

Walker ChandioK & Co LLP
Chartered Accountants
Unit No – 1, 10th Floor
My Home Twitza, APIIC, Hyderabad Knowledge City
Raidurg (Panmaktha) Village
Serilingampally Mandal, Ranga Reddy District
Hyderabad – 500 081 Telangana

K. S. Rao & Co.,
Chartered Accountants
2nd Floor, 10/2, Khivraj Mansion
Kasturba Road, Bengaluru 560001
Karnataka, India

Independent Auditor's Report

To the Members of GMR Hyderabad International Airport Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of GMR Hyderabad International Airport Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As detailed in Note 50 to the accompanying standalone financial statements, the Company had not recognized necessary adjustments in the carrying value of the up-front processing fees receivable amounting to Rs. 63 crores from Yes Bank Limited ("the Bank") basis the factors mentioned in the aforesaid note. However, owing to the delays in obtaining requisite approvals by the Bank for refund of the upfront processing fee, the management of the Company has assessed and written-off the upfront fee receivable, during the year ended 31 March 2023.

Our opinion on the standalone financial statements for the year ended 31 March 2022 was qualified in respect of above matter for lack of sufficient appropriate evidence to support management's assessment of recoverability of the said balance as on the reporting date.

The comparative financial information included in the accompanying standalone financial statements has not been restated in accordance with the requirements of Indian Accounting Standard 8 on account of aforesaid matter, and hence, our opinion on the accompanying standalone financial statements is also modified because of the possible effects of this matter on the comparability of the current year figures and the corresponding figures.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



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Emphasis of Matter – Utilization of funds from Passenger Service Fee (Security Component) Fund (“PSF(SC) Fund”)

5. We draw attention to Note 58(l)(e) to the accompanying standalone financial statements, which describes the uncertainty relating to outcome of litigation pertaining to the costs related to procurement of security equipment, construction of residential quarters for Central Industrial Security Force deployed at the Rajiv Gandhi International Airport, Hyderabad and other costs which have been adjusted from the PSF(SC) Fund upto 31 March 2018, pending final decision from the Hon'ble High Court of Telangana. Our opinion is not modified in respect of this matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
7. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>1. Utilisation of deferred tax asset comprising of minimum alternate tax (MAT) credit and unabsorbed business losses</p> <p><i>Refer to Note 3(r) for the accounting policy and note 31 and 62 for the financial disclosures in the accompanying standalone financial statements.</i></p> <p>The Company was under tax holiday period until financial year 2021-22 and had accumulated MAT credit asset of ₹446.28 crores (31 March 2022: ₹457.28 crores) and deferred tax on unabsorbed business loss of ₹100.08 crores (31 March 2022: ₹103.52 crores). Recognition of these deferred tax asset requires significant judgement regarding the likelihood of its realization within the specified period through estimation of future taxable profits of the Company and consequently there is a risk that the deferred tax asset comprising of minimum MAT and unabsorbed business losses may not be realized within the specified period, if these future projections are not met.</p> <p>In order to assess the utilization of MAT credit, the Company has prepared revenue and profit projections which involved judgements and estimations such as estimating aeronautical tariff [which is determined by Airport Economic Regulatory Authority (“AERA”)], revenue</p>	<p>Our audit procedures in relation to assessment of recognition of deferred tax asset comprising of MAT credit and unabsorbed business losses and its utilization as at reporting date, included, but were not limited to the following:</p> <ul style="list-style-type: none"> Assessed and tested the design and operating effectiveness of the Company’s controls over recognition of the deferred tax asset; Understood the process and tested the internal controls over preparation of the taxable profit forecast based on reasonable and supportable assumptions and inputs to the model used to estimate the future taxable profits; Understood and tested the controls surrounding management’s evaluation of litigations and contingent liabilities; Challenged the judgements exercised by the management and tested the key assumptions used based on our knowledge of the industry, publicly available information and Company’s strategic plans; Compared the prior year expected tax profits with the actual results to determine the efficacy of the management’s budgeting process;



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<p>growth, passenger growth, profit margins, tax adjustments under the Income-tax Act, 1961.</p> <p>Further, as explained in note 61, the Company had filed an appeal, challenging various aspects of the aeronautical tariff order passed by AERA in respect of third control period from 1 April 2021 to 31 March 2026.</p> <p>We have identified this as a key audit matter for current year audit owing to the materiality of the amounts involved and inherent subjectivity in determination of utilization of MAT credit and unabsorbed business losses through estimation of future taxable profits and projected aeronautical tariff revenue which involved determination by AERA and being a subject matter of litigations.</p>	<ul style="list-style-type: none"> • Tested the appropriateness of the forecasted tax liability computation as per the provisions of the IT Act, including assessment of the eligibility of various tax exemptions availed and MAT liability computation as per Section 115JB of the IT Act; • Obtained and evaluated sensitivity analysis performed by the management on aforesaid key assumptions and performed further independent sensitivity analysis to determine impact of estimation uncertainty on the future taxable profits; • Obtained and reviewed the documents with respect to the litigations with AERA and the related order issued by Telecom Dispute Settlement and Appellate Tribunal (TDSAT); and • Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.
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Key audit matter	How our audit addressed the key audit matter
<p>2. Valuation of derivative financial instruments</p> <p><i>Refer to Note 3(m) for the accounting policy and note 54 for the financial disclosures in the accompanying standalone financial statements.</i></p> <p>The Company has entered into derivative financial instruments, i.e. cross currency swap, coupon only swap and call spread options to hedge its foreign currency risks relation to the long-term debt issued in foreign currency.</p> <p>Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments.</p> <p>The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Since valuation of hedging instruments and consideration of hedge effectiveness involves both significant assumptions and judgements such as forward exchange spot, forward rates, currency yield curves, interest rate curves and forward rate curves and involvement of management's valuation</p>	<p>Our audit procedures to test the valuation of derivative financial instruments included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Assessed and tested the design and operating effectiveness of the Company's controls over derivative financial instruments and the related hedge accounting; • Reviewed the management documentation for the designated hedge instrument which defines the nature of hedge relationship; • Considered consistent application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the Company's accounting policies and requirements under Ind AS 109, Financial Instruments. • Evaluated the management's valuation specialist's professional competence, expertise and objectivity; • Tested the accuracy of input data provided by the management to the external valuation specialist and assessed the reasonability of the assumptions used, while valuing the hedging instruments;



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<p>specialist, and therefore, is subject to an inherent risk of error.</p> <p>We have identified valuation of hedging instruments as a key audit matter in view of the aforesaid significant judgements, estimates and complexity involved.</p>	<ul style="list-style-type: none"> Involved a specialist for testing the fair values of derivative financial instruments and compared the results to management's results; Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.
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Key audit matter	How our audit addressed the key audit matter
<p>3. Capitalization for airport expansion</p> <p><i>Refer to Note 3(c) and 3(i) for the accounting policy and notes 4 and 35 for the financial disclosures in the accompanying standalone financial statements.</i></p> <p>The Company is in the process of expansion of Rajiv Gandhi International Airport, Hyderabad.</p> <p>Determining whether expenditure meets the capitalization criteria in line with Ind AS 16, Property, Plant and Equipment and the Company's accounting policy, specifically with regard to whether they are operational or capital in nature, involves significant management judgement.</p> <p>Further, the tariff determination by AERA for different control periods with respect to the aeronautical services is linked to the Regulated Asset Base, which is based on the fixed asset balance and considering these additions are significant to the asset base of the Company, we have assessed inappropriate capitalization as a significant risk as part of our audit strategy.</p> <p>Such aforementioned capital expenditure has been funded from the specific borrowings raised for such purpose. Accordingly, the borrowing cost incurred on such borrowings have been included as a capital expenditure in accordance with the accounting principles as laid down under Ind AS 23, Borrowing Costs.</p> <p>Owing to the above factors, we have identified this as a key audit matter for current year audit due to the significance of the capital expenditure incurred during the year.</p>	<p>Our audit procedures to assess appropriate capitalisation of such expenditure included, but were not limited to the following:</p> <ul style="list-style-type: none"> Assessed the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs. Reviewed management's capitalisation policy, including application of the aforesaid policy, to assess consistency with the requirements set out by Ind AS 16, Property, Plant and Equipment. Compared the additions with the budgets and the orders given to the vendors. Ensured that the borrowing cost capitalized is as per Ind AS 23 Borrowing Costs. Tested the additions on a sample basis for their nature and purpose to ensure that the capitalization is as per company's accounting policy. Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.



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Information other than the Financial Statements and Auditor's Report thereon

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

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

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

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

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

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed a modified opinion; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 58(I) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. the Company has made provision as at 31 March 2023, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43 to the standalone financial statements, no funds have been received by the Company



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from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Walker Chandiook & Co LLP

Chartered Accountants
Firm Registration No.: 001076N/N500013



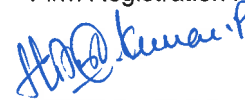
Danish Ahmed
Partner

Membership No.: 522144
UDIN: 23522144BGZHMN9483



For K. S. Rao & Co.,

Chartered Accountants
Firm Registration No.: 003109S



Hitesh Kumar P
Partner

Membership No.: 233734
UDIN: 23233734BGRCTX9044

Place: New Delhi
Date: 04 May 2023

Place: Bengaluru
Date: 04 May 2023



Annexure I referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of GMR Hyderabad International Airport Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

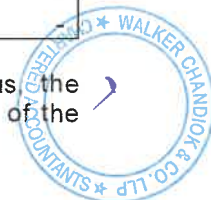
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification which have been properly dealt with in the books of account.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) As disclosed in note 22 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks or financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.
- iii. (a) The Company has provided loans or advances in the nature of loans, or guarantee, or security to Subsidiaries and Others as per details given below:

(₹ in Crores)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year:				
- Subsidiaries	172.00	32.90	-	-
- Others	-	-	0.15	-
Balance outstanding as at 31 March 2023:				
- Subsidiaries	831.61	32.90	-	-
- Others	-	-	200.15	-

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the



grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies or other parties.
- (e) The Company has granted loans which had fallen due during the year and such loans were extended during the year. The details of the same has been given below:

(₹ in crores)

Name of the party	Total loan amount granted during the year	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans	Nature of extension (i.e. renewed/ extended/fresh loan provided)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
GMR Infrastructure Limited	141.20	141.20	Extended	0%
GMR Power and Urban Infrastructure Limited	58.80	58.80	Extended	0%

Further, no fresh loans were granted to any party to settle the overdue loans.

- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(₹ in crores)

Name of the statute	Nature of dues	Gross Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Reversal of Cenvat credit including penalty	24.84	8.28	Various dates	Hon'ble High Court of Telangana
	Penalty equivalent to service tax on User Development Fee	7.43	Nil	April 2008 to December 2008	Hon'ble Supreme Court
	Non-payment of service tax on recovery of water and electricity from its concessionaires and irregular availment of CENVAT	3.20	0.15	October 2008 to June 2010	CESTAT, Hyderabad
	Non-payment of service tax on corporate guarantee	0.19	0.08	April 2016 to June 2017	Commissioner (Appeals)
Income Tax Act, 1961	Disallowance of certain expenses	3.26	Nil	Assessment year (AY) 2013-14	Hon'ble Supreme Court
		3.76	Nil	AY 2014-15	Commissioner of Income Tax (Appeals)
		6.46	Nil	AY 2016-17	
		34.70	Nil	AY 2016-17	
		0.70	Nil	AY 2016-17	
		4.76	Nil	AY 2017-18	
		6.34	Nil	AY 2018-19	

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has two CICs as part of the Group.
- xvii. The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities,



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

- xx. According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

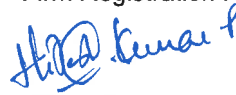


Danish Ahmed
Partner
Membership No.: 522144
UDIN: 23522144BGZHMN9483



Place: New Delhi
Date: 04 May 2023

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



Hitesh Kumar P
Partner
Membership No.: 233734
UDIN: 23233734BGRCMX9044



Place: Bengaluru
Date: 04 May 2023

Walker Chandio & Co LLP
Chartered Accountants
Unit No -- 1, 10th Floor
My Home Twitza, APIIC, Hyderabad Knowledge City
Raidurg (Panmaktha) Village
Serilingampally Mandal, Ranga Reddy District
Hyderabad – 500 081 Telangana

K. S. Rao & Co.,
Chartered Accountants
2nd Floor, 10/2, Khivraj Mansion
Kasturba Road, Bengaluru 560001
Karnataka, India

Annexure II to the Independent Auditor's Report of even date to the members of GMR Hyderabad International Airport Limited, on the standalone financial statements for the year ended 31 March 2023

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of GMR Hyderabad International Airport Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the "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 the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.



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Annexure II to the Independent Auditor's Report of even date to the members of GMR Hyderabad International Airport Limited, on the standalone financial statements for the year ended 31 March 2023

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2023:

The Company's internal financial control system over financial statement closure process towards restatement of the comparative financial information in accordance with the requirements of Indian Accounting Standard 8 as explained in Note 50 to the accompanying standalone financial statements, were not operating effectively, which has resulted in the Company not providing for appropriate adjustment in the said account balance and its consequential impact on profit before taxes, other equity and related disclosures in the accompanying standalone financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2023, based on the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.



