning of the year	1,694,996,895	1,694,996,895
Add: Issue / conversion into equity shares during the year	1,911,905,799	-
Total number of equity shares outstanding at the end of the year	3,606,902,694	1,694,996,895
Weighted average number of equity shares for basic earnings per share	**2,471,817,874**	**1,694,996,895**
Weighted average number of equity shares for diluted earnings per share	**2,471,817,874**	**1,694,996,895**
(Loss) / profit from continuing operations as per statement of profit and loss (Rs. in Millions)	(3,710.97)	(18,564.43)
(Loss) / profit from discontinued operations as per statement of profit and loss (Rs. in Millions)	(638.32)	(92.13)
(Loss) / profit as per statement of profit and loss (Rs. in Millions)	(4,349.29)	(18,656.56)
Less: dividend in cumulative preference shares, including taxes thereon (Rs. in Millions)	(0.01)	(0.01)
(Loss) / profit for basic earnings per share (Rs. in Millions)	(4,349.30)	(18,656.57)
(Loss) / profit for diluted earnings per share (Rs. in Millions)	(4,349.30)	(18,656.57)
EPS for continuing operations - Basic and Diluted (Rs.)	(1.50)	(10.95)
EPS for discontinued operations - Basic and Diluted (Rs.)	(0.26)	(0.05)
Earnings per share for continuing and discontinued operations - Basic and Diluted (Rs.)	(1.76)	(11.00)

Note:
Considering that the Company has incurred losses during the year ended March 31, 2016 and March 31, 2017, the conversion of CCCPS / Position A Securities would decrease the loss per share for the respective years and hence it has been ignored for purpose of calculation of diluted EPS.

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30. Discontinued Operations

During the year ended March 31, 2017; the Company has entered into memorandum of understanding for the sale of its Barge Mounted Power Plant. Accordingly the Company has disclosed the same as discontinued operations

(Loss) / profit from discontinued operations	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million
Income		
Revenue from operations	-	223.93
Other income	410.90	197.93
Total income (I)	410.90	421.86
Expenses		
Sub-contracting expenses	17.59	54.82
Stores and spares consumed	6.57	12.50
Employee benefit expenses	11.91	24.24
Other expenses	76.98	116.77
Depreciation and amortisation expenses	266.35	273.98
Finance costs	21.48	31.68
Total expenses (II)	400.88	513.99
Profit / (loss) before tax expenses and exceptional items (III = I - II)	10.02	(92.13)
Exceptional items (IV) (refer note 3 and 11)	(648.34)	-
(Loss) / profit from discontinued operations before tax expenses (V = III - IV)	(638.32)	(92.13)
Tax expense of discontinued operations		
Current tax	-	-
Deferred tax	-	-
(Loss) / profit from discontinued operations (VI)	-	-
(Loss) / profit for the year (VII= V+VI)	(638.32)	(92.13)

The details of assets/disposal group classified as held for sale and liabilities associated thereto are as under :

	March 31, 2017 Rs. in Million	March 31, 2016 Rs. in Million	April 01, 2015 Rs. in Million
Groups of assets classified as held for sale			
Property, plant and equipment (Note 3)	4,011.75	-	-
Investments*	-	678.96	-
Loans*	-	197.85	-
Others financial assets	14.68	-	-
Other non-current assets	1.13	-	-
Total	4,027.56	876.81	-
Liabilities associated with Groups of assets classified as held for sale			
Trade payables	357.83	-	-
Other current liabilities*	-	12.92	-
Provisions	83.11	-	-
Total	440.94	12.92	-
Net assets directly associated with held for sale	3,586.62	863.89	-

* During the year ended March 31, 2016, the Company had entered into an agreement to dispose of its investment in ATSCL and MTSCL as detailed in Note 5(13). The sale was completed during the year

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32. Gratuity and other post-employment benefit plans

a) Defined contribution plan

Contribution to provident and other funds included under employee benefit expense (note 24 and 30) are as below:

(Rs. in Millions)

	March 31, 2017	March 31, 2016
Contribution to provident and pension fund	1.77	2.30
Contribution to Superannuation fund	1.03	1.30
Total	**2.80**	**3.60**

b) Defined benefit 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

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 standalone balance sheet for gratuity benefit:

i. Net employee benefit expenses (recognised in the statement of profit and loss (note 23)):

(Rs. in Millions)

Particulars	March 31, 2017	March 31, 2016
Current Service Cost	0.39	1.20
Net interest cost on defined benefit obligations	(0.17)	(0.04)
Net benefit expenses	**0.22**	**1.16**

ii. Remeasurement (gains) / loss recognised in other comprehensive income:

(Rs. in Millions)

Particulars	March 31, 2017	March 31, 2016
Actuarial (gain)/ loss on obligations due to defined benefit obligations experience	0.13	(0.24)
Actuarial (gain)/ loss on obligations due to defined benefit obligations assumption changes	0.16	-
Actuarial loss / (gain) arising during the year	0.29	**(0.24)**
Return on plan assets (lesser)/ greater than discount rate	0.03	0.04
Actuarial loss / (gain) recognised in OCI	**0.32**	**(0.20)**

Balance Sheet

iii. Net defined benefit asset/ (liability):

(Rs. in Millions)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Defined benefit obligation	3.21	2.58	6.79
Fair value of plan assets	4.67	5.44	6.84
Plan asset/ (liability)	1.46	2.86	**0.05**

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

(Rs. in Millions)