Walker Chandio & Co LLP
Chartered Accountants
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Annexure II to the Independent Auditor's Report of even date to the members of GMR Hyderabad International Airport Limited, on the standalone financial statements for the year ended 31 March 2023

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Danish Ahmed

Danish Ahmed
Partner

Membership No.: 522144
UDIN: 23522144BGZHMN9483



Place: New Delhi
Date: 04 May 2023

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

Hitesh Kumar P

Hitesh Kumar P
Partner

Membership No.: 233734
UDIN: 23233734BGRCTX9044



Place: Bengaluru
Date: 04 May 2023

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Balance Sheet

(All amounts in Rupees crores, except when otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	4,153.42	2,457.59
Capital work-in-progress	35	2,756.60	3,043.11
Right of use asset	5	71.24	72.75
Other intangible assets	6	7.47	4.04
Financial assets			
- Investments in subsidiaries and joint venture	7	780.02	756.79
- Loans	8	0.12	0.14
- Other financial assets	9	830.82	684.69
Non current tax assets (net)		38.64	37.84
Deferred tax asset (net)	31	485.40	452.50
Other non-current assets	10	37.17	589.27
		9,160.90	8,098.72
Current assets			
Inventories	11	8.65	5.73
Financial assets			
- Investments	12	978.11	841.50
- Trade receivables	13	79.95	59.67
- Cash and cash equivalents	14	120.14	24.55
- Bank balances other than cash and cash equivalents	15	649.33	1,244.60
- Loans	8	200.03	211.57
- Other financial assets	9	114.29	197.09
Other current assets	10	31.14	55.02
		2,181.64	2,639.73
Assets held for sale		60.87	
Total assets		11,403.41	10,738.45
Equity and Liabilities			
Equity			
Equity share capital	16	378.00	378.00
Other equity	17		
- Capital reserve		107.00	107.00
- Debenture Redemption Reserve		199.00	-
- Retained earnings		1,246.10	1,412.83
- Cash flow hedge reserve		(127.03)	(44.27)
Total equity		1,803.07	1,853.56
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	18	8,017.17	7,441.79
- Lease liabilities	53	95.09	92.08
- Other financial liabilities	19	153.72	108.24
Government grants	20	19.79	25.05
Other non-current liabilities	21	9.37	6.46
		8,295.14	7,673.62



GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Balance Sheet

(All amounts in Rupees crores, except when otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
Current liabilities			
Financial liabilities			
- Borrowings	22	213.01	257.55
- Lease liabilities	53	1.07	-
- Trade payables	23		
- Total outstanding dues of micro and small enterprises		21.42	14.79
- Total outstanding dues of creditors other than micro and small		157.09	75.93
- Other financial liabilities	19	811.04	760.94
Government grants	20	5.27	5.27
Other current liabilities	21	74.78	75.98
Provisions	24	21.52	20.81
		1,305.20	1,211.27
Total liabilities		9,600.34	8,884.89
Total equity and liabilities		11,403.41	10,738.45

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm registration

number: 001076N/N500013

For K.S. Rao & Co.,

Chartered Accountants

ICAI Firm registration

number: 003109S

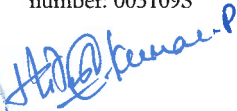
For and on behalf of the Board of Directors of

GMR Hyderabad International Airport Limited

Danish Ahmed

Partner

Membership No.: 522144



Hitesh Kumar P

Partner

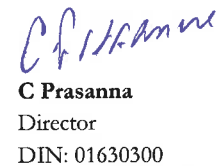
Membership No.: 233734



GBS Raju

Managing Director

DIN: 00061686

Place: New Delhi
Date: May 04, 2023

C Prasanna

Director

DIN: 01630300

Place: Hyderabad
Date: May 04, 2023

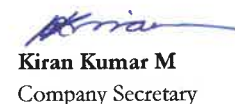
Pradeep Panicker

Chief Executive Officer

Place: Hyderabad
Date: May 04, 2023

Anand Kumar P

Chief Financial Officer

Place: Hyderabad
Date: May 04, 2023

Kiran Kumar M

Company Secretary

Place: Hyderabad
Date: May 04, 2023Place: New Delhi
Date: May 04, 2023Place: Bengaluru
Date: May 04, 2023

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Statement of Profit and Loss

(All amounts in Rupees crores, except when otherwise stated)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	25	1,246.24	673.68
Other income	26	138.12	105.00
Total income		1,384.36	778.68
Expenses			
Concession fee		54.41	30.33
Employee benefits expense	27	115.66	109.85
Finance costs	28	340.23	258.52
Depreciation and amortization expenses	29	259.99	219.85
Loss on settlement of derivative financial instruments		90.77	-
Other expenses	30	465.18	312.19
Total expenses		1,326.24	930.74
Profit/(loss) before tax		58.12	(152.06)
Tax expense/(benefit)			
Current tax	31	3.01	-
Minimum alternate tax credit entitlement		(3.01)	-
Deferred tax (credit)/ expense		24.33	(43.96)
Taxes of earlier years		0.80	-
Total tax expense/(benefit)		25.13	(43.96)
Profit/(loss) after tax		32.99	(108.10)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefit plans, net of tax	32	(0.72)	(0.24)
Items that will be reclassified to profit or loss			
Cash flow hedge reserve	32	(240.22)	(206.41)
Income tax effect on above	32	99.42	35.25
Total other comprehensive loss		(141.52)	(171.40)
Total comprehensive loss		(108.53)	(279.50)
Earnings per equity share: (in absolute terms)			
Basic and diluted (in Rs.)	33	0.87	(2.86)
Weighted average number of equity shares		37,80,00,000	37,80,00,000
Face Value per equity share (in Rs.)		10.00	10.00

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants
ICAI Firm registration
number: 001076N/N500013

Danish Ahmed
Danish Ahmed

Partner
Membership No.: 522144



For K.S. Rao & Co.,

Chartered Accountants
ICAI Firm registration
number: 003109S

Hitesh Kumar P
Hitesh Kumar P

Partner
Membership No.: 233734



For and on behalf of the Board of Directors of
GMR Hyderabad International Airport Limited

GBS Raju
GBS Raju
Managing Director
DIN: 00061686

C Prasanna
C Prasanna
Director
DIN: 01630300

Place: New Delhi
Date: May 04, 2023

Place: Hyderabad
Date: May 04, 2023

Pradeep Panicker
Pradeep Panicker
Chief Executive Officer

P. Anand Kumar P
Anand Kumar P
Chief Financial Officer

Place: Hyderabad
Date: May 04, 2023

Kiran Kumar M
Kiran Kumar M
Company Secretary

Place: New Delhi
Date: May 04, 2023

Place: Bengaluru
Date: May 04, 2023

Place: Hyderabad
Date: May 04, 2023

Place: Hyderabad
Date: May 04, 2023



GMR Hyderabad International Airport Limited
CIN:U62100TG2002PLC040118
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Rupees crores, except when otherwise stated)

Equity share capital:

Equity shares of Rs.10 each issued, subscribed and fully paid

As at April 1, 2021

Issue of shares during the period

As at March 31, 2022

As at April 1, 2022

Issue of shares during the period

As at March 31, 2023

	Number	Amount
As at April 1, 2021	37,80,00,000	378.00
Issue of shares during the period	-	-
As at March 31, 2022	37,80,00,000	378.00
As at April 1, 2022	37,80,00,000	378.00
Issue of shares during the period	-	-
As at March 31, 2023	37,80,00,000	378.00

Other equity

As at April 1, 2021

Loss for the year

Remeasurement of post-employment benefits obligations

Cash flow hedge reserve (net of tax)

As at March 31, 2022

As at April 1, 2022

Profit for the year

Remeasurement of post-employment benefits obligations

Adjustment on account of Debenture Redemption Reserve

Reclassified to Statement of Profit and Loss on account of hedge settlement (net of tax)

Cash flow hedge reserve (net of tax)

As at March 31, 2023

	Reserves and surplus			Other comprehensive income	Total
	Capital reserve*	Debenture Redemption Reserve	Retained earnings	Cash flow hedge reserve	
As at April 1, 2021	107.00	-	1,521.17	126.89	1,755.06
Loss for the year	-	-	(108.10)	-	(108.10)
Remeasurement of post-employment benefits obligations	-	-	(0.24)	-	(0.24)
Cash flow hedge reserve (net of tax)	-	-	-	(171.16)	(171.16)
As at March 31, 2022	107.00	-	1,412.83	(44.27)	1,475.56
As at April 1, 2022	107.00	-	1,412.83	(44.27)	1,475.56
Profit for the year	-	-	32.99	-	32.99
Remeasurement of post-employment benefits obligations	-	-	(0.72)	-	(0.72)
Adjustment on account of Debenture Redemption Reserve	-	199.00	(199.00)	-	-
Reclassified to Statement of Profit and Loss on account of hedge settlement (net of tax)	-	-	-	58.04	58.04
Cash flow hedge reserve (net of tax)	-	-	-	(140.80)	(140.80)
As at March 31, 2023	107.00	199.00	1,246.10	(127.03)	1,425.07

*The Company has received a contribution of Rs.107 crores from its shareholder i.e., Government of Telangana as per the terms of State Support Agreement for construction of Airport. This contribution received from Government of Telangana has been recognised as capital contribution from share holder of the Company.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm registration number: 001076N/N500013

Danish Ahmed

Danish Ahmed
Partner

Membership No.: 522144



For K.S.Rao & Co.,

Chartered Accountants

ICAI Firm registration number: 0003109S

Hitesh Kumar P

Hitesh Kumar P
Partner

Membership No.: 233734



For and on behalf of the Board of Directors of

GMR Hyderabad International Airport Limited

GBS Raju

GBS Raju
Managing Director
DIN: 00061686

Place: New Delhi
Date: May 04, 2023

C Prasanna

C Prasanna
Director
DIN: 01630300

Place: Hyderabad
Date: May 04, 2023

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Pradeep Panicker
Chief Executive Officer

Place: Hyderabad
Date: May 04, 2023

Anand Kumar P

Anand Kumar P
Chief Financial Officer

Place: Hyderabad
Date: May 04, 2023

Kiran Kumar M

Kiran Kumar M
Company Secretary

Place: Hyderabad
Date: May 04, 2023

Place: New Delhi
Date: May 04, 2023

Place: Bengaluru
Date: May 04, 2023



GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Cash Flow Statement

(All amounts in Rupees crores, except when otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit/(loss) before tax	58.12	(152.06)
<i>Adjustment to reconcile loss before tax to net cash flows</i>		
Depreciation and amortization expenses	259.99	219.85
Bad debts written off	63.00	-
Advances written off	0.03	-
Fixed assets written off	0.68	-
(Gain)/loss on sale of property, plant and equipment	0.65	(0.19)
Dividend income	(4.90)	(1.96)
Interest income	(91.42)	(82.24)
Finance costs	340.23	258.52
Gain on sale of financial assets (mutual funds)	(21.16)	(7.13)
Loss on settlement of derivative financial instruments	89.25	-
Provision no longer required, written back	(1.80)	(1.24)
Unrealised foreign exchange loss	0.97	-
Income from government grants	(5.27)	(5.27)
Amortisation of deferred income	(10.79)	(12.43)
Interest income arising from fair valuation of financial guarantee	(1.82)	(2.54)
Operating profit before working capital changes	675.76	213.31
<i>Working capital adjustments:</i>		
Changes in trade payables	86.35	6.12
Changes in other liabilities	18.98	(22.72)
Changes in other financial liabilities	5.26	(112.22)
Changes in provisions	-	3.29
Changes in trade receivables	(83.29)	51.43
Changes in inventories	(2.92)	(0.14)
Changes in other assets	(48.52)	(66.23)
Changes in other financial assets	77.90	(36.27)
Changes in loans	0.56	3.96
Cash generated from operations	730.08	40.53
Direct taxes paid (net)	(0.84)	(17.09)
Net cash generated from operating activities (A)	729.24	23.44
Cash flows from investing activities		
Purchase of property plant and equipment, including CWIP and capital advance	(660.73)	(654.91)
Proceeds from sale of property, plant and equipment	0.74	115.00
Investment in subsidiary companies	(62.00)	(40.00)
Loans to subsidiary companies	-	(46.25)
Repayment of loans by subsidiary	11.00	75.25
Purchase of current investments	(2,378.59)	(2,283.58)
Proceeds from sale of current investments	2,302.66	2,421.80
Movement in other bank balances, net	595.28	217.42
Dividend income	4.90	1.96
Interest received	94.94	121.15
Net cash used in investing activities (B)	(91.80)	(72.16)



GMR Hyderabad International Airport Limited

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Cash Flow Statement

(All amounts in Rupees crores, except when otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from financing activities		
Proceeds from long-term borrowings	1,990.00	-
Repayment of long-term borrowings	(1,959.24)	-
Proceeds/ (repayment) of short-term borrowings, net	(107.55)	86.23
Payment of lease rental	(7.28)	(5.72)
Proceeds from hedge cancellation	225.49	-
Interest paid, including borrowing costs	(683.27)	(675.10)
Net cash used in financing activities (C)	(541.85)	(594.59)
Net change in cash and cash equivalents (A + B + C)	95.59	(643.31)
Cash and cash equivalents at the beginning of the year	24.55	667.86
Cash and cash equivalents at the end of the year	120.14	24.55
Components of cash and cash equivalents		
With banks		
- on current accounts	19.60	12.50
- on deposit accounts	100.50	12.00
Cash on hand	0.04	0.05
Total cash and cash equivalents	120.14	24.55

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date.

For Walker Chandiook & Co LLP

Chartered Accountants

ICAI Firm registration

number: 001076N/N500013

*Danish Ahmed***Danish Ahmed**

Partner

Membership No.: 522144

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

Chartered Accountants

ICAI Firm registration

number: 003109S

*Hitesh Kumar P***Hitesh Kumar P**

Partner

Membership No.: 233734



For and on behalf of the Board of Directors of

GMR Hyderabad International Airport Limited*GBS Raju***GBS Raju**

Managing Director

DIN: 00061686

Place: New Delhi

Date: May 04, 2023

*C Prasanna***C Prasanna**

Director

DIN: 01630300

Place: Hyderabad

Date: May 04, 2023

*Pradeep Panicker***Pradeep Panicker**

Chief Executive Officer

Place: Hyderabad

Date: May 04, 2023

*P. Anand Kumar P***Anand Kumar P**

Chief Financial Officer

Place: Hyderabad

Date: May 04, 2023

*Kiran Kumar M***Kiran Kumar M**

Company Secretary

Place: Hyderabad

Date: May 04, 2023

Place: New Delhi

Date: May 04, 2023

Place: Bengaluru

Date: May 04, 2023



GMR Hyderabad International Airport Limited

CIN: U62100TG2002PLC040118

Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

1. Corporate information

GMR Hyderabad International Airport Limited (“GHIAL” or “the Company”), is a company limited by shares, was incorporated in the year 2002 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is situated at GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad 500 108. The Company is primarily engaged in the business of providing airport management services on a Build, Owned, Operate and Transfer only model. Presently, the Company is managing operations of Rajiv Gandhi International Airport (“RGIA”) at Hyderabad, India and the Bidar Airport in Karnataka, India. The Company is a majority owned subsidiary of GMR Airports Limited (“GAL”) a subsidiary of GMR Infrastructure Limited (“GIL”).

The Company had entered into a long term Concession Agreement with the Ministry of Civil Aviation (“MoCA”), Government of India, pursuant to which the Company was awarded exclusive rights for Development, Construction, Operation and Maintenance of the RGIA on a revenue share model. The arrangement is valid for a period of 60 years, including an optional extension of 30 years, which was duly exercised by the Company.

These standalone financial statements for the year ended 31 March 2023 are approved by the Company’s Board of Directors in their meeting held on May 4, 2023.

2. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of Division II of Schedule III to the Act, including the amendments to Schedule III notified by the Ministry of Corporate Affairs (“MCA”) vide its notification dated 24 March 2021.

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 Standalone Financial Statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, March 31, 2023.

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

The standalone financial statements are presented in Indian Rupees (“Rs.”) and all the values are rounded to the nearest crore up to two decimal places, except for per share data and when otherwise indicated.

3. Significant accounting policies

a) Use of estimates

The preparation of these standalone financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of these standalone financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financials statements have been disclosed in note 59. Accounting estimates could change from year to year and actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in these standalone financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to these standalone financial statements.

b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle



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(All amounts in Rupees crores, except per share data and when otherwise stated)

- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

c) Property, plant and equipment and capital work in progress

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

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date net of accumulated impairment loss, if any. Property, plant and equipment 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.

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

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.

Spares parts that can only be used in connection with a particular item of property, plant and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

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

d) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed by Airport Economic Regulatory Authority ("AERA") in case of airport assets and as prescribed under Schedule II of the Companies Act, 2013 in case



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(All amounts in Rupees crores, except per share data and when otherwise stated)

of other assets, except as stated below based on the technical advice as obtained by the management. The following useful lives of property, plant and equipment is adopted by the Company:

Particulars	(Useful life in years)
Leasehold Improvements	30
Buildings on leasehold land*	10-30
Building interim terminal#	7
Buildings on freehold land	30-60
Runways	30
Roads – other than RCC **	10
Recarpeting of runways	5
Electrical installations **	10-15
Plant and equipments	15
Office equipment	5
Computer equipments	3-6
Furniture and fixtures	3-7
Vehicles	8-10

*The useful lives of modifications to buildings on leasehold land are estimated as 10 years.

**The useful lives of internal roads – other than RCC and certain electrical installations (transformers) are estimated as 10 years and 15 years respectively. These lives are longer than those indicated in schedule II.

#During the previous years, the Company has commissioned two interim terminals namely Interim International Departure Terminal (IIDT) and Interim Domestic Arrival Terminal (IDAT) to accommodate the growing traffic, until the expanded terminal becomes operational. Further, the area where these interim terminals are created, will eventually be used for expansion and boarding gates, therefore these interim terminals will need to be demolished after seven years. Based on the same, the management has considered the life of seven years period for these terminal buildings and related assets i.e. electrical installations and certain plant and machineries viz. Fire systems, HVAC systems. Accordingly, IIDT, IDAT building, electrical installations, Fire systems, HVAC systems are depreciated over a period of seven years.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

f) Amortization of intangible assets

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in these standalone financial statements. Intangible assets (Computer software) are amortized over the useful life of asset or six years, whichever is lower.

g) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying



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amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

Impairment losses of continuing operations are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

h) Inventories

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

i) Borrowing cost

Borrowing costs net of income on surplus investments directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed on effective interest rate ("EIR") basis in the period in which they occur.

Borrowing costs consist of interest, call spread premium and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) 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 on the basis of transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc.

Revenue from contract with customer

Revenue from contracts with customers is recognised when performance obligation in relation to transfer of services is satisfied at an amount that reflects the transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.



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Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less.

The Company also receives long-term advances from customers for rendering services. The transaction price for such contracts are discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Company satisfies a performance obligation but does not have an unconditional rights to consideration. A receivables represents the Company's right to an amount of consideration that is unconditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Income from services

Revenue from airport operations i.e. Aeronautical and Non-Aeronautical operations are recognised on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered.

Land & Space- rentals pertains to granting right to use land and space primarily for catering to the need of passengers, air traffic services and air transport services. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

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

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty / realisation.

For all financial instruments measured at amortised cost, interest income is recorded using the 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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest for delayed payments from customers is accounted only when it is unconditionally accepted by the customers.

Dividend income

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



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(All amounts in Rupees crores, except per share data and when otherwise stated)

k) Financial instruments

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

1) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (j) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost: A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at FVOCI: A financial asset is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and



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(All amounts in Rupees crores, except per share data and when otherwise stated)

- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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

In addition, the Company may elect to designate a Financial asset's which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

Derecognition of financial assets

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost e.g., deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

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.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Offsetting of financial instruments

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

1) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as cross currency swaps, coupon only swaps and call option spreads, to hedge its foreign currency risks and interest rate risks.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- c) Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.



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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

II) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including and derivative financial instruments.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

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



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If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

Presentation of derivative contracts in the financial statement

Derivative assets and liabilities recognized on the balance sheet are presented as current and non-current based on the classification of the underlying hedged item.

m) Fair value measurement

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

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

- 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 best economic interest.

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 these 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.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets or liabilities such as derivative instruments.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes as mentioned below:

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Quantitative disclosures of fair value measurement hierarchy
- c) Financial instruments (including those carried at amortized cost)



n) Provisions, contingent assets, contingent liabilities and commitments

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

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

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

Provisions for onerous contracts are recognized when the expected benefits to be delivered by the Company from a contract are lower than the unavoidable costs of meeting the future 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 recognizes any impairment loss on the assets associated with that contract.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. Contingent assets are reviewed at each reporting date. A contingent asset is disclosed where an inflow of economic benefits is probable.

o) Retirement and other Employee Benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Accumulated leave balances, 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. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. However, the Company presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Retirement benefit in the form of provident fund, superannuation fund and employee state insurance is a defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective funds.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of



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

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:

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

p) Government grants

Grants and subsidies from the government are recognized when there is reasonable assurance that

- (i) the Company will comply / have complied with the conditions attached to them, and
- (ii) the grant / subsidy will be received.

When the grant/ subsidy relates to revenue, it is recognized under other income in the Statement of Profit and Loss in the period of receipts of such grant/ subsidy, at the amount expected to be realized.

q) Leases

The Company assesses a contract at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets: The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities: At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

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.

In case of a short-term lease contract and lease contracts for which the underlying asset is of low value in accordance with Ind AS 116, lease payments are charged to statement of profit and loss on accrual basis.



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Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfers from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

r) Taxes

Tax expense comprises current tax and deferred tax.

Current tax

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

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

Current 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 tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

1. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
2. In respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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



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Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Minimum Alternate Tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT credit entitlement'. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Taxes, cess, duties such as sales tax/ value added tax/ service tax/GST etc. paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of taxes paid, except:

- When the tax incurred on a purchase of assets, goods or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

s) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less costs to sell.

t) Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹' or 'Rs.') which is also the functional and presentation currency of the Company.

Transactions and balances

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

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.



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u) Proposed dividend

As per Ind AS –10, 'Events after the Reporting period', the Company disclose the dividend proposed by board of directors after the balance sheet date in the notes to these standalone financial statements. The liability to pay dividend is recognised when the declaration of dividend is approved by the shareholders.

v) Segment information

Based on the "management approach" as defined in Ind AS 108 Operating Segments, the Chief Operating Decision Maker ('CODM') has carried out evaluation of the Company's performance at an overall group level as one reportable operating segment i.e. 'Airport and allied services'.

w) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

x) Cash and cash equivalents

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

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

y) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

z) Standards and recent pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.



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Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is in the process of evaluating the impact of these amendments on the financial statements.



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4 Property, Plant and Equipment

	Leasehold Improvements	Freehold land	Runways	Roads	Buildings on leasehold land	Buildings on freehold land	Electrical installations	Plant and equipment	Office equipments	Computer equipments	Furniture and fixtures	Vehicles	Total
Gross block, At cost													
As at April 1, 2021	99.61	16.13	912.40	142.75	1,121.30	62.31	232.92	586.55	13.60	80.77	52.02	10.06	3,330.42
Additions	4.41	-	168.36	-	182.87	-	67.83	19.81	0.82	26.85	5.00	0.43	476.38
Disposals	-	-	-	-	(2.63)	-	-	(0.36)	(1.70)	(45.08)	(0.73)	(0.02)	(50.52)
As at March 31, 2022	104.02	16.13	1,080.76	142.75	1,301.54	62.31	300.75	606.00	12.72	62.54	56.29	10.47	3,756.28
Additions (refer note 65)	0.23	-	195.16	6.08	1,032.02	-	189.73	534.59	8.48	6.89	37.58	2.30	2,013.06
Disposals	-	-	-	(1.59)	(3.42)	-	(0.30)	(7.75)	-	-	-	(0.13)	(13.19)
Adjustments*	-	-	-	(1.43)	(79.97)	-	(6.54)	(13.35)	(1.37)	(1.73)	(6.29)	-	(110.68)
As at March 31, 2023	104.25	16.13	1,275.92	145.81	2,250.17	62.31	483.64	1,119.49	19.83	67.70	87.58	12.64	5,645.47

Accumulated Depreciation

As at April 1, 2021	23.91	-	125.12	104.70	275.25	9.30	151.56	316.61	7.01	46.71	35.38	2.57	1,098.12
Charge for the year	4.34	-	49.74	4.87	56.62	1.33	16.55	55.63	2.53	16.10	4.76	1.29	213.76
Disposals	-	-	-	-	(0.24)	-	-	(0.31)	(1.06)	(10.85)	(0.73)	(0.01)	(13.19)
Up to March 31, 2022	28.25	-	174.86	109.57	331.63	10.63	168.11	371.93	8.48	51.97	39.41	3.85	1,298.69
Charge for the year	4.42	-	62.60	4.38	70.12	1.33	25.54	70.97	2.95	4.68	7.19	1.45	255.63
Disposals	-	-	-	(1.18)	(3.40)	-	(0.30)	(7.45)	-	-	-	(0.13)	(12.46)
Adjustments*	-	-	-	(0.87)	(25.27)	-	(5.69)	(10.42)	(1.19)	(1.49)	(4.88)	-	(49.81)
Up to March 31, 2023	32.67	-	237.46	111.90	373.08	11.96	187.66	425.03	10.24	55.16	41.72	5.17	1,492.05

Net book value

As at March 31, 2022	75.77	16.13	905.90	33.18	969.91	51.68	132.64	234.07	4.24	10.57	16.88	6.62	2,457.59
As at March 31, 2023	71.58	16.13	1,038.46	33.91	1,877.09	50.35	295.98	694.46	9.59	12.54	45.86	7.47	4,153.42

* During the year ended 31 March 2023, the Company has identified certain group of Property, plant and equipment for sale, hence classified the same as "Assets Held for Sale".

Note: The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.



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5 Right of use asset

Gross block, At cost

As at April 1, 2021

Additions

As at March 31, 2022

Additions

As at March 31, 2023

Accumulated Depreciation

Up to March 31, 2021

Charge for the year

Up to March 31, 2022

Charge for the year

Up to March 31, 2023

Net book value

As at March 31, 2022

As at March 31, 2023

	Land and Building	Vehicles	Total
As at April 1, 2021	80.83	-	80.83
Additions	-	-	-
As at March 31, 2022	80.83	-	80.83
Additions	-	1.30	1.30
As at March 31, 2023	80.83	1.30	82.13
Up to March 31, 2021	5.44	-	5.44
Charge for the year	2.64	-	2.64
Up to March 31, 2022	8.08	-	8.08
Charge for the year	2.65	0.16	2.81
Up to March 31, 2023	10.73	0.16	10.89
As at March 31, 2022	72.75	-	72.75
As at March 31, 2023	70.10	1.14	71.24

6 Other intangible assets

Gross block, At cost

As at April 1, 2021

Additions

Disposals

As at March 31, 2022

Additions

As at March 31, 2023

Accumulated Depreciation

Up to March 31, 2021

Charge for the year

Disposals

Up to March 31, 2022

Charge for the year

Up to March 31, 2023

Net book value

As at March 31, 2022

As at March 31, 2023

	Computer Software	Total
As at April 1, 2021	11.58	11.58
Additions	12.36	12.36
Disposals	(14.42)	(14.42)
As at March 31, 2022	9.52	9.52
Additions	4.98	4.98
As at March 31, 2023	14.50	14.50
Up to March 31, 2021	4.70	4.70
Charge for the year	3.45	3.45
Disposals	(2.67)	(2.67)
Up to March 31, 2022	5.48	5.48
Charge for the year	1.56	1.56
Up to March 31, 2023	7.04	7.04
As at March 31, 2022	4.04	4.04
As at March 31, 2023	7.47	7.47



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7 Investments in subsidiaries and joint ventures

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Non-current investments:				
Investment in subsidiaries, measured at cost				
<i>Investment in equity shares (unquoted)</i>				
GMR Hyderabad Aerotropolis Limited	11,18,83,600	111.88	4,98,83,600	49.88
GMR Hyderabad Airport Assets Limited	-	-	4,06,16,400	40.62
GMR Hyderabad Aviation SEZ Limited	5,16,00,000	51.60	5,16,00,000	51.60
GMR Hospitality and Retail Limited	23,83,28,710	238.33	23,83,28,710	238.33
GMR Air Cargo and Aerospace Engineering Limited	45,58,48,935	327.44	45,58,12,130	320.66
		729.25		701.09
<i>Investment in preference shares (unquoted)</i>				
GMR Air Cargo and Aerospace Engineering Limited - Series A Preference Shares	-	-	18,000	6.76
GMR Air Cargo and Aerospace Engineering Limited - Series B Preference Shares	-	-	18,735	0.02
		-		6.78
Investment in Joint Venture, measured at cost				
<i>Investment in equity shares (unquoted)</i>				
Laqshya Hyderabad Airport Media Private Limited	98,00,000	9.80	98,00,000	9.80
		9.80		9.80
Investment in Others, measured at FVTOCI				
<i>Investment in equity shares (unquoted)</i>				
Digi Yatra Foundation	148	0.00	148	0.00
		0.00		0.00
Other investments				
<i>On account of fair valuation of financial gurantees given to subsidiaries</i>				
GMR Hyderabad Aviation SEZ Limited		3.89		2.12
GMR Hospitality and Retail Limited		5.94		5.90
GMR Air Cargo and Aerospace Engineering Limited		12.01		11.97
GMR Hyderabad Aerotropolis Limited		1.68		1.68
		23.52		21.67
<i>On account of fair valuation of loans given to subsidiaries/joint venture below market rate</i>				
GMR Hospitality and Retail Limited		11.86		11.86
Laqshya Hyderabad Airport Media Private Limited		5.59		5.59
		17.45		17.45
Total investments carried at cost		780.02		756.79
Aggregate book value of unquoted investments		780.02		756.79
Aggregate amount of impairment in the value of investments		-		-

Note: Face value of Company's investment in equity shares of the above subsidiaries, joint venture and others is Rs.10 per equity share fully paid-up. Further, the Company holds 100% stake in all its subsidiaries and 49% stake in the joint venture as at 31 March 2023 and 31 March 2022.