Particulars	March 31, 2017	March 31, 2016
Opening defined benefit obligation	2.58	6.79
Current service cost	0.39	1.20
Interest cost	0.20	0.51
Transferred (to) / from group companies	(0.13)	(5.12)
Actuarial loss / (gain) on obligations due to defined benefit obligations experience	0.13	(0.24)
Actuarial loss / (gain) on obligations due to defined benefit obligations assumption changes	0.16	-
Benefits paid	(0.11)	(0.56)
Closing defined benefit obligation	3.21	2.58

v. Changes in the fair value of the plan assets are as follows:

(Rs. in Millions)

Particulars	March 31, 2017	March 31, 2016
Opening fair value of plan assets	5.44	6.84
Expected return on plan asset	0.37	0.55
Contributions by employer	0.01	1.35
Transferred (to) / from group companies	(1.02)	(2.70)
Benefits paid	(0.10)	(0.56)
Return on plan assets (lesser) / greater than discount rate	(0.03)	(0.04)
Closing fair value of plan assets	4.67	5.44

The Company expects to contribute Rs. 0.01 million (March 31, 2016: Rs 1.35 million, April 01, 2015: Rs 1.21 million) towards gratuity fund during the year April 01, 2017 to March 31, 2018.

vi. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Investments with the insurer	100%	100%	100%

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

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Discount rate	7.10%	7.80%	7.80%
Salary escalation	6.00%	6.00%	6.00%
Employee turnover	5.00%	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

Notes:

i) Plan assets are fully represented by balance with the Life Insurance Corporation of India.

ii) The long term estimate of the expected rate of return on fund assets has been arrived at based on the prevailing yields on these assets. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

iii) The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

viii. A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

(Rs. in Millions)

Impact on the defined benefit obligation	March 31, 2017	March 31, 2016
Discount rate		
Effect due to 1% increase in discount rate	(0.23)	(0.19)
Effect due to 1% decrease in discount rate	0.26	0.22
Attrition rate		
Effect due to 1% increase in attrition rate	0.02	0.02
Effect due to 1% decrease in attrition rate	(0.02)	(0.03)
Salary escalation rate		
Effect due to 1% increase in salary increase rate	0.16	0.17
Effect due to 1% decrease in salary increase rate	(0.16)	(0.17)

The sensitivity analysis above have been determined based on method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

ix. The following payments are expected contributions to the defined benefit plan in future years:

(Rs. in Millions)

Particulars	March 31, 2017
March 31, 2018	0.19
March 31, 2019	0.20
March 31, 2020	0.22
March 31, 2021	0.30
March 31, 2022	1.04
March 31, 2023 to March 31, 2027	1.91

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2016: 10 years).

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33 Commitments and Contingencies

I Leases

Operating lease: Company as lessee

The Company has obtained land and office premises on operating lease having a term of 30 years and 11 months respectively and are renewable as mutually agreed between the parties. There is no escalation clause in the lease agreement pertaining to office premises, however there is an escalation clause of 15% after every 3 years in the land lease agreement. There are no subleases.

The lease rent paid during the year by the Company is Rs 22.98 Million (March 31, 2016: Rs 29.86 Million)

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

Rs. in Millions

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Not later than one year	13.88	13.61	28.48
Later than one year and not later than five years	64.74	60.73	58.32
Later than five years	450.96	468.78	484.66
Total	529.58	543.12	571.46

II Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

A. Contingent Liabilities

Rs. in Millions

a. Particulars	March 31, 2017	March 31, 2016	April 01, 2015
- Corporate guarantees (refer note 31)	15,456.30	78,472.31	75,649.91
- Bank guarantees	4,303.04	4,408.82	4,061.70
- Letter of credit availed by the group Companies	-	-	881.34
- Arrears of cumulative dividend on preference share, including tax thereon	-	0.02	0.01
- Matters relating to income tax under dispute	857.92	899.12	41.20
- Matters relating to indirect taxes under dispute (exclusive of penalty/interest, if any, as the same has not yet been quantified).	-	-	6,389.00
- Pledge of fixed deposits towards loans availed by a subsidiary	1,525.00	-	100.00

Others in addition to (a) above

b. During the year ended March 31, 2012, the Company 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 110.62 Million calculated at the rate of six paise for each electricity unit generated by the Company for the period from June 2010 to December 2011

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. 146.11 Million (March 31, 2016: Rs. 146.11 Million, April 01, 2015: Rs. 146.11 Million) for the period June 2010 to March 31, 2017 has been considered as a contingent liability as at March 31, 2017 and accordingly no adjustments have been made to the standalone financial statements of the Company for the year ended March 31, 2017

c. 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.

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. 2,961.64 Million along with an interest of Rs. 55.54 Million 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. 2,726.35 Million (after adjusting dues of Rs. 290.83 Million 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. 359.62 Million along with interest at the rate of 18% p.a. During the year ended March 31, 2017, the Arbitration Tribunal have issued its arbitral award directing the fuel supplier to pay Rs.322.10 million to GEL towards the counter claims filed by GEL and rejected the claims of the fuel supplier. Subsequently, the fuel supplier filed an appeal before the District Civil Court of Bangalore for setting aside the entire arbitration award. The fuel supplier has also filed an interim application under Section 36 of the Arbitration and Conciliation Act for grant of interim stay on execution of the Arbitration award.

The District City Civil Court vide its order dated March 04, 2017 issued the stay order on the operation of the Arbitration Award on furnishing a bank guarantee equivalent to 50% of counter claim amount. The final outcome of the case is pending conclusion. However based on its internal assessment and a legal opinion, the management of the Company is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been

d. 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 of USD 143.60 millions, 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.