Details of number of shares pledged with bankers against the loan taken by the subsidiaries

	31-Mar-23	31-Mar-22
GMR Hospitality and Retail Limited	5,00,49,030	8,29,46,705



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(All amounts in Rupees crores, except when otherwise stated)

11 Inventories

	March 31, 2023	March 31, 2022
Stores and spares	8.72	5.90
Less: Provision for non-moving spares	(0.07)	(0.17)
	8.65	5.73

12 Investments

	As at March 31, 2023		As at March 31, 2022	
	No. of units	Amount	No. of units	Amount
Investment in mutual funds				
(unquoted, non-trade) at FVTPL				
UTI Overnight Fund-Regular Growth Plan	1,35,704	41.64	1,41,965	41.31
Sundaram Money Fund Regular Growth	1,30,850	15.35	-	-
Sundaram Money Fund Direct Growth	2,77,117	33.01	-	-
SBI Overnight Fund - Direct Growth	82,666	30.17	1,16,544	40.34
Axis Overnight Fund-Direct Growth Plan	1,98,763	23.57	3,96,844	44.47
Invesco India Liquid Fund - Growth	-	-	2,01,253	21.62
HDFC Overnight fund direct growth plan	-	-	4,800.98	1.52
Nippon india overnight fund -Direct Fund growth	38,16,414	45.89	39,83,030	45.41
ICICI Prudential Overnight Fund Direct Plan Growth	1,45,668	17.80	33,40,635	41.31
Tata Overnight Direct Plan Growth	1,50,789	17.83	3,44,087	38.59
Aditya Birla Sunlife Overnight Fund - Growth-Regular Plan	9,12,255	110.61	3,02,266	34.76
L&T Liquid Fund Growth	-	-	1,85,963	30.84
Kotak Overnight fund Institutional premium-growth	3,05,580	36.54	3,92,936	44.55
		372.41		384.72
Investment in subsidiaries held for sale				
<i>Investment in equity shares (unquoted), measured at cost</i>				
GMR Hyderabad Airport Assets Limited	4,06,16,400	40.62	-	-
Investment in commercial paper*				
(unquoted, non-trade), measured at amortised cost				
Time Technoplast Ltd	2,200	107.59	1,400	65.50
Edelweiss Financial Services Limited	2,140	97.39	3,000	139.10
Edelweiss Rural and Corporate Services Limited	7,660	360.10	5,440	252.18
		565.08		456.78
		978.11		841.50
Aggregate book value of unquoted investments		978.11		841.50
Aggregate amount of impairment in the value of investments		-		-

*Face value of all commercial paper investments is Rs.0.05 Crore (March 31, 2022: Rs.0.05 Crore) per unit.

13 Trade receivables

	March 31, 2023	March 31, 2022
Secured receivables, considered good	54.55	46.27
Unsecured receivables, considered good	25.40	13.40
Unsecured receivables, with significant increase in credit risk	0.18	0.31
	80.13	59.98
Less: Allowance for trade receivables	(0.18)	(0.31)
	79.95	59.67
Breakup of trade receivables:		
Related parties	13.41	19.88
Others	66.54	39.79
	79.95	59.67

Trade receivables to the extent covered by security deposit or bank guarantees are considered as secured receivables.



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(All amounts in Rupees crores, except when otherwise stated)

14 Cash and cash equivalents

	March 31, 2023	March 31, 2022
Balances with banks		
- In current accounts	19.60	12.50
- Deposits with original maturity of less than three months	100.50	12.00
Cash on hand	0.04	0.05
	120.14	24.55

15 Bank balances other than cash and cash equivalent

	March 31, 2023	March 31, 2022
Deposits with original maturity of more than 3 months but less than 12 months	647.59	1,211.44
Margin money deposits*	1.74	33.16
	649.33	1,244.60

*Represents margin money deposits held with banks.

16 Equity

	March 31, 2023	March 31, 2022
Authorized share capital		
400,000,000 (March 31, 2022: 400,000,000) equity shares of Rs.10 each	400.00	400.00
Issued, subscribed and fully paid-up shares		
378,000,000 (March 31, 2022: 378,000,000) equity shares of Rs.10 each fully paid up	378.00	378.00

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

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Equity Shares				
At the beginning of the year	37,80,00,000	378.00	37,80,00,000	378.00
Outstanding at the end of the year	37,80,00,000	378.00	37,80,00,000	378.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Further all shareholders will have their representative in the Board of Directors of the Company as per the terms of arrangement.

(c) Shares held by holding/intermediate holding company

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of Rs.10 each fully paid				
GMR Airports Limited (GAL), holding company*	23,81,39,000	238.14	23,81,39,000	238.14
GMR Airports Infrastructure Limited, GAL's holding company	1,000	0.00	1,000	0.00
	23,81,40,000	238.14	23,81,40,000	238.14

*Including 5 equity shares held by others as nominee shareholders

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

	March 31, 2023		March 31, 2022	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid				
GMR Airports Limited, holding company	23,81,39,000	63.00%	23,81,39,000	63.00%
Airports Authority of India	4,91,40,000	13.00%	4,91,40,000	13.00%
Government of Telangana	4,91,40,000	13.00%	4,91,40,000	13.00%
MAHB (Mauritius) Private Limited	4,15,73,540	11.00%	4,15,73,540	11.00%

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

(e) No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date.

(f) There are no shares reserved for issue under options and contract/commitments for the sale of shares/disinvestment.



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(All amounts in Rupees crores, except when otherwise stated)

18 Borrowings (continued)**vi) 8.710% Listed, Secured, Rated, Redeemable Non-Convertible Debentures**

The Company has issued 84,000 Non-Convertible Debentures (NCD's) of Rs. 100,000 each, which are listed on BSE Limited. NCD's carry an interest of 8.710% per annum payable quarterly. Interest is fixed for a period of five years from the date of issue and subsequently is subject to reset in accordance with the terms of the Debenture Trust Deed. NCD's are repayable in four annual installments of Rs. 105 crores starting from December 31, 2028 and balance Rs. 420 crores is repayable on March 11, 2033.

Senior Secured Notes mentioned in notes (i) (ii) and (iii) and NCD mentioned in (v) and (vi) above are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land (to an extent of 2,136.45 acres), freehold land of 8,824 acres and first pari-passu charge on all movable and immovable assets, all insurance contracts, contractors' guarantees and liquidated damages payable by the contractors; all the rights, titles, permits, approvals and interests of GHIAL in, to and in respect of the Project Agreements (i.e. Concession Agreement, State Support Agreement, Land Lease Agreement and the CNS-ATS Agreement) as detailed in the Indenture dated October 27, 2017, April 10, 2019 and February 02, 2021 and Debenture Trust Deed dated December 12, 2022 and March 10, 2023 respectively to the maximum extent permitted under the Project Agreements; floating charge on all the operating revenues/receivables of GHIAL; and floating charge on all the GHIAL's accounts and each of the other accounts required to be created by GHIAL pursuant to the Security Documents (excluding any Excluded Accounts) and, including in each case, all monies lying credited/deposited into such accounts.

19 Other financial liabilities

	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
At amortised cost				
Retention money	0.14	0.02	5.42	2.25
Deposit from concessionaires and others	43.26	31.39	53.96	49.06
Concession fee payable	104.27	70.75	100.31	127.39
Non-trade payables	-	-	37.87	37.11
Capital creditors*	-	-	458.12	344.06
Interest accrued but not due on borrowings	-	-	154.33	200.10
Financial guarantee contracts	6.05	6.08	1.03	0.97
	153.72	108.24	811.04	760.94

*Includes amounts payable to parties registered under the Micro, Small and Medium Enterprises Development Act, 2006 of Rs. 26.92 crore (March 31, 2022: Rs. 12.12 crore)

Break up of financial guarantee contracts to related parties is as under:

	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
GMR Hospitality and Retail Limited	0.85	1.09	0.28	0.27
GMR Hyderabad Aviation SEZ Limited	1.52	0.68	0.14	0.11
GMR Hyderabad Aerotropolis Limited	0.98	1.13	0.14	0.13
GMR Air Cargo and Aerospace Engineering Limited	2.70	3.18	0.47	0.46
	6.05	6.08	1.03	0.97

Note: The financial guarantees are given by the Company against loans taken by its subsidiaries for capex and working capital requirements.

20 Government grants

	March 31, 2023	March 31, 2022
Opening Balance	30.32	35.59
Less: recognised in the statement of profit and loss	(5.27)	(5.27)
	25.05	30.32
Non-current	19.79	25.05
Current	5.27	5.27

The concession fee payable to Ministry of Civil Aviation ("MoCA") in respect of first 10 years had commenced from 11th anniversary of the commercial operations date (i.e., March 23, 2008) and is repayable in twenty equal half-yearly installments commencing from June 2018. Hence, difference between the fair value and carrying value of such fee payable has been treated as a government grant as per Ind AS 20.

21 Other liabilities

	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advanced received from customers	-	-	21.10	20.78
Marketing fund liability	-	-	1.81	3.28
Deferred income	9.37	6.46	5.48	3.85
Statutory liabilities	-	-	26.15	16.78
Other payable	-	-	20.24	31.29
	9.37	6.46	74.78	75.98



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(All amounts in Rupees crores, except when otherwise stated)

22 Short-term borrowings

	March 31, 2023	March 31, 2022
Loans		
Secured		
From bank	150.00	150.00
From others	-	100.00
	150.00	250.00
Unsecured		
From bank	-	7.55
Current maturities of long term borrowings	63.01	-
	213.01	257.55

i) Loan from bank, secured

The working capital demand loan of Rs. 150 crore is repayable within 12 months of drawdown and carry a interest rate linked to 1 year MCLR plus spread of 0.10% p.a.

ii) Loan from others, secured

The working capital demand loan of Rs. 100 crore has been entirely repaid during the year

iii) Loan from bank, unsecured

The unsecured borrowings from bank pertained to vendor financing facility availed by the Company. The same has been discontinued during the year.

Working capital arrangement mentioned in note (i) and (ii) (during previous year) is secured by mortgage of leasehold and/or freehold rights, title and interest in respect of 2,145 acres and 11 guntas of land under the Land Lease Agreement and other land related documents, together with all buildings and structures thereon and charge on all movable and immovable assets, all insurance contracts, contractors' guarantees and liquidated damages payable by the contractors; all the rights, titles, permits, approvals and interests of the Company in, to and in respect of the Project Agreements (i.e. Concession Agreement, State Support Agreement and Land Lease Agreement); floating charge on all the operating revenues/receivables of the Company; and floating charge on all the Company's accounts and each of the other accounts required to be created by the Company pursuant to the Security Documents (excluding any Excluded Accounts) and, including in each case, all monies lying credited/deposited into such accounts.

Note: The Company has been sanctioned working capital limits in excess of ₹5 crores by banks based on the security of certain assets, including current assets (as detailed in note above). As required under the respective arrangements, the Company has filed quarterly statements, in respect of the working capital limits with such banks and such statements are in agreement with the unaudited books of account of the Company for the respective periods.

23 Trade payables

	March 31, 2023	March 31, 2022
Total outstanding dues of micro and small enterprises	21.42	14.79
Total outstanding dues of creditors other than micro and small enterprises	157.09	75.93
	178.51	90.72

* Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") as at March 31, 2023 and March 31, 2022 (along with micro and small enterprises classified under capital creditors)

Particulars	March 31, 2023	March 31, 2022
the principal amount remaining unpaid to any supplier as at the end of each accounting year;	48.34	26.91
the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

24 Provisions

	March 31, 2023	March 31, 2022
Provision for employee benefits		
Provision for compensated absences	14.28	14.76
Provision for superannuation fund	0.17	0.17
Provision for gratuity (refer note 47)	7.07	5.88
	21.52	20.81



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(All amounts in Rupees crores, except when otherwise stated)

25 Revenue from contracts with customers

	March 31, 2023	March 31, 2022
Aeronautical		
Landing and parking charges	154.33	92.65
User Development Fee (UDF)	440.97	144.83
Information Communication and Technology Charges (ICT Charges)	11.77	45.39
Fuel farm	85.86	57.81
Ground handling	39.01	15.92
Cargo	17.07	15.26
Others	36.22	33.55
Revenue from Aeronautical services (A)	785.23	405.41
Non-Aeronautical		
Duty free	66.12	22.18
Retail	70.85	32.95
Advertisement	43.64	22.96
Food and beverages	77.46	32.08
Parking	93.29	46.94
Land and space rentals	49.64	45.14
Others	45.06	57.24
Revenue from Non-Aeronautical services (B)	446.06	259.49
Revenue from commercial property development (C)	14.95	8.78
Revenue from operations (A+B+C)	1,246.24	673.68

Note:

- (i) The Company earns its entire revenue from operations in India.
(ii) Timing of rendering of services is as under:

	At a point in time		Over time	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Aeronautical services	687.34	333.00	97.89	72.41
Non-Aeronautical services	-	-	446.06	259.49
Others	-	-	14.95	8.78
Total revenue from operations	687.34	333.00	558.90	340.68

- (iii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

	March 31, 2023	March 31, 2022
Revenue as per contracted price	1,245.60	672.58
<i>Adjustments:</i>		
Significant financing component	0.64	1.10
Revenue from operations	1,246.24	673.68

- (iv) Set out below is the revenue recognised from:
Amounts included in contract liabilities at the beginning of the year
Total

	March 31, 2023	March 31, 2022
	0.64	1.74
Total	0.64	1.74

26 Other income

	March 31, 2023	March 31, 2022
Interest on:		
Bank deposits	22.00	3.69
Loan to subsidiaries	0.44	8.27
Others	68.88	70.03
Unwinding of financial assets	0.10	0.25
Dividend from investment in joint venture	4.90	1.96
Gain on investments carried at fair value through profit and loss	21.16	7.13
Income from government grant	5.27	5.27
Provisions no longer required, written back	1.80	1.24
Other miscellaneous income	13.55	6.92
Profit on sale of assets	0.02	0.24
	138.12	105.00



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Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except when otherwise stated)

27 Employee benefits expense

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	103.50	99.26
Contribution to provident and other funds	7.30	6.96
Gratuity expense	1.55	1.53
Staff welfare expenses	3.31	2.10
	115.66	109.85

28 Finance costs

	March 31, 2023	March 31, 2022
Interest on borrowings	188.97	140.72
Premium on derivative instruments	98.97	83.88
Interest expenses on financial liability carried at amortised cost	31.21	27.01
Other borrowing costs	21.08	6.91
	340.23	258.52

29 Depreciation and amortisation expenses

	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (refer note 4)	255.62	213.76
Amortisation of other intangible assets (refer note 6)	1.56	3.45
Amortisation of right of use assets (refer note 5)	2.81	2.64
	259.99	219.85

30 Other expenses

	March 31, 2023	March 31, 2022
Operating and maintenance expenses	30.07	18.70
Power and fuel	13.91	11.36
Manpower hire charges	65.27	66.46
Consumption of stores & spares	12.20	4.39
Repairs and maintenance		
Buildings	16.34	7.16
Plant and machinery	46.27	30.03
IT systems	14.25	16.25
Other	7.94	5.37
Insurance expense	6.00	5.56
Security expenses	20.75	14.38
Rent	6.62	2.34
Rates and taxes	11.65	4.46
Advertising and business promotion	7.72	6.13
Collection charges	3.52	1.97
Travelling and conveyance	38.99	27.64
Communication costs	2.28	2.30
Legal and professional fees	45.70	16.73
Management fees	35.24	34.02
Director's sitting fees	0.25	0.17
Payment to auditors (refer note A below)	0.80	0.59
Contribution to political parties	-	20.00
CSR expenditure (refer note B below)	8.20	8.20
Loss on account of foreign exchange fluctuations (net)	0.97	0.17
Bad debts written off	63.00	-
Loss on sale of fixed assets (net)	0.68	0.05
Miscellaneous expenses	6.56	7.76
	465.18	312.19



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A. Payment to Auditors

	March 31, 2023	March 31, 2022
As Auditor		
Audit fee	0.52	0.51
Tax Audit fee	0.05	0.05
Other services		
Other services (Including certification fee)	0.18	0.03
Reimbursement of expenses	0.05	-
	0.80	0.59

B. Details of CSR expenditure (included in other expenses above)

	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company	2.05	8.20
b) Amount spent during the year	8.20	8.20
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Health and educational purpose	Health and educational purpose
g) Details of related party transactions	Refer note 52	
h) Provision made during the year	-	-

31 Income tax

Statement of profit and loss:

	March 31, 2023	March 31, 2022
Current income tax	3.01	-
Minimum alternate tax credit entitlement	(3.01)	-
Deferred tax	24.33	(43.96)
Income tax expense / (credit) reported in the statement of profit or loss	24.33	(43.96)
Adjustments relating to previous year	0.80	-
Income tax expense / (credit) reported in the statement of profit or loss	25.13	(43.96)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the reported periods:

	March 31, 2023	March 31, 2022
Profit/ (loss) before tax	58.12	(152.06)
Tax at the applicable tax rate of 34.94% (March 31, 2022: 34.94%)	20.31	(53.14)
<i>Adjustments</i>		
Expenses disallowed in calculation of tax	11.58	9.85
Others	(7.56)	(0.67)
Total tax expense reported in the statement of profit and loss	24.33	(43.96)

Deferred tax

	Statement of profit or loss/OCI		Balance sheet	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Deferred tax asset				
Unabsorbed business losses	3.44	(29.47)	100.08	103.52
MAT Credit asset*	-	-	446.28	457.28
Capital work-in progress	22.73	(20.54)	40.17	62.90
Cash flow hedge reserve	(99.42)	(35.25)	68.23	-
Others	(22.79)	(0.25)	26.21	3.42
	(96.04)	(85.51)	680.96	627.12
Deferred tax liability				
Property, plant and equipment	20.94	6.30	(195.56)	(174.62)
	20.94	6.30	(195.56)	(174.62)
Net deferred tax assets	(75.10)	(79.21)	485.40	452.50

* During the current year, the Company has recognised MAT credit asset amounting to Rs. 3.01 crores and has adjusted MAT credit asset amounting to Rs. 14.01 crores against provision created by the Company pursuant to the completion of income tax assessments.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



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Reconciliations of net deferred tax assets / (liabilities)

	March 31, 2023	March 31, 2022
Opening balance as at beginning of the year	452.50	373.30
Recognised in profit or loss	(24.33)	43.96
Recognised in OCI	99.42	35.24
Deferred tax on cash flow hedge reserve loss reclassified to profit or loss	(31.19)	-
MAT credit adjustment*	(11.00)	-
	485.40	452.50

The Taxation Laws (Amendment) Ordinance, 2019 was issued by the Ministry of Finance, Government of India on 20 September 2019. Pursuant to the said Ordinance, the Company is entitled to avail revised tax rates from the financial year commencing 1 April 2019. However, on the basis of a detailed analysis of the provisions of the Ordinance, management has concluded that the Company shall avail revised tax rates after utilization of various tax credits that the Company is currently entitled for. Accordingly, these standalone financial statements for the year ended March 31, 2023 do not include any adjustments on account of changes in the corporate tax rates.

32 Components of other comprehensive income

Disaggregation of changes to OCI by each type of reserve in equity is shown below:

For the year ended March 31, 2023

	Cash Flow Hedge Reserve	Retained earnings	Total
Cash flow hedge reserve (net)	323.19	-	323.19
Effect of changes in foreign exchange rates	(621.45)	-	(621.45)
Deferred tax	99.42	-	99.42
Reclassified to statement of profit and loss	90.77	-	90.77
Tax effect of the above	(32.73)	-	(32.73)
Remeasurement gain on defined benefit plans	-	(1.11)	(1.11)
Tax effect of the above	-	0.39	0.39
Closing balance	(140.80)	(0.72)	(141.52)

For the year ended March 31, 2022

	Cash Flow Hedge Reserve	Retained earnings	Total
Cash flow hedge reserve	48.43	-	48.43
Effect of changes in foreign exchange rates	(254.84)	-	(254.84)
Deferred tax	35.25	-	35.25
Remeasurement gain on defined benefit plans	-	(0.24)	(0.24)
Closing balance	(171.16)	(0.24)	(171.40)

33 Earnings per equity share (EPES)

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

	March 31, 2023	March 31, 2022
Profit/ (loss) attributable to equity holders of the company	32.99	(108.10)
Weighted average number of equity shares used for Computing Earning Per Share (Basic & Diluted)	37,80,00,000	37,80,00,000
Earnings per share (Basic and Diluted) (Rs.)	0.87	(2.86)
Face value per share (Rs.)	10.00	10.00



34 Financial Ratios

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Change %	Reasons for change by more than 25%
Current ratio	Current assets	Current liabilities	1.67	2.18	-23%	
Debt-equity ratio	Total debt [Non-current borrowings + current borrowings + lease liability]	Shareholder's equity	4.62	4.20	10%	
Debt service coverage ratio	Earnings available for debt services = [Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + interest + other adjustments like loss on sale of Fixed assets etc]	Debt service = [Interest ⁽¹⁾ + lease payments + principal repayments]	0.92	0.54	69%	Principal reason for movement is owing to increase in the profits reported for the year.
Return on equity ratio	Net Profit/ (loss) after tax	Average Shareholder's equity	1.80%	-14.02%	-113%	Principal reason for movement is owing to increase in the profits reported for the year.
Trade receivables turnover ratio	Revenue from operations	Average trade receivables ⁽²⁾	11.29	6.22	82%	Revenue from operations during previous year was low on account of Covid-19 which has significantly improved in current year.
Trade payables turnover ratio	Other Expenses	Average trade payables	3.46	3.53	-2%	
Net capital turnover ratio	Revenue from operations	Working capital	1.42	0.47	202%	Increase in revenue from operation during the current year compared to last year.
Net profit ratio	Profit after tax	Revenue from operations	2.65%	-16.05%	116%	Increase in revenue from operation during the current year compared to last year.
Return on capital employed	Earnings before interest and tax	Capital employed ⁽³⁾	2.07%	0.59%	252%	Principal reason for movement is owing to increase in the profits reported for the year.
Return on investment	Income generated from investments in subsidiaries and joint venture	Weighted average investments in subsidiaries and joint venture	0.64%	0.27%	132%	Due to receipt of dividend during the current year from JV company.
Return on investment	Income generated from other investments ⁽⁴⁾	Time weighted average investments	7.29%	5.60%	30%	Due to increase in return % from mutual funds and fixed deposits.

Notes :

- (1) Interest payment also includes borrowing costs capitalised.
- (2) Average trade receivables includes average unbilled revenue.
- (3) Capital Employed is Tangible Net Worth, Total Debt including Lease liabilities and Deferred tax liability.
- (4) Includes income received from mutual funds and commercial papers.



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35 Capital work-in-progress

	March 31, 2023	March 31, 2022
Opening balance as at the beginning of the year	3,043.11	2,255.00
Add: Incurred during the year (refer note 65)	1,427.72	1,399.24
Less: Capitalised during the year	(1,714.23)	(488.74)
Less: Adjustments during the year*	-	(122.39)
Closing balance as at the end of the year	2,756.60	3,043.11

*Represents reversal due to transfer of capital work-in progress.

	March 31, 2023	March 31, 2022
Capital expenditure incurred on property, plant and equipment	1,961.06	2,205.59
Legal and professional expense	123.37	149.06
Employee benefits expense	2.12	1.77
Travelling and conveyance	0.74	2.32
Finance costs	785.54	866.70
Total (i)	2,872.83	3,225.44

Less:-

Interest income from bank deposit	(114.33)	(179.16)
Interest income on security deposit paid	(1.90)	(3.17)
Total (ii)	(116.23)	(182.33)

Net capital work-in-progress (i-ii)

2,756.60	3,043.11
-----------------	-----------------

During the year ended March 31, 2023, the following expenses of revenue nature are capitalized to the capital work-in-progress (CWIP). Consequently, expenses disclosed under the other expenses are net of amounts capitalized by the Company.

	March 31, 2023	March 31, 2022
Opening balance (A)	837.52	501.33
<i>Expense:</i>		
Legal and professional expense	43.71	41.90
Employee benefit expense	0.76	0.78
Travelling and conveyance	0.69	0.51
Finance cost	369.05	431.38
Total (B)	414.21	474.57

Less:

Interest income from bank deposit	(1.90)	(53.79)
Interest income on security deposit paid	-	(4.13)
Total (C)	(1.90)	(57.92)

Less: Capitalised during the year (D)

	(454.29)	(55.87)
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Less: Adjustments (E)*

	-	(24.59)
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Closing balance (F=A+B-C-D-E)

795.54	837.52
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*Represents reversal due to transfer of capital work-in progress.

Capital work-in-progress (CWIP) ageing schedule #

	Amount in CWIP for a period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
As at 31 March 2023	1,376.85	928.34	226.53	224.88	2,756.60	
As at 31 March 2022	1,663.86	815.24	364.79	199.22	3,043.11	

No project is temporarily suspended.

The Company does not have any material CWIP which is overdue or has exceeded its cost compared to its original plan and hence the disclosure of CWIP completion schedule is not applicable.

36 Trade receivables ageing

Trade Receivables ageing schedule as on March 31, 2023 and March 31, 2022

	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables as at 31 March 2023						
- considered good	73.20	3.17	3.20	-	0.38	79.95
- significant increase in credit risk	-	-	0.16	-	0.02	0.18
Unbilled receivables as at 31 March 2023	53.88	-	-	-	-	53.88



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	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables as at 31 March 2022						
- considered good	40.00	13.31	2.95	2.34	1.07	59.67
- significant increase in credit risk	0.16	-	-	0.15	-	0.31
Unbilled receivables as at 31 March 2022	27.26	-	-	-	-	27.26

There are no disputed trade receivables outstanding as at 31 March 2023 and 31 March 2022.

37 Trade payables ageing

Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022

	Outstanding for the following periods from the due date of payments					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Trade payables as at 31 March 2023						
Outstanding dues to MSME		19.26	1.27	0.81	0.08	21.42
Others	108.90	30.80	11.19		6.20	157.09
Trade payables as at 31 March 2022						
Outstanding dues to MSME		12.64	1.18	0.81	0.16	14.79
Others	53.90	6.95	5.19		9.89	75.93

There are no disputed trade payables outstanding to MSME and other parties as at 31 March 2023 and 31 March 2022.

38 Promoter's Shareholding

Name of promoter	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of total shares	Number of shares	% of total shares
GMR Airports Limited	23,81,39,000	63.00%	23,81,39,000	63.00%
MAHB (Mauritius) Private Limited	4,15,73,540	11.00%	4,15,73,540	11.00%
Airports Authority of India	4,91,40,000	13.00%	4,91,40,000	13.00%
Government of Telangana	4,91,40,000	13.00%	4,91,40,000	13.00%
GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited)	1,000	0.00%	1,000	0.00%
Malaysia Airports Holdings Berhad	6,460	0.00%	6,460	0.00%

There was no change in promoter's holding during the year ended 31 March 2023 and 31 March 2022.

- 39 The Company neither holds any Benami property, nor any proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 40 The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 to the best of the knowledge of Company's management.
- 41 The Company have not traded or invested in Crypto currency or Virtual Currency.
- 42 The Company have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 43 The Company have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 44 The Company has used borrowings from Banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- 45 The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- 46 No transactions, which are not recorded in the books of accounts of the Company has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

47 Retirement and other employee benefits

a) Defined contribution plan:

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

	March 31, 2023	March 31, 2022
Contribution to provident fund	5.21	4.73
Contribution to ESI and Labour welfare fund	0.05	0.16
Contribution to superannuation fund	2.04	2.07
	7.30	6.96



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47 Retirement and other employee benefits: (continued)

b) Defined benefit plan:

Gratuity liability is a defined benefit obligation which is funded through policy taken from Life insurance Corporation of India and liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (based on last drawn basic salary) for each completed year of service subject to a maximum limit of Rs. 0.20 crores (March 31, 2022: 0.20 crores).