B. Litigation provided for

i. i. Provision for customs duty including interest thereon on imports made by the Company Rs. Nil million (March 31, 2016: Rs. 113.58 million, April 1, 2015: Rs. 113.58 million)

ii. ii. Provision made in respect of disputes towards utilisation of duty entitlement pass book scrips Rs. 0.54 million (March 31, 2016: Rs. 0.54 million, April 1, 2015: Rs. 0.54 million).

iii. The management of the Company has made a provision of Rs. 45.99 Million (March 31, 2016: Rs. 45.99 Million, April 01, 2015: Rs. Nil) as at March 31, 2017against excise duty being disputed by the central excise authorities with regard to refund of excise duty.

III Capital and other commitments

i. The Company has entered into agreements with the lenders of the following subsidiaries wherein it has committed to hold at all times at least 51% of the equity share capital of subsidiaries and not to sell, transfer, assign, dispose off, pledge or create any security interest till the final settlement of all the obligations to the lenders or with the permission of the lenders except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.

March 31, 2017	March 31, 2016	March 31, 2015
-	GCEL	GCEL
GWEL	GWEL	GWEL
-	-	GREL
-	ATSCL	ATSCL
-	MTSCL	MTSCL
GGSPPL	GGSPPL	GGSPPL
GBHHPL	GBHHPL	GBHHPL

The Company has entered into a Share Subscription and Share Holding Agreement with Infrastructure Development Finance Company Limited ('shareholder') in which it has committed to the shareholder that either the Company directly, or indirectly (along with the other group Companies as defined in the shareholding agreement) will hold at least 51% of the paid up equity share capital of GKEL.

ii. The Company has committed to provide financial assistance as tabulated below:

Nature of relationship	Outstanding commitment for financial assistance		
	March 31, 2017 (Rs. in Million)	March 31, 2016 (Rs. in Million)	April 01, 2015 (Rs. in Million)
Fellow subsidiaries	138.30	394.01	306.00
Joint ventures	4,255.84	4,640.50	4,447.90
Subsidiaries	17,165.07	41,866.80	48,823.43
Enterprises that control the Company	-	461.66	-
Total	21,559.21	47,362.97	53,577.33

iii. The Company has provided commitment to the lenders of the following subsidiaries to fund the cost overruns over and above the estimated project cost, if any, to the extent as defined in the respective agreements executed with the lenders.

March 31, 2017	March 31, 2016	April 01, 2015
-	GREL	GREL
-	GCEL	GCEL
GWEL	GWEL	GWEL
-	MTSCL	MTSCL
-	ATSCL	ATSCL
GGSPPL	GGSPPL	GGSPPL
GBHHPL	GBHHPL	GBHHPL
GKEL	GKEL	GKEL

iv. During the year ended March 31, 2017, the Company has extended comfort letters to provide continued financial support to GVPGL and GEML, to ensure that these subsidiaries are able to meet their debts and liabilities as they fall due and they continue as going concerns.

v. The Company has certain long term unquoted investments included in note 5 which have been pledged as security towards loan facilities sanctioned to the Company and the investee companies.

Name of the Company	Year ended		
	March 31, 2017	March 31, 2016	April 01, 2015
A.	(Equity shares of Rs.10 each fully paid up)		
GVPGL	82,350,042	82,350,042	82,350,042
GPCL	-	74,250,000	74,250,000
GWEL	643,799,997	378,449,994	434,999,994
GCEL	-	1,409,086,800	1,383,373,500
GGSPPL	73,600,000	37,536,000	37,536,000
GREL	-	519,999,400	519,999,400
MTSCL	-	2,682,000	2,682,000
ATSCL	-	1,569,000	1,569,000
GBHHPL	318,088,756	130,594,380	130,594,380
GKEL	1,878,440,283	1,847,671,052	1,749,929,012
B.	(Equity Shares of SGD 1 each fully paid up)		
GCRPL	-	570,000	570,000
C.	(Preference Shares of Rs.10 each fully paid up)		
GCEL	-	510,190,740	368,000,000

34. Income Tax

The Company has no taxable income for the financial year ended March 31, 2017 and accordingly, no current tax expense has been recorded.
The Company has significant carry forward unused tax losses. Since it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised, no deferred tax asset has been recognised in the financials for the unused carry forward tax losses and the taxable losses for the year.