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

Net employee benefit expense:

	March 31, 2023	March 31, 2022
Current service cost	1.17	1.25
Interest cost on net Defined Benefit Obligation (DBO)	0.38	0.29
Net benefit expense	1.55	1.54

Amount recognized in other comprehensive income:

	March 31, 2023	March 31, 2022
Actuarial loss due to DBO experience	1.07	0.03
Actuarial gain due to DBO assumption changes	(0.18)	(0.27)
Return on plan assets (greater)/less than discount rate	(0.17)	0.48
Actuarial losses recognized in OCI	0.72	0.24

Amounts recognised in the Balance sheet are as follows:

	March 31, 2023	March 31, 2022
Fair value of plan assets	6.35	6.20
Defined benefit obligation	(13.43)	(12.07)
Plan liability	(7.08)	(5.87)

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

	March 31, 2023	March 31, 2022
Opening defined benefit obligation	12.07	11.28
Interest cost	0.80	0.74
Current service cost	1.17	1.25
Benefits paid	(1.57)	(0.75)
Actuarial losses on obligation	1.08	0.02
Acquisition cost/ (credit) by the Company	0.06	(0.20)
Actuarial gain on financial assumption	(0.18)	(0.27)
Closing defined benefit obligation	13.43	12.07

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

	March 31, 2023	March 31, 2022
Opening fair value of plan assets	6.20	7.12
Expected return on plan assets	0.42	0.46
Contributions by employer	1.13	0.13
Return on plan assets greater/(lesser) than discount rate	0.17	(0.48)
Acquisition adjustment	-	(0.28)
Benefits paid	(1.57)	(0.75)
Closing fair value of plan assets	6.35	6.20

The major category of plan assets as a percentage of the fair value of total plan assets is as follows:

	March 31, 2023	March 31, 2022
Investments with insurer	100%	100%

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

	March 31, 2023	March 31, 2022
Discount rate	7.30%	7.10%
Rate of compensation increase	6.00%	6.00%
Employee turnover	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption is shown below:

	March 31, 2023	March 31, 2022
Discount rate		
Effect due to 1% increase in discount rate	(0.85)	(0.82)
Effect due to 1% decrease in discount rate	0.97	0.94
Attrition rate		
Effect due to 1% increase in attrition rate	(0.10)	(0.07)
Effect due to 1% decrease in attrition rate	0.11	0.08



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47 Retirement and other employee benefits: (continued)

Salary escalation rate

Effect due to 1% increase in salary increase rate

0.78

0.78

Effect due to 1% decrease in salary increase rate

(0.73)

(0.72)

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

The following payments are expected benefits payment to the defined benefit plan in the future years

	March 31, 2023	March 31, 2022
within one year	1.60	1.22
between one to two years	1.76	0.89
between two to three years	1.61	1.79
between three to five years	3.21	3.07
between five to ten years	8.28	8.11

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2022: 10 years).

The Company expects to contribute to Rs. 1.13 Crore to gratuity fund during the year ended on March 31, 2024 (March 31, 2023: Rs. 0.13 Crore)

48 Reimbursement of expenses claimed by the Company from the concessionaries and other vendors based on the contractual arrangements have been reduced from the respective expense head as mentioned in the table below:

Expense head	March 31, 2023	March 31, 2022
Electricity and water charges	79.41	62.67
Salaries, wages and bonus	6.73	6.19
Staff welfare expenses	5.64	4.23
Miscellaneous expenses	2.69	1.98
Rent	0.84	1.54
Travelling and conveyance	2.13	1.14
Repairs and maintenance	7.00	5.04
	104.44	82.79

49 Segment reporting

Operating segments are reported in such a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). As per the evaluation carried out by CODM, the Company has only one reportable business segment, which is operation of airport and providing allied services and operates in a single business segment. Accordingly, the amounts appearing in these standalone financial statements relate to the Company's single business segment.

Major Customers: Revenue from one customer of the Company is approximately Rs. 340.58 crore out of revenue from operations of the Company for the year ended March 31, 2023 (March 31, 2022: Rs. 158.77 crore).

50 During the financial year ended 2019, the Company had entered into a term loan facility arrangement with Yes Bank Limited ("YBL" or "Bank"), to avail term loan of Rs. 4,200 crore, and had incurred an up-front processing fee of Rs. 63 crore. However, in view of certain developments, the Bank expressed its inability to extend the loan, and accordingly on April 21, 2020, the arrangement was terminated. Further YBL vide their letter dated June 9, 2020 acknowledged the receipt of request from the Company for refund of the aforesaid up-front fees and to present the Company's request to the appropriate committees for approvals. Further, management had obtained legal opinion from an independent lawyer regarding the Company's right to receive the refund of upfront fee and accordingly had considered the amount recoverable in full as of March 31, 2022.

However, owing to the delays in obtaining requisite approvals by the Bank for processing of upfront fee, which is still pending as of the date of adoption of the Financial Statements, the management has assessed and written-off the carrying value of upfront processing fee receivable during the year ended March 31, 2023.

51 Disclosure on changes in financing liabilities

	Current borrowings	Non-current borrowings	Assets held to hedge
Balance as on 1 April 2021	171.32	7,169.16	622.18
Cash flows, net	86.23	-	-
Amortization of borrowing cost	-	17.79	-
Effect of changes in foreign exchange rates	-	254.84	-
Finance cost	-	-	294.66
Change in fair values	-	-	(246.22)
Balance as on 31 March 2022	257.55	7,441.79	670.62
Cash flows, net	(107.55)	30.76	-
Amortization of borrowing cost	-	15.10	-
Effect of changes in foreign exchange rates	-	592.53	-
Finance cost	-	-	279.99
Other adjustments	63.01	(63.01)	-
Change in fair values	-	-	(137.13)
Balance as on 31 March 2023	213.01	8,017.17	813.48



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52 Related party transactions

a) Names of related parties and nature of relationship

Nature of relationship	Name of the related party
Holding company	GMR Airports Limited (GAL)
GAL's holding company	GMR Airports Infrastructure Limited (GIL) (Formerly GMR Infrastructure Limited)
Ultimate holding company	GMR Enterprises Private Limited (GEPL)
Subsidiary companies	GMR Hyderabad Aerotropolis Limited (GHAL) GMR Hyderabad Aviation SEZ Limited (GHASL) GMR Hospitality and Retail Limited (GHRL) GMR Air Cargo and Aerospace Engineering Limited (GACAEL) GMR Aero Technic Limited (GATL) GMR Hyderabad Airport Assets Limited (GHAAL)
Fellow subsidiary companies (including subsidiary companies of the ultimate/GAL's holding company)	GMR Aviation Private Limited Delhi International Airport Limited GMR Highways Limited GMR Airport Developers Limited GMR Aerostructure Services Limited GMR Hyderabad Vijayawada Expressways Private Limited GMR Business Process and Services Private Limited GMR Power and Urban Infra Limited (GPULL) GMR Pochanpalli Expressways Limited Raxa Security Services Limited
Shareholders having significant influence	Government of Telangana Airports Authority of India Malaysia Airports Holdings Berhad MAHB (Mauritius) Private Limited.
Key Management Personnel (KMP)	Mr. G M Rao, Executive Chairman Mr. GBS Raju – Managing Director Mr. Pradeep Panicker – Chief Executive Officer Mr. Anand Kumar Polamada - Chief Financial Officer Mr. Anup Kumar Samal - Company Secretary (till April 06, 2022) Mr. Kiran Kumar Manikwar - Company Secretary (wef April 28, 2022) Mr. Srinivas Bommidala – Director Mr. HJ Dora – Director Mr. Grandhi Kiran Kumar– Director Mr. C Prasanna – Director Mr. K Ramakrishna Rao IAS - Director Mr. Jayesh Ranjan IAS - Director Mr. Joyanta Chakraborty - Director Mr. Antoine Crombrez - Director Mr. Camilo Perez Perez - Director Mrs. Siva Kameswari Vissa - Independent Director (upto August 2022) Mrs. Bijal Tushar Ajinkya - Independent Director (wef September 15, 2022) Mr. Iskandar Mizal Bin Mahmood - Director Mr. Dharmendra Bhojwani - Director Mr. A. Subba Rao Amartaluru- Independent Director Dr. M. Ramachandran - Independent Director Mr. Madhu Ramachandra Rao - Independent Director
Joint Venture	Laqshya Hyderabad Airport Media Private Limited
Joint Venture of GHAL	GMR Logistics Park Private Limited
Associate of GIL	GMR Rajahmundry Energy Limited
Enterprises where KMP and their relatives exercise significant influence	GMR Varalakshmi Foundation
Other entities in which Directors are interested	GMR Family Fund Trust Sri Varalakshmi Jute Twine Mills Private Limited Geokno India Private Limited



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52 Related party disclosures (continued)**b) Transactions with related parties**

	March 31, 2023	March 31, 2022
Services received		
Raxa Security Services Limited	25.76	19.29
GMR Hospitality and Retail Limited	0.56	0.69
Airports Authority of India	0.08	0.06
GMR Airport Developers Limited	36.02	19.64
GMR Airports Infrastructure Limited	11.52	7.68
GMR Power and Urban Infra Limited	-	7.68
GMR Airports Limited	24.62	18.65
Laqshya Hyderabad Airport Media Private Limited	0.03	0.03
Delhi International Airport Limited	-	0.35
GMR Rajahmundry Energy Limited	0.03	-
Investment made during the year		
GMR Hyderabad Aerotropolis Limited	62.00	-
GMR Hospitality and Retail Limited	-	82.33
Security deposit (paid) /received		
GMR Hyderabad Airport Assets Limited	1.43	-
Income from operations		
GMR Air Cargo and Aerospace Engineering Limited	22.11	19.60
GMR Hospitality and Retail Limited	71.12	26.19
Airports Authority of India	0.57	0.64
GMR Aviation Private Limited	0.00	0.00
GMR Airports Infrastructure Limited	0.00	0.00
GMR Power and Urban Infra Limited	-	0.01
GMR Hyderabad Aviation SEZ Limited	8.40	2.73
Laqshya Hyderabad Airport Media Private Limited	40.25	19.43
GMR Airport Developers Limited	0.18	0.20
GMR Hyderabad Aerotropolis Limited	2.05	1.87
GMR Pochanpalli Expressways Limited	0.00	0.00
Raxa Security Services Limited	0.01	0.01
Geokno India Private Limited	0.03	0.04
GMR Highways Limited	0.00	0.00
GMR Varalakshmi Foundation	0.44	0.42
GMR Business Process and Services Private Limited	3.40	3.40
GMR Hyderabad Airport Assets Limited	0.49	0.19
Delhi International Airport Limited	0.00	0.00
Dividend income		
Laqshya Hyderabad Airport Media Private Limited	4.90	1.96
Unsecured loan given		
GMR Hospitality and Retail Limited	-	46.25
Unsecured loan received back		
GMR Hyderabad Aerotropolis Limited	11.00	29.00
GMR Hospitality and Retail Limited	-	46.25
Interest on unsecured loan given		
GMR Hospitality and Retail Limited	-	4.48
GMR Hyderabad Aerotropolis Limited	0.44	3.78
GMR Airports Infrastructure Limited	15.53	20.25
GMR Power and Urban Infra Limited	6.47	1.75
Purchase of capital asset / services for Capital work-in-progress:		
GMR Hospitality and Retail Limited	0.13	0.01
GMR Airport Developers Limited	32.91	39.73
GMR Highways Limited	0.13	-
Corporate guarantee given on behalf of the subsidiaries		
GMR Hyderabad Aviation SEZ Limited	172.00	-
GMR Hospitality and Retail Limited	-	41.25
GMR Hyderabad Aerotropolis Limited	-	13.50
GMR Air Cargo and Aerospace Engineering Limited	-	300.00
CSR expenditure		
GMR Varalakshmi Foundation	8.20	8.20



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b) Transactions with related parties (continued)

	March 31, 2023	March 31, 2022
Straight lining of lease rental income		
GMR Hospitality and Retail Limited	0.83	0.99
GMR Air Cargo and Aerospace Engineering Limited	3.41	3.70
Laqshya Hyderabad Airport Media Private Limited	-	(0.01)
GMR Business Process & Services Private limited	(0.13)	0.04
GMR Airport Developers Limited	-	(0.01)
GMR Varalakshmi Foundation	(0.02)	0.00
Depreciation and interest cost as per Ind AS 116		
GMR Family Fund Trust	0.48	0.48
Government of Telangana	9.17	8.83
Sri Varalakshmi Jute Twine Mills Private Limited	0.34	0.35
Corporate guarantee commission income:		
GMR Hospitality and Retail Limited	0.28	0.16
GMR Air Cargo and Aerospace Engineering Limited	0.49	2.07
GMR Hyderabad Aerotropolis Limited	0.16	0.16
GMR Hyderabad Aviation SEZ Limited	0.90	0.14
Income on amortization of deposit received		
GMR Air Cargo and Aerospace Engineering Limited	0.01	0.00
Laqshya Hyderabad Airport Media Private Limited	0.04	0.04
GMR Varalakshmi Foundation	0.01	0.01
Interest income on amortization of deposit paid:		
Raxa Security Services Limited	0.06	0.17
Sri Varalakshmi Jute Twine Mills Private Limited	-	0.01
GMR Family Fund Trust	-	0.02
Reimbursement of expenses claimed by the Company during the year from its related parties		
Laqshya Hyderabad Airport Media Private Limited	0.99	0.75
Delhi International Airport Limited	-	0.01
GMR Hyderabad Aviation SEZ Limited	22.17	20.16
GMR Airports Limited	0.03	0.02
GMR Hospitality and Retail Limited	8.97	7.85
GMR Air Cargo and Aerospace Engineering Limited	4.26	5.07
Airports Authority of India	-	3.23
GMR Hyderabad Aerotropolis Limited	2.65	7.97
GMR Airport Developers Limited	1.95	1.85
Raxa Security Services Limited	-	0.01
GMR Varalakshmi Foundation	0.06	0.05
Geokno India Private Limited	0.02	0.01
GMR Business Process and Services Private Limited	0.57	0.42
GMR Pochanpalli Expressways Limited	-	0.01
GMR Hyderabad Airport Assets Limited	8.41	3.33
Interest expense on amortization of deposit received:		
GMR Air Cargo and Aerospace Engineering Limited	0.01	0.00
Laqshya Hyderabad Airport Media Private Limited	0.04	0.04
GMR Varalakshmi Foundation	0.01	0.01
Amortisation of expense on deposit paid		
Raxa Security Services Limited	0.06	0.17
Reimbursement of expenses claimed from the Company during the year by its related parties		
GMR Hospitality and Retail Limited	0.00	0.04
Delhi International Airport Limited	-	0.14
Remuneration paid to Key managerial personnel		
Short term employee benefits	11.06	12.34
Sitting fees	0.25	0.17

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions

(b) All the liabilities for post retirement benefit being 'Gratuity' are provided on actuarial basis for the Company as a whole, accordingly the amount pertaining to Key management personnel are not included above.



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52 Related party disclosures (continued)

c) Outstanding balances at the end of the year

	March 31, 2023		March 31, 2022	
	Non-Current	Current	Non-Current	Current
Balance recoverable/(payable)				
GMR Air Cargo and Aerospace Engineering Limited	-	2.83	-	(3.25)
Raxa Security Services Limited	-	(5.84)	-	(3.75)
Airports Authority of India	-	2.63	-	4.13
GMR Airports Infrastructure Limited	-	10.71	-	-
GMR Power and Urban Infra Limited	-	4.22	-	2.26
Delhi International Airport Limited	-	0.00	-	(0.19)
GMR Rajahmundry Energy Limited	-	-	-	0.04
GMR Airports Limited	-	(14.04)	-	(3.82)
GMR Hospitality and Retail Limited	-	7.65	-	7.27
GMR Hyderabad Vijayawada Expressways Private Limited	-	-	-	0.01
GMR Enterprises Private Limited	-	0.01	-	0.01
GMR Aviation Private Limited	-	0.03	-	0.00
GMR Hyderabad Aviation SEZ Limited	-	7.46	-	4.13
GMR Airport Developers Limited	-	(10.95)	-	(7.28)
Laqshya Hyderabad Airport Media Private Limited	-	4.46	-	(3.77)
Kakinada SEZ Limited	-	0.00	-	0.00
GMR Hyderabad Aerotropolis Limited	-	0.88	-	16.38
GMR Varalakshmi Foundation	-	0.17	-	0.16
GMR Highways Limited	-	0.11	-	0.25
Geokno India Private Limited	-	0.95	-	0.88
GMR Business Process and Services Private Limited	-	2.03	-	2.84
GMR Hyderabad Airport Assets Limited	-	0.77	-	0.04
Security deposit receivable /(payable)				
GMR Airports Infrastructure Limited	-	(0.04)	-	(0.04)
GMR Hospitality and Retail Limited	-	(0.01)	-	(0.01)
Laqshya Hyderabad Airport Media Private Limited	(0.27)	(0.20)	(0.42)	-
GMR Varalakshmi Foundation	-	(0.13)	(0.12)	-
Raxa Security Services Limited	-	1.75	-	1.69
Sri Varalakshmi Jute Twine Mills Private Limited	-	0.10	-	0.10
GMR Family Fund Trust	-	0.39	-	0.38
GMR Air Cargo and Aerospace Engineering Limited	(0.10)	-	0.09	-
Loans given				
GMR Hyderabad Aerotropolis Limited	-	-	-	11.00
GMR Airports Infrastructure Limited	-	141.20	-	141.20
GMR Power and Urban Infra Limited	-	58.80	-	58.80
Lease liabilities				
GMR Family Fund Trust	(2.33)	-	(2.41)	-
Sri Varalakshmi Jute Twine Mills Private Limited	(1.67)	-	(1.75)	-
Government of Telangana	(84.77)	-	(81.13)	-
Borrowings				
Government of Telangana	(252.04)	(63.01)	(315.05)	-

d) Details of guarantees/pledge of equity shares

	March 31, 2023	March 31, 2022
Pledge of equity shares (face value) with banks against the loan taken by the subsidiary		
GMR Hospitality and Retail Limited	50.04	82.95
Corporate guarantee given on behalf of its subsidiaries to banks against the loan taken by the subsidiary*		
GMR Hospitality and Retail Limited	126.29	115.21
GMR Air Cargo and Aerospace Engineering Limited	308.94	325.50
GMR Hyderabad Aviation SEZ Limited	121.59	93.36
GMR Hyderabad Aerotropolis Limited	57.00	60.50
GMR Hyderabad Airport Assets Limited	55.70	60.78
Bank guarantee given on behalf of its subsidiary*		
GMR Hyderabad Aerotropolis Limited	-	1.53
GMR Aero Technic Limited	0.36	0.36
GMR Air Cargo and Aerospace Engineering Limited	45.00	45.00

*Pledge of equity shares, Corporate guarantees and Bank guarantees have been given by the Company on behalf of its subsidiaries for the purpose of loans availed by the subsidiaries for their operational purpose.



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Summary of significant accounting policies and other explanatory information

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53 Leases**(a) Company as a lessee**

The Company has taken land, office, vehicles and other spaces on operating lease having a term ranging from 5 years to 60 years. The land lease has an escalation of 5% per annum from the 8th anniversary of the Commercial Operations Date (i.e., March 23, 2008) and is co-terminus with the concession period. The office and other space leases have an escalation of 5% per annum and are renewable at the end of the lease period with mutual consent. The vehicle leases are for a tenure of 5 years.

Following are the changes in the carrying value of right of use assets:

	Category of ROU asset			Total
	Land	Building	Vehicles	
Balance as at April 1, 2021	64.67	10.72	-	75.39
Depreciation	(1.37)	(1.27)	-	(2.64)
Balance as at March 31, 2022	63.30	9.45	-	72.75
Additions	-	-	1.30	1.30
Depreciation	(1.37)	(1.28)	(0.16)	(2.81)
Balance as at March 31, 2023	61.93	8.17	1.14	71.24

The following is the break-up of current and non-current lease liabilities:

	March 31, 2023	March 31, 2022
Current lease liabilities	1.07	-
Non-current lease liabilities	95.09	92.08
	96.16	92.08

The following is the movement in lease liabilities during the year:

	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	92.08	89.15
Movement:		
Additions	1.30	-
Finance cost accrued during the year	10.06	8.65
Payment of lease liabilities	(7.28)	(5.72)
Balance at the end of the year	96.16	92.08

Following amount has been recognized in statement of profit and loss:

	March 31, 2023	March 31, 2022
Depreciation/amortisation on right to use asset	2.81	2.64
Interest on lease liability	10.06	8.65
Expenses related to short term lease (included under other expenses)	6.62	2.34
Total amount recognized in the statement of profit and loss	19.49	13.63

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

	March 31, 2023	March 31, 2022
Within one year	6.92	10.37
After one year but not more than two years	7.25	6.53
After two years but not more than three years	7.52	6.85
After three years but not more than four years	7.76	7.23
After four years but not more than five years	8.00	7.56
More than five years	709.98	717.94

(b) Company as a lessor

The Company has sub-leased land to various parties under operating leases having a term of 1 to 30 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiable.

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

	March 31, 2023	March 31, 2022
Within one year	54.80	47.96
After one year but not more than five years	141.41	137.13
More than five years	123.32	148.13



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54 Fair values

The carrying amount of all financial assets and liabilities (except for certain other financial assets and liabilities, i.e. "Instruments carried at fair value") appearing in these standalone financial statements are reasonable approximation of fair values.

	Carrying value		Fair value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets				
I. At fair value through Profit or loss				
Investments in mutual funds	372.41	384.72	372.41	384.72
II. At fair value through Other comprehensive income				
<i>Cash flow hedges (refer note V(a))</i>				
Cross currency swap	571.97	457.18	571.97	457.18
Coupon only swap	10.99	(3.09)	10.99	(3.09)
Call spread option	230.52	216.53	230.52	216.53
III. At amortized cost				
Investments in commercial paper	565.08	456.78	565.08	456.78
Loans	200.15	211.71	200.15	211.71
Trade receivables	79.95	59.67	79.95	59.67
Cash and cash equivalents	120.14	24.55	120.14	24.55
Bank balances other than cash and cash equivalents	649.33	1,244.60	649.33	1,244.60
Other financial assets	131.63	211.16	131.63	211.16
	2,932.17	3,263.81	2,932.17	3,263.81
Financial liabilities				
IV. At amortized cost				
Borrowings	8,230.18	7,699.34	7,799.20	7,485.91
Other financial liabilities	964.76	869.18	964.51	868.90
Lease liabilities	96.16	92.08	96.16	92.08
Trade payables	178.51	90.72	178.51	90.72
	9,469.61	8,751.32	9,038.38	8,537.61

V. Assumption used in estimating the fair values:

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

(a) The Company has entered into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at March 31, 2023, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

(b) The fair values of quoted mutual funds are based on price quotations at the reporting date.

(c) The fair value of borrowings is based on the traded price of the bond and the prevailing exchange rate.

(d) Management has assessed that cash and cash equivalent, trade receivables, trade payables, other bank balances, investments in commercial papers and other current liabilities balances approximate their carrying amounts largely due to the short-term maturities of these instruments, hence the carrying value is considered to be the same as its fair value.

55 Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities as at the reporting date.

	Fair value measurement using		
	Market prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value as at March 31, 2023			
Investment in mutual funds	372.41	-	-
Derivatives designed as Cash flow hedge	-	813.48	-
	372.41	813.48	-
Assets measured at fair value as at March 31, 2022			
Investment in mutual funds	384.72	-	-
Derivatives designed as Cash flow hedge	-	670.62	-
	384.72	670.62	-

There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous year.



Summary of significant accounting policies and other explanatory information

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56 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents are derived from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management team that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

The sensitivity analysis for borrowings have been not prepared as the amount of debt is fully hedged at the fixed currency exchange rate, therefore there is no impact on account of foreign exchange fluctuation. The analysis also excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to interest rate risk on its long-term debt obligations in the form of Senior Secured Notes ("SSN") are hedged through cross currency swaps, call option spread and coupon only swap and the same has been designated as cash flow hedge. Further, for the interest rate risk on the Company's long-term debt obligations on the NCDs issued during the year, the interest rate is fixed for a period of five years from the issue.

The exposure of the Company's short-term borrowings to interest rate changes as at the end of the reporting period for actual outstanding balances is not significant and therefore, any change in interest rate will not materially impact the reported profit for the year.

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 foreign currency borrowings as enumerated above. However, the Company has hedged its borrowings through cross currency swaps, call option spread and coupon only swap and designated the same as cash flow hedge.

Cash flow hedges

Foreign exchange derivative instruments measured at fair value through OCI are designated as hedging instruments in cash flow hedges to hedge the USD INR conversion rate volatility with reference to the cash outflows on settlement of its borrowings and related interest payments designated in USD. The fair value of derivative instruments varies with the changes in foreign exchange rates.

	March 31, 2023		March 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments				
Cross currency swap	571.97	-	457.18	-
Coupon only swap	10.99	-	-	3.09
Call spread option	230.52	-	216.53	-



Summary of significant accounting policies and other explanatory information

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Foreign currency sensitivity

The Company's exposure to unhedged foreign currency risk at the end of the reporting period expressed in foreign currency is as follows:

Foreign Currency	March 31, 2023		March 31, 2022	
	Foreign Currency	Rs. (in Crore)	Foreign Currency	Rs. (in Crore)
EUR	(8,80,971)	(7.88)	(9,35,990)	(7.95)
CAD	(7,130)	(0.04)	-	-
GBP	(480)	(0.00)	(1,800)	(0.02)
AED	(1,15,500)	(0.26)	(1,73,250)	(0.36)
USD	(14,30,560)	(11.75)	(91,280)	(0.69)

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is as under.

Foreign Currency	Nature of transaction	Change in Rate	March 31, 2023	March 31, 2022
EUR	Change in fair valuation of financial	5%	0.39	0.40
USD	liabilities	5%	0.59	0.03

The Company's exposure to foreign currency changes for all other currencies is not material.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any services to major customers are generally covered by bank guarantee or other forms of credit assurance.

Financial instruments (security deposits) and cash deposits

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

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts of trade receivables and bank guarantees provided to subsidiary companies.

Liquidity risk

The Company monitors its risk of a shortage of funds using a rolling cash flow forecasts. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facilities, long-term loans and finance leases. The Company's policy is to ensure that the repayments of borrowings are in sync with the cash flows generated from the operations. Approximately, 2.57% of the Company's debt will mature in less than one year at March 31, 2023 (March 31, 2022: 3.31%) based on the outstanding amount of borrowings reflected in these standalone financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders, if required.

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

	On Demand	Up to 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2023					
Borrowings	-	213.01	6,093.71	1,990.00	8,296.72
Lease liabilities	-	6.92	30.53	709.98	747.43
Trade payables	-	178.51	-	-	178.51
Other financial liabilities	-	811.04	149.20	5.78	966.02
Guarantees	714.88	-	-	-	714.88
Total	714.88	1,209.48	6,273.44	2,705.76	10,903.56
Year ended March 31, 2022					
Borrowings	-	257.55	4,799.59	2,715.75	7,772.89
Lease liabilities	-	10.37	28.17	717.94	756.48
Trade payables	-	90.72	-	-	90.72
Other financial liabilities	-	715.72	147.15	33.25	896.12
Guarantees	656.88	-	-	-	656.88
Total	656.88	1,074.36	4,974.91	3,466.94	10,173.09



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57 Capital management

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

The Company manages its capital structure 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 debt (excluding lease liabilities) divided by total equity plus debt. The Company's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2023	March 31, 2022
Borrowings (A)	8,230.18	7,699.34
Share Capital	378.00	378.00
Other equity	1,425.07	1,475.56
Total equity (B)	1,803.07	1,853.56
Total equity and total debt (C=A+B)	10,033.25	9,552.90
Gearing ratio (A/C)	82%	81%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

58 Commitments and Contingencies**I Contingent liabilities not provided for:**

	March 31, 2023	March 31, 2022
In respect of income tax matters [refer (a) below]	24.65	21.32
In respect of service tax matters [refer (b) below]	35.66	35.66
Claim against the Company not acknowledged as debt [refer (d), (e) and (f) below]	7.85	149.75
In respect of other matters [refer (c) below]	25.20	25.20

- (a) Pursuant to the income tax assessment for the years mentioned below, the Company had received various demands from the income tax authorities in relation to the inadmissibility of certain expenditure in accordance with the provisions of the income tax law. The management, on the basis of its internal assessment of the facts of the case, the underlying nature of transactions, the history of judgements made by the various appellate authorities, including favourable judgements received by the Company from lower appellate authorities and the necessary advice received from the independent expert engaged in this regard, is of the view that the probability of the case being settled against the Company is remote and accordingly do not foresee any adjustment to these Financial Statements in this regard. The details of the relevant financial year which is subject to the dispute and the amount of demanded is as follows:

Disputed tax amount

	March 31, 2023	March 31, 2022
Pending with the Hon'ble Supreme Court of India		
A.Y.2013-14 [Disallowed under 115]B]	3.26	-
Pending with Income Tax Appellate Tribunal, Bangalore ("ITAT")		
A.Y.2014-15 [Disallowed under 115]B]	-	3.76
A.Y.2016-17 [Disallowed under 115]B]	-	6.46
Pending with Commissioner of Income Tax (Appeals) ("CIT(A)")		
A.Y.2014-15 [Disallowed under 115]B]	3.76	-
A.Y.2016-17 [Disallowed under 115]B]	6.46	-
A.Y.2016-17 [Disallowed under 115]B]	0.07	-
A.Y.2017-18 [Disallowed under 115]B]	4.76	4.76
A.Y.2018-19 [Disallowed under 115]B]	6.34	6.34

Disputed disallowance of expenses, resulting in reduction in carry forward of tax losses and accordingly no tax demand has been received

	March 31, 2023	March 31, 2022
Pending with the Hon'ble Supreme Court of India	Note	Note
A.Y 2011-12 to A.Y 2013-14	35.60	-
Pending with the Assessing Officer		
A.Y 2010-11 to 2014-15	-	5.25
Pending with CIT (A)		
A.Y 2009-10	4.01	4.01
A.Y 2010-11 to A.Y 2013-14	23.15	-
A.Y 2017-18 to A.Y 2018-19	50.51	13.27
A.Y 2014-15 to A.Y 2016-17	67.54	72.10
A.Y 2016-17 **	0.80	0.80
A.Y 2021-22	7.15	-
A.Y 2022-23	0.48	-



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** Orders u/s 147 passed in case of AY 2015-16 & 2016-17 disallowing capital expenditure of Rs. 15.11 crore thereby reducing depreciation claim by Rs. 0.80 crore. Demand of Rs. 34.70 crore (including interest of Rs.16.06 crore) is wrongly raised as against refund of Rs. 0.46 crore. The Company had filed an application for rectification of demand and appeal with Commissioner of Income Tax (Appeals).