35 Interest in significant investment in subsidiaries, joint ventures and associates as per Ind AS- 27

Sl. No.	Name of entity	Country of incorporation	Date of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting rights held as at		
					March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Subsidiaries										
Indian										
1	GMR Power Corporation Limited (GPCL)	India	January 11,1995	NA[2]	-	51.00%	51.00%	-	51.00%	51.00%
2	GMR Vemagiri Power Generation Limited (GVPGL)	India	January 08,1997	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
3	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	February 17,2006	Subsidiary	99.90%	99.90%	99.90%	99.90%	99.90%	99.90%
4	GMR Mining & Energy Private Limited (GMEPL)	India	September 23,2005	NA[1]	-	94.40%	94.40%	-	100.00%	100.00%
5	GMR Consulting Services Limited (GCSPL)	India	February 28,2008	Subsidiary	99.80%	99.80%	99.00%	99.80%	99.80%	99.00%
6	GMR Coastal Energy Private Limited (GCEPL)	India	July 24,2008	NA[1]	-	100.00%	100.00%	-	100.00%	100.00%
7	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	October 01, 2008	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
8	GMR Londa Hydropower Private Limited (GLHPL)	India	November 05,2008	NA[3]	-	100.00%	100.00%	-	100.00%	100.00%
9	GMR Kakinada Energy Private Limited (GKEPL)	India	January 29,2009	NA[2]	-	100.00%	100.00%	-	100.00%	100.00%
10	GMR Chhattisgarh Energy Limited (GCEL)	India	October 08,2008	NA[2]	-	100.00%	100.00%	-	100.00%	100.00%
11	GMR Rajahmundry Energy Limited (GREL)	India	November 27,2009	NA[6]	-	100.00%	100.00%	-	100.00%	100.00%
12	SJK Powergen Limited (SJK)	India	March 25,1998	NA[1]	-	70.00%	70.00%	-	70.00%	70.00%
13	GMR Genco Assets Limited (GENCO) (formerly known as GMR Hosur Energy Limited (GHEL))	India	July 22,2010	NA[4]	-	-	100.00%	-	-	100.00%
14	GMR Maharashtra Energy Limited (GMEL)	India	May 26,2010	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
15	GMR Bundelkhand Energy Private Limited (GBEL)	India	June 18,2010	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
16	GMR Rajam Solar Power Private Limited (GRSPPL) (formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEL))	India	June 18,2010	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
17	GMR Gujarat Solar Power Limited (GGSPPL)	India	March 26,2008	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
18	GMR Indo-Nepal Energy Links Limited (GINELL)	India	January 07,2011	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
19	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	January 06,2011	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
20	GMR Warora Energy Limited (GWEL) (formerly known as EMCO Energy Limited)	India	August 4,2005	Subsidiary	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
21	Aravali Transmission Service Company Limited (ATSCL)	India	June 17,2009	NA[4]	-	100.00%	100.00%	-	100.00%	100.00%
22	Maru Transmission Service Company Limited (MTSCL)	India	June 17,2009	NA[2]	-	100.00%	100.00%	-	100.00%	100.00%
Foreign										
23	Himtal Hydro Power Company Private Limited (HHCPL)	Nepal	April 12,2001	Subsidiary	82.00%	82.00%	82.00%	82.00%	82.00%	82.00%
24	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	May 02,2008	Subsidiary	69.35%	69.35%	69.35%	73.00%	73.00%	73.00%
25	Karnali Transmission Company Private Limited (KTCPL)	Nepal	April 27,2010	Subsidiary	95.00%	95.00%	95.00%	100.00%	100.00%	100.00%
26	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	April 27,2010	Subsidiary	95.00%	95.00%	95.00%	100.00%	100.00%	100.00%
27	GMR Energy (Mauritius) Limited (GEML)	Mauritius	February 27,2008	Subsidiary	95.00%	95.00%	95.00%	100.00%	100.00%	100.00%
28	GMR Lion Energy Limited (GLEL)	Mauritius	February 29,2008	Subsidiary	95.00%	95.00%	95.00%	100.00%	100.00%	100.00%
29	GMR Energy (Cyprus) Limited (GECL)	Cyprus	November 08,2007	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
30	Homeland Energy Group Limited (HEGL)	Canada	October 12,2006	NA[5]	-	-	55.72%	-	-	55.72%
31	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	September 03,2007	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
32	PT Duta Sarana Internusa (PTDSI)	Indonesia	December 05,2006	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
33	PT Barasentosa Lestari (PTBSL)	Indonesia	February 14,1990	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
34	PT Unsoco (PT)	Indonesia	March 19,2008	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
35	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	January 05,2005	NA[1]	-	95.00%	95.00%	-	100.00%	100.00%
36	GMR Coal Resources Pte Limited (GCRPL)	Singapore	June 04,2010	NA[1]	-	95.00%	95.00%	-	95.00%	95.00%
Joint Venture										
Indian										
37	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	February 19,2008	Joint Venture	17.39%	17.39%	17.39%	17.39%	17.39%	17.39%
38	GMR Kamalanga Energy Limited (GKEL)	India	December 28,2007	Joint Venture[2]	87.42%	85.99%	85.99%	87.42%	85.99%	85.99%
Foreign										
39	PT Golden Energy Mines TBK (PTGEMS)	Indonesia	March 13, 1997	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
40	PT Roundhill Capital Indonesia (RCI)	Indonesia	January 31, 2003	NA[1]	-	28.22%	28.22%	-	29.70%	29.70%
41	PT Borneo Indobara (BIB)	Indonesia	December 21, 1990	NA[1]	-	27.96%	27.96%	-	29.43%	29.43%
42	PT Kuansing Inti Makmur (KIM)	Indonesia	January 20, 2004	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
43	PT Karya Cemerlang Persada (KCP)	Indonesia	September 11, 2007	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
44	PT Bungo Bara Utama (BBU)	Indonesia	Octoober 16, 2006	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
45	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	May 27, 2008	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
46	PT Berkat Nusantara Permai (BNP)	Indonesia	March 13, 2008	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
47	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	August 04, 2005	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%

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35 Interest in significant investment in subsidiaries, joint ventures and associates as per Ind AS- 27

Sl. No.	Name of entity	Country of incorporation	Date of incorporation	Relationship as at March 31, 2017	Percentage of effective ownership interest held (directly and indirectly) as at			Percentage of voting rights held as at		
					March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
48	PT Trisula Kencana Sakti (TKS)	Indonesia	September 21, 2002	NA[1]	-	19.95%	19.95%	-	21.00%	21.00%
49	GEMS Trading Resources Pte Limited (GEMSCR) (Formerly known as GEMS Coal Resources Pte Limited)	Singapore	July 13, 2012	NA[1]	-	28.50%	28.50%	-	30.00%	30.00%
50	PT Karya Mining Solution (KMS) (formerly known as PT Bumi Anugerah Semesta) (BAS)	Indonesia	July 24, 2013	NA[1]	-	28.50%	22.80%	-	30.00%	30.00%
51	PT GEMS Energy Indonesia (PTGEI)	Indonesia	March 19, 2015	NA[1,7]	-	28.50%	-	-	30.00%	-
52	Shanghai Jingguang Energy Co Ltd (SJECL)	China	March 23, 2015	NA[1,7]	-	28.50%	-	-	30.00%	-

Associate

Indian

53	GMR Rajahmundry Energy Limited (GREL)	India	November 27,2009	NA[8]	-	100.00%	100.00%	-	100.00%	100.00%

1 Refer Note 14(e) w.r.t. subscription and shareholder agreement entered with Tenaga. As per the condition precedent, investment in the Company has been transferred from GEL to GMR Group companies and accordingly this entity has ceased to be a subsidiary / joint venture of GEL during the current year.

2 Additional stake purchased during the current year.

3 Ceased to be a subsidiary of GEL during the year ended March 31, 2016.

4 Disposed by the Group during the year ended March 31, 2017

5 Disposed by the Group during the year ended March 31, 2016

6 Refer Note 5(14) w.r.t. SDR in GREL and accordingly it ceased to be a subsidiary of GEL.

7 Incorporated during the year ended March 31, 2016

8 GREL was an associate from May 12, 2016 to November 04, 2016, post which it was transferred to GMR Group companies pursuant to reasons as stated in note 1 above.

36 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and the estimates relating to the carrying values of assets and liabilities include impairment of investments in subsidiaries, joint ventures and associates, impairment of non current assets, provision for employee benefits and others provisions, commitments and contingencies and fair value measurements of investments.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i. Impairment of non current assets

Determining whether investment are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on DCF model over the estimated useful life of the power plants. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc. which are considered as reasonable by the management (refer note 5).

B. Estimates and assumptions

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

i. Taxes

Deferred tax assets including MAT Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 37 for further disclosures.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. In respect of financial guarantees provided by the Company to third parties, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 33 for further disclosures.

iv. Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 32

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37. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2017, March 31, 2016 and April 1, 2015.

Rs. in Million

Particulars	Carrying Value			Fair Value		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Financial assets						
At FVPTL						
Investment in mutual fund	-	5.96	-	-	5.96	-
Investments (other than investments in mutual fund, subsidiaries, associates and joint venture)	140.60	180.60	180.60	140.60	180.60	180.60
At Amortised cost						
Trade receivables	165.41	760.88	271.46	165.41	760.88	271.46
Cash and bank balances	542.86	369.79	616.35	542.86	369.79	616.35
Loans	2,039.43	4,949.04	14,412.73	2,039.43	4,949.04	14,412.73
Other financial assets	1,681.90	4,029.05	4,665.92	1,681.90	4,029.05	4,665.92
Total Financial assets	**4,570.20**	**10,295.32**	**20,147.06**	**4,570.20**	**10,295.32**	**20,147.06**
Financial liabilities						
At Amortised cost						
Borrowings	10,127.01	84,709.76	76,823.79	10,127.01	84,709.76	76,823.79
Trade payables	291.99	1,393.14	556.54	291.99	1,393.14	556.54
Others financial liabilities	478.27	8,019.52	1,279.40	478.27	8,019.52	1,279.40
Total Financial liabilities	**10,897.27**	**94,122.42**	**78,659.73**	**10,897.27**	**94,122.42**	**78,659.73**

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

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(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2017:

Rs. in Million

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets (Refer note 37)					
Measured at FVPTL					
Investment in mutual fund [1]	March 31, 2017	-	-	-	-
Investments (other than investments in mutual fund, subsidiaries, associates and joint venture)	March 31, 2017	140.60			140.60
Measured at cost / amortised cost					
Trade receivables	March 31, 2017	165.41	-	-	165.41
Cash and bank balances	March 31, 2017	542.86	-	-	542.86
Loans	March 31, 2017	2,039.43	-	-	2,039.43
Other financial assets	March 31, 2017	1,681.90	-	-	1,681.90
		4,570.20	-	-	**4,570.20**
Financial liabilities (Refer note 37)					
Measured at cost / amortised cost					
Borrowings	March 31, 2017	10,127.01	-	-	10,127.01
Trade payables	March 31, 2017	291.99	-	-	291.99
Others financial liabilities	March 31, 2017	478.27	-	-	478.27
		10,897.27	-	-	**10,897.27**

There have been no transfers between Level 1, Level 2 and Level 3 during the period

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2016:

Rs. in Million

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets (Refer note 37)					
Measured at FVPTL					
Investment in mutual fund [1]	March 31, 2016	5.96	5.96	-	-
Investments (other than investments in mutual fund, subsidiaries, associates and joint venture)	March 31, 2016	180.60			180.60
Measured at cost / amortised cost					
Trade receivables	March 31, 2016	760.88	-	-	760.88
Cash and bank balances	March 31, 2016	369.79	-	-	369.79
Loans	March 31, 2016	4,949.04	-	-	4,949.04
Other financial assets	March 31, 2016	4,029.05	-	-	4,029.05
		10,295.32	**5.96**	-	**10,289.36**
Financial liabilities (Refer note 37)					
Measured at cost / amortised cost					
Borrowings	March 31, 2016	84,709.76	-	-	84,709.76
Trade payables	March 31, 2016	1,393.14	-	-	1,393.14
Others financial liabilities	March 31, 2016	8,019.52	-	-	8,019.52
		94,122.42	-	-	**94,122.42**

There have been no transfers between Level 1, Level 2 and Level 3 during the period

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Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at April 01, 2015:

Rs. in Million

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets (Refer note 37)					
Measured at FVPTL					
Investment in mutual fund [4]	April 01, 2015	-	-	-	-
Investments (other than investments in mutual fund, subsidiaries, associates and joint venture)	April 01, 2015	180.60			180.60
Measured at cost / amortised cost					
Trade receivables	April 01, 2015	271.46	-	-	271.46
Cash and bank balances	April 01, 2015	616.35	-	-	616.35
Loans	April 01, 2015	14,412.73	-	-	14,412.73
Other financial assets	April 01, 2015	4,665.92	-	-	4,665.92
		20,147.06	-	-	20,147.06
Financial liabilities (Refer note 37)					
Measured at cost / amortised cost					
Borrowings	April 01, 2015	76,823.79	-	-	76,823.79
Trade payables	April 01, 2015	556.54	-	-	556.54
Others financial liabilities	April 01, 2015	1,279.40	-	-	1,279.40
		78,659.73	-	-	78,659.73

There have been no transfers between Level 1 , Level 2 and Level 3 during the period.

Notes

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

2. The fair values for investments, loans and bank balances were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

3. The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

4. Valuation technique used to determine the fair value
Specific valuation techniques used to value investment in mutual fund is :
i. The use of quoted market price of mutual fund

5. Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

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(c) Financial risk management objectives and policies

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity:

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

Rs. in Million

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2017		
INR	+50	(7.55)
INR	-50	7.55
March 31, 2016		
INR	+50	(195.92)
INR	-50	195.92

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(b) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material

(i) Foreign currency exposure

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2017, March 31, 2016 and April 01, 2015. The Company's exposure to foreign currency changes for all other currencies is not material

Amount in Million

Particulars	March 31, 2017	March 31, 2016
Trade receivables	2.52	11.40
Trade payables	(6.24)	(16.06)
Non trade payables	-	(58.94)
Total in USD	**(3.71)**	**(63.60)**
Total in INR	**(243.57)**	**(4,246.53)**

(ii) Foreign currency sensitivity

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

Rs. in Million

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2017	5%	(12.18)
	-5%	12.18
March 31, 2016	5%	(212.33)
	-5%	212.33

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2017 and March 31, 2016 excluding financial assets and liabilities which do not present a material exposure. The period end balances are not necessarily representative of the average balances outstanding during the period.

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Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 54,601.08 million, Rs. 95,040.16 million, Rs. 98,506.77 million, as at March 31, 2017, March 31, 2016 and April 1, 2015 respectively, being the total carrying value of trade receivables, loans, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.

With respect to Trade receivables/unbilled revenue, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The following table summarises the changes in the loss allowance measured using ECL.

(Rs. In Million)

Particulars	March 31, 2017	March 31, 2016
Opening balance	-	176.16
Amount provided/ (reversed) during the year	-	(176.16)
Closing provision	-	-

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to below.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

(Rs. in Millions)

Particulars	0-1 year	1 to 5 years	> 5 years	Total
March 31, 2017				
Borrowings (other than convertible preference shares)	4,313.70	4,666.67	1,166.67	10,147.04
Other financial liabilities	391.63	-	-	391.63
Trade and other payables	291.99	-	-	291.99
	4,997.32	4,666.67	1,166.67	10,830.65
March 31, 2016				
Borrowings (other than convertible preference shares)	15,364.24	47,666.09	10,171.33	73,201.66
Other financial liabilities	7,373.99	-	-	7,373.99
Trade and other payables	1,393.14	-	-	1,393.14
	24,131.36	47,666.09	10,171.33	81,968.79
April 01, 2015				
Borrowings (other than convertible preference shares)	16,190.90	35,702.95	15,660.40	67,554.25
Other financial liabilities	721.77	-	-	721.77
Trade and other payables	556.54	-	-	556.54
	17,469.21	35,702.95	15,660.40	68,832.56

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 33

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

38. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long term and short term bank borrowings and issue of non-convertible debt securities and strategic partnership with investors.

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Company.
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with.

Rs. in Million

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings other than CCPS (refer note 16)	10,127.01	72,253.95	66,130.66
Total debt (i)	**10,127.01**	**72,253.95**	**66,130.66**
Equity share capital	36,069.03	16,949.97	16,949.97
Other equity	11,566.73	(9,797.26)	8,859.10
CCPS (refer note 16)	-	12,455.81	10,693.13
Total Capital (ii)	**47,635.76**	**19,608.52**	**36,502.20**
Capital and borrowing (iii = i + ii)	**57,762.77**	**91,862.47**	**102,632.86**
Gearing ratio % (i / iii)	**18%**	**79%**	**64%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

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39. Segment reporting

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components (b) whose operating results are regularly reviewed by the Company's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

The Company is engaged in generation of electrical energy and has commenced coal trading during the year ended March 31, 2016. Coal trading activities of the Company are incidental to the generation of energy and therefore subject to the same risk and reward and accordingly falls within single business segment.

The disclosure requirement of Ind AS 108 pertaining to single business segment are as follows:

Particulars	Revenue**		Non-current asset***		
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	April 01, 2015
Within India	-	-	359.99	5,745.65	6,015.16
Outside India	-	758.62	-	-	-
Total	-	758.62	359.99	5,745.65	6,015.16

**Revenues by geographical area are based on the geographical location of the client.

***Non-current assets excludes financial assets, deferred tax assets, post-employment benefit assets and assets classified as held for sale.

Revenue from one customers amounted to 100% of the total revenue, amounting to Rs. NIL Million (March 31, 2016: Rs. 758.62 Million).

40. Other disclosure

(a) The Company 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, GEL and GVPGL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GVPGL emerged as successful bidders in the auction process organized by the Ministry of Power and operated on an intermittent basis from August 2015 till September 2016. The Group been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply. During the year ended March 31, 2017, GEL has entered into a Memorandum of Undertaking with an external party for sale of its 220 MW gas based power plant for a consideration of USD 6.30 crore and is in the process of entering into a definitive agreement and conclude the sale.

The management of the Company carried out valuation assessment of GVPGL during the year ended March 31, 2017 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The management of the Company will monitor these aspects closely and take actions as are considered appropriate and is confident that GVPGL will be able to generate sufficient profits in future years and meet its financial obligations as they arise. The Company and the Association of Power Producers continue to monitor the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Company is confident that GoI would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Based on the aforementioned reasons, business plans and a valuation assessment by an external expert, the management is of the view that the carrying value of the investment including advances made by the Company in GVPGL as at March 31, 2017 is appropriate.

(b) GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015 and have operated on an intermittent basis thereafter. As a result, the consortium of lenders of GREL decided to implement SDR, under the Framework of Reserve Bank of India for Revitalizing Distressed Assets in the Economy, whereby the lenders have to collectively hold 51% or more of the equity share capital in such assets, to convert part of the debt outstanding into equity and to undertake flexible structuring of balance debt post conversion as a Corrective Action Plan for improving viability and revival of the project. Pursuant to the scheme, borrowings aggregating to Rs. 13,085.73 Million and interest accrued thereon amounting to Rs 1,054.22 Million was converted into equity shares of GREL on May 12, 2016 for 55% stake in equity share capital of GREL and GIL has given a guarantee of Rs 27,380.00 Million to the lenders against the remaining debt. Post conversion, balance external borrowings are subject to flexible structuring (5/25 scheme) for repayment of the same over a period of 20.50 years comprising of moratorium period of 1.75 years and structured quarterly repayment period of 18.75 years. Under the SDR, the bankers have to find a new promoter for GREL within the period as prescribed under the scheme.

Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders GREL ceased to be a subsidiary of the Company and had become an associate of the Company. Further, pursuant to note 5(2), the remaining investments in GREL has also been transferred to GGAL.

(c) The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2017, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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41. First Time Adoption of Ind AS

These standalone financial statements, for the year ended March 31, 2017, are the first, the Company have prepared in accordance with Ind AS. For the periods upto March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Amendment thereof ('Indian GAAP' or 'previous GAAP').

Accordingly, the Company has prepared standalone financial statements which comply with Ind AS applicable for the year ended March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

Exemptions applied :
Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i) Estimates
The estimates as at April 01, 2015 and as at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP apart from the Impairment of financial assets based on Expected Credit Loss (ECL) model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at April 01, 2015 the date of transition to Ind AS, and as of March 31, 2016.

ii) Impairment of financial assets (trade receivables and other financial assets)
At the date of transition to Ind AS, the Company has determined that there will be significant increase in credit risk since the initial recognition of a financial instrument which would require undue cost or effort. The Company has recognised a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised (unless that financial instrument is low credit risk at a reporting date).

iii) De-recognition of financial assets and liabilities
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iv) Classification and measurement of financial assets
The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

v) Deemed cost-Previous GAAP carrying amount: (Property, plant and equipment and Intangible assets)
The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the balance sheet prepared in accordance with previous GAAP.

vi) Decommissioning liabilities included in the cost of property, plant and equipment (Ind AS 101.D21)
Appendix 'A' to Ind AS 16 'Changes in existing decommissioning, restoration and similar liabilities' requires specified changes in a decommissioning, restoration or similar liability to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. A first time adopter need not comply with these requirements for changes in such liabilities that occurred before the date of transition to Ind AS. In other words, the decommissioning liability is calculated at the date of transition and it is assumed that the same liability existed when the asset was first acquired/constructed.

The Company has elected to apply above exemption and accordingly the decommissioning liability is calculated at the date of transition and it is assumed that the same liability existed when the asset was first acquired / constructed.

vii) Investments in subsidiaries, joint ventures and associates (Ind AS 101.D14-15)
In separate financial statements, a first-time adopter that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet.

Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary, associate and joint venture.

The Company has elected to apply previous GAAP carrying amount of its investment in subsidiaries, associates and joint venture.

Reconciliation of total equity between previous GAAP and Ind AS :

Rs. in Million

Particulars	Notes	March 31, 2016	April 1, 2015
Equity as reported under previous GAAP		20,067.04	36,431.35
Debt component of compound financial instruments	41(1)	(5,880.65)	(5,880.65)
Impact on account of preference share accounted as financial liability	41(1)	(6,575.16)	(4,812.48)
Recognition of finance income on interest free loans/ debentures, loans/ debentures at concessional rate of interest and guarantees given to subsidiaries, joint ventures and associates	41(7),41(8),41(9)	2,524.13	1,579.88
Impairment of financial assets	41(7),41(8),41(9)	(2,741.53)	(1,892.51)
Expected credit loss on financial assets	41(10)	-	(176.16)
Impact of deferred tax reversal	41(6)	-	597.12
Impact on account of ARO		(49.96)	(43.24)
Others		(191.16)	5.76
Equity as per Ind AS		7,152.71	25,809.07

Total Comprehensive Income / (Loss) reconciliation for the year ended March 31, 2016

Rs. in Million

Particulars	Notes	March 31, 2016
Profit / (loss) after tax under previous GAAP		(13,884.27)
Add / (Less) - Ind AS adjustments		
Impact on account of preference shares accounted as financial liability	41(1)	(1,762.68)
Impact on account of accounting of debenture redemption premium and security issue expenses previously adjusted against the securities premium account	41(2)	(2,480.04)
Recognition of finance income on interest free loans/ debentures, loans/ debentures at concessional rate of interest and guarantees given to subsidiaries, joint ventures and associates	41(7),41(8),41(9)	944.25
Impairment of financial assets	41(7),41(8),41(9)	(849.02)
Expected credit loss on financial assets	41(10)	176.16
Impact of deferred tax	41(6)	(597.12)
Impact on account of ARO	41(11)	(6.72)
Others		(197.12)
Profit/ (loss) after tax for the year as per Ind AS		(18,656.56)
Other comprehensive income / (expenses) (net of tax)	41(12)	0.20
Total Comprehensive Income / (Loss) for the year under Ind AS		(18,656.36)

Footnotes to the reconciliation of equity as at April 01, 2015 and March 31, 2016 and total comprehensive income for the year ended March 31, 2016

1. CCPS
The Company has issued convertible preference shares. Under previous GAAP, the preference shares were classified as equity. Under Ind AS, these preference shares have been accounted as a financial liability using amortised costs. Interest on liability component is recognised using the effective interest method.

2. Securities premium account
Under previous GAAP, the Company in accordance with Section 52 of the Companies Act, 2013 has adjusted finance costs with respect to debenture redemption premium and security issue expenses with the securities premium account.

Under Ind AS, the Company has recorded such finance costs in the Statement of profit and loss in these financial statements.

3. Borrowings
Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. In case of debentures/bonds, these transaction costs were adjusted with securities premium as permitted under Companies Act, 2013 which has been now reversed with a corresponding adjustment to borrowings.

In accordance with Ind AS 109 "Financial Instruments", premium payable on redemption, discount on issue, transaction costs on issue of bonds and debentures are required to be considered as effective finance costs and recognised in the statement of profit and loss using the effective interest rate.

Consequently, premium on redemption/discounts on issue and transaction costs recognised directly in equity or amortised using a different approach under the Previous GAAP has been reversed and are now recognised through the statement of profit and loss using the effective interest rate.

4. Fair valuation of investments in mutual fund
Under the previous GAAP, investments in mutual fund were classified as current investment based on the intended holding period and reliability. Current investments were carried at lower of cost and fair value. In accordance with Ind AS 109 "Financial Instruments", investments in mutual funds are recognised at fair value through the statement of profit and loss at each reporting period.

5. Re-measurements of post-employment benefit plans
(a) In accordance with Ind AS 19, "Employee Benefits" re-measurement gains and losses on post employment defined benefit plans are recognised in other comprehensive income as compared to the statement of profit and loss under the Previous GAAP.
(b) Interest expense/income on the net defined benefit liability/ asset is recognised in the statement of profit and loss using the discount rate used for defined benefit obligation as compared to the expected rate used for recognising income from plan assets under the Previous GAAP.

6. Deferred tax
Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Accordingly, under Ind AS, there are transitional adjustments leading to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings on transition or a separate component of equity depending on the recognition of the instrument.

7. Loan to related parties
Under previous GAAP, loans to related parties were recognised at their face/transaction values. The company had given interest free loans to its subsidiary/ joint venture/ associate companies in earlier years. Considering that the loans given were interest free, they have been fair valued and the differential amount of the carrying value and fair value has been recognised as equity component(i.e. additional investment in subsidiary) as per guidance under Ind AS 32. Also refer note 28 for details regarding impairment.

8. Investment in preference shares and debentures
Under previous GAAP, the Company had made investment in preference shares and debentures of related parties which were recognised at their face/transaction values. The Company made interest/premium free investments in its subsidiary/ joint venture/ associate companies in earlier years. Considering that these financial instruments given were interest/premium free and did not meet the fixed to fixed criteria, they have been fair valued and the differential amount of the carrying value and fair value has been recognised as equity component (i.e. additional investment in subsidiary) as per guidance under Ind AS 32. Also refer note 28 for details regarding impairment.

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9. Financial guarantee given on behalf of its Subsidiaries, Associates and Joint Ventures
Under previous GAAP, financial guarantees given by the company free of cost for borrowings taken by its subsidiaries, associates and joint ventures were disclosed as contingent liabilities.

Financial guarantee contracts have been recognised at fair value at the inception in accordance with Ind AS 109 along with accrued guarantee charges. Also refer note 28 for details regarding impairment

10. Expected credit loss
The provision is made against trade receivables based on "expected credit loss" model as per Ind AS 109. Under the previous GAAP, the provision was made when the receivable turned doubtful based on the assessment on case to case basis.

11. Property, plant and equipment
The Company has elected to continue with the carrying value for property, plant and equipment as recognised in its previous GAAP as deemed cost. However, the Company has recognised the asset retirement obligation on its barge mount plant built on leasehold land located at Kakinada as at the date of transition to Ind AS.

12. Other comprehensive income
Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to Ind AS profit or loss. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS

13. Statement of cash flows
The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows

14. Previous year figures have been regrouped
The figures of the previous periods have been regrouped/reclassified, where necessary, to conform with the current year's classification

42. Standards issued but not yet effective
In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7,'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from 1 April 2017

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is currently evaluating the requirements of the amendment and has not yet determined the impact on the standalone financial statements

43. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the standalone financial statements have been rounded off or truncated as deemed appropriate by the management of the Company

44. The comparatives given in the standalone financial statements have been complied after making necessary Ind AS adjustments to the respective audited financial statements under previous GAAP to give a true and fair view in accordance with Ind AS

As per our report of even date

For S R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W / E300004
Chartered Accountants

per Sandeep Karnani
Partner
Membership Number: 061207

Place: New Delhi
Date: August 04, 2017

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

G B S Raju
Chairman and Managing Director
DIN: 00061686

Pagan Parikh
Chief Financial Officer

Place: New Delhi
Date: August 04, 2017

Madhva Bhimacharya Terdal
Director
DIN: 05343139

Rajesh Kumar
Company Secretary