Note: Tax liability on aforementioned disputed disallowance of expenses is currently not ascertainable.

(b) Disputed service tax matters

	March 31, 2023	March 31, 2022
Irregular availment of the cenvat credit, pending with Hon'ble High Court of Telangana*	24.84	24.84
Penalty equivalent to service tax levy on delay in payment of service tax on the user development fee, pending with Hon'ble Supreme Court	7.43	7.43
Appealed filed with with Commissioner of Central Tax (Appeals), for demand order received towards non-payment of service tax on corporate guarantee.	0.19	0.19
Irregular availment of cenvat credit and non-payment of service tax on recovery of electricity and water charges from its concessionaires, pending with CESTAT Hyderabad*	3.20	3.20

*including penalty amount.

(c) The Company had received a notice from the office of the Joint Commissioner of Labour for payment of Building and other construction workers' Welfare Cess @ 1% of the cost of construction of Airport Metropolitan amounting to Rs. 25.20 crore (March 31, 2022: Rs. 25.20 crore). The Company had received the stay order from Hon'ble High Court of Telangana against the said order in the earlier years.

(d) The Company had received notice dated January 19, 2013, from Hyderabad Metropolitan Water Supply & Sewerage Board for disconnection of water connection for non-payment of sewerage cess arrears. The Company had received the stay order against the said order in the earlier years. The sewerage cess outstanding including interest as at March 31, 2023 amounts to Rs. 5.80 crore (March 31, 2022: Rs. 5.70 crore).

(e) Utilization of funds from Passenger Service Fee (Security Component) Fund ("PSF(SC) Fund"):

(i) The Ministry of Civil Aviation (MoCA) had issued orders in 2014, requiring the Airport Operators to reverse the expenditure incurred from PSF (SC) Fund towards (a) procurement and maintenance of security systems/equipment; (b) construction of other long lived assets (refer note (ii) below) along with interest till date of reversal. The Company had utilised approximately Rs142 crore towards the aforesaid expenses till March 31, 2018, excluding related maintenance expense, other costs and interest thereon which is presently unascertainable. The Comptroller & Auditor General, during their audits of PSF (SC) Fund, observed that the funds utilized by the Company is contrary to the directions issued by MoCA. Management is of the opinion that the utilisation of funds from PSF(SC) escrow account is consistent with the Standard Operating Procedures, guidelines and clarification issued by the MoCA from time to time on the subject of utilization of PSF (SC) funds.

As the above order, in management's opinion, is contrary to and inconsistent with SOPs, guidelines and clarification issued by the MoCA from time to time in this regard, the Company had challenged the said order vide a writ petition before the Hon'ble High Court of Andhra Pradesh. The Hon'ble High Court, vide its order dated March 3, 2014 followed by further clarifications dated April 28, 2014 and December 24, 2014, stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against the Company, it shall restore the PSF (SC) Fund to this extent. The matter is currently sub judice with the Hon'ble High Court of Telangana.

Based on the internal legal assessment, Management of the Company is of the view that no further adjustments are required to be made to the accompanying Statement, in this regard.

(ii) As per the advice from the Ministry of Home Affairs and the SOP's issued by the MoCA on March 06, 2002, the Company, through its erstwhile wholly owned subsidiary, Hyderabad Airport Security Services Limited (HASSL) constructed the residential quarters for Central Industrial Security Force (CISF) deployed at the airport. After completion of such construction, the total construction cost including the cost of land and related finance cost amounting to Rs. 113.73 crore was debited to the PSF (SC) Fund with corresponding intimation to the MoCA. The Comptroller & Auditor General, during their audits of PSF (SC) Fund, observed that, the Company had not obtained prior approval from the MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by the MoCA. However, Management of the Company is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached the MoCA for approval of such debit notes to the PSF (SC) Fund account. Further, the Company had requested the MoCA to advise the Airport Economic Regulatory Authority (AERA) for considering the cost of construction, land and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Airport. Pending final instructions from the MoCA, residential quarters continue to be accounted under the PSF (SC) Fund and no adjustments have been made to the accompanying standalone financial statements.

(f) Fuel surcharge adjustments (FSA) for the period from April 2008 to March 2010 amounting to Rs. 2.05 crore (March 31, 2022: Rs. 2.05 crore).

(g) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, Company has amended the pay structure and made the consequent payment of provident fund on a prospective basis from the date of the SC order.

Based on the internal assessment and legal opinion, the Management is confident that, for the aforesaid mentioned contingent liabilities under paragraph (a) to (g) above, no further provision is required to be made as at March 31, 2023.

II Financial guarantees

Corporate guarantee given on behalf of its subsidiaries to banks against the loan taken

	March 31, 2023	March 31, 2022
(a) sanctioned	831.61	745.69
(b) outstanding	669.52	655.35
(c) sanctioned during the year	172.00	354.75

III Guarantees other than financial guarantees

Bank guarantee given

(a) sanctioned	46.50	57.84
(b) outstanding	46.50	57.84



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Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except when otherwise stated)

III Commitments

a) *Capital commitments:*

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounting to Rs. 573.28 crore (March 31, 2022: Rs. 1,063.37 crore).

b) *Other commitments :*

i) As per the terms of Concession Agreement, the Company is required to pay concession fees to MoCA @ 4% on its gross revenue (as defined in the Concession Agreement) of the Company for a term of 60 years commencing from March 23, 2008.

ii) The Company has committed to provide financial support as necessary, to enable its wholly owned subsidiary company, GMR Air Cargo and Aerospace Engineering Limited to meet its operational requirements as they arise and to meet its liabilities as and when they fall due.

iii) The Company had entered into "Cross Currency Swap" with various banks in order to hedge principal portion and to protect interest component of 4.25% senior secured notes (2027 SSN) of USD 350 million which is repayable in October 2027, with interest payable on semi-annually basis. Further the Company had also entered into "Call Spread (CS)" arrangements in order to hedge principal portion of 5.375% senior secured notes (2024 SSN) for USD 300 million and 4.75% senior secured noted (2026 SSN) for USD 300 million which are repayable in April 2024 and February 2026 respectively and "Coupon Only Swap" (COS) to hedge the payment of interest liability on semi-annually basis on 2024 SSN for USD 300 million and 2026 SSN for USD 300 million. During the current period, the Company has cancelled/matured CS arrangements and COS arrangements of USD 226.39 million on partial repayment of 2024 SSN and USD 12.68 million on partial repayment of 2026 SSN.

59 Significant accounting judgments, estimates and assumptions

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

a) **Judgements**

In the process of applying the Company's accounting policies, management has made the following judgments, which has the effect on the amounts recognised in these standalone financial statements:

Discounting rate

The Company has considered incremental borrowing rate of Airport sector as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost till March 31, 2018. From period starting from April 01, 2018, management has considered revised incremental borrowing rate of airport sector for all the deposits given/received post March 31, 2018; and impact has been duly accounted in these standalone financial statements.

Non applicability of Service Concession Agreement (SCA)

The Company had entered into Concession agreement with the Ministry of Civil Aviation ("MoCA"), which gives the Company an exclusive right of development, design, financing, construction, commissioning, maintenance, operation and management of the Hyderabad Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years at the option of the Company. Under the agreement, the MoCA has granted exclusive right and authority to perform some of the functions of the AAI being the functions of operation, maintenance, development, design, construction, up gradation, modernization, finance and management of the Airport and to perform services and activities at the airport constituting 'Airport activities' (regulated services) and 'Non-Airport Activities' (non-regulated services). Airport Activities are regulated while there is no control over determination of prices for Non-Airport activities. Charges for Non-Airport activities are determined at the sole discretion of the Company.

Appendix D to Ind AS 115 contains provisions to cover arrangements between public and private enterprises- referred to as service concession arrangement ("SCA"). An entity is required to evaluate applicability of SCA for its arrangement under public to private partnership based on SCA guidance. The applicability of service concession depends whether the grantors control or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and also control the residual interest in the infrastructure.

The Company's management conducted detailed analysis to determine applicability of Appendix D of Ind AS 115. The concession arrangement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from the Company, MoCA and users/passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. Airport premises is being used both for providing regulated services and for providing non-regulated services. Based on the Company's proportion of regulated and non-regulated activities, the directors have determined that over the concession period, the unregulated business activities drives the economics of the arrangement and contributes substantially to the profits of the Company and hence concluded that SCA does not apply in its entirety to the Company.

Concession fee:

As per the Concession Agreement (CA), the Company is required to pay concession fee to MoCA @ 4% on its gross revenue. As per Article 3.3.2 of CA, "Gross Revenue" is defined to include all pre-tax revenue of GHIAL with certain specified exclusions.

Management of the Company is of the view that certain income / credits arising on adoption of Ind-AS, mark to market gain on valuation of derivative instruments and gain on restatement of long-term borrowings was not in contemplation of parties in December 2004 when this Concession Agreement was signed / entered. Further, these income/credits in statement of profit and loss along with interest income on investment of part proceeds from borrowings earmarked for airport expansion project and adjusted from the value of capital work-in-progress, do not represent actual receipts from business operations, from any external sources and therefore, these incomes/ credits should not be treated as "Revenue" for calculation of concession fee payable. Accordingly, the Company, basis above and Legal Opinion obtained in this regard, has provided the concession fee payable to MoCA after adjusting such incomes/credits.



59 Significant accounting judgments, estimates and assumptions (continued)

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 these standalone 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.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and its present value 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, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

Contingencies

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

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. 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.

Impairment of financial asset

The impairment provisions for financial assets are based on the assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounting cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Deferred tax assets on unused tax losses and minimum alternate tax credit entitlement are recognised to the extent that it is probable that taxable profit will be available against which these amounts can be utilised. Significant management estimate 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.



GMR Hyderabad International Airport Limited

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Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except when otherwise stated)

- 60 The accompanying standalone financial statements of the Company do not include Accounts for Passenger Service Fee - Security Component [PSF-(SC)] as the same are maintained separately in the fiduciary capacity by the Company on behalf of Government of India and are governed by the Standard Operating Procedure issued vide letter number AV/13024/047/2003-SS/AD dated January 19, 2009 issued by Ministry of Civil Aviation, Government of India.

As per the MOCA notification, the PSF(SC) is replaced by Aviation Security Fee, effective July 1, 2019 and will be governed by the National Aviation Security Fee Trust.

61 Determination of aeronautical tariff

The Company had filed an appeal, challenging the disallowance of pre-control period losses and foreign exchange loss on external commercial borrowings, classification of revenues from ground handling, cargo and fuel farm as aeronautical revenues and other issues for determination of aeronautical tariff for the First Control Period ("FCP") commencing from April 1, 2011 to March 31, 2016 by Airport Economic Regulatory Authority ("AERA"). In relation to determination of tariff for the Second Control Period ("SCP"), commencing from April 1, 2016 to March 31, 2021, AERA had issued a consultation paper on November 19, 2017. However, as the aforesaid consultation paper does not address the issues arising out of the FCP, including true up for shortfall of receipt vis-a-vis entitlement for the FCP, the Company had filed a writ petition and obtained a stay order from the Hon'ble High Court at Hyderabad in the month of February 2018 in respect of further proceedings in determination of tariff order for the SCP. The Adjudicating Authority, Telecom Disputes Settlement Appellate Tribunal (TDSAT), in its disposal order dated March 06, 2020 has directed AERA to reconsider the issues afresh while determining the aeronautical tariff for the Third Control Period commencing ("TCP") from April 01, 2021.

During the month of August 2021, AERA has issued Tariff Order ("the Order") effective from October 01, 2021 for the Third Control Period commencing from April 1, 2021 to March 31, 2026. The Company in the month of September 2021, has filed an appeal against the Order with TDSAT, as the management is of the view that AERA has not considered the outstanding issues of FCP and SCP in determination of aeronautical tariff for the TCP as directed by TDSAT vide its ordered dated March 06, 2020, while continuing to charge the aeronautical tariff as determined by AERA.

- 62 The Company has recognized, deferred tax asset comprising of Minimum Alternate Tax (MAT) credit entitlement and unabsorbed business losses aggregating to Rs. 546.36 crore (March 31, 2022: Rs. 560.92 crore) as at March 31, 2023. The Company based on the future taxable income expects to adjust these amounts against the projected taxable profits. The ultimate realisation of the deferred tax asset is dependent upon the generation of future taxable income projected by considering the applicable tariff order for the Third Control Period and the anticipated tariff orders for the subsequent control periods, estimated revenues and expenses of the business, scheduled reversals of deferred tax liabilities and tax planning strategy. As the recoverability of deferred tax assets is based on estimates of future taxable income including projected aeronautical tariff revenue which involved determination of applicable tariff orders by AERA and being a subject matter of litigations as detailed in note 61, any changes in such future taxable income could impact its recoverability. However, basis the sensitivity analysis performed, management believes that any reasonable possible change in the key assumptions would not effect the Company's ability to recover the deferred tax asset within the specified period as per the provisions of Income Tax Act, 1961.

- 63 As detailed in note 59(a), to these standalone financial statements, certain incomes/credits recognised on adoption of Ind-AS are not considered for computation of concession fee payable to MoCA basis a legal opinion obtained. Accordingly, the following sources of income have not been considered for accrual of the concession fee:

	Income forming part of	March 31, 2023	March 31, 2022
Discounting on fair valuation of deposit received from concessionaries	Revenue from operations	5.40	6.35
Income recognised on advance from customers under Ind AS 115	Revenue from operations	0.64	1.10
Impact on account of straight lining of lease rentals	Revenue from operations	4.53	4.71
Income arising from fair valuation of financial guarantee	Other income	1.82	2.54
Discounting on fair valuation of deposit paid to vendors	Other income	0.10	0.25
Income from government grant	Other income	5.27	5.27
Amortisation of deferred income	Other income	0.22	0.26



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Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except when otherwise stated)

- 64 The disclosure on nature of revenue from contracts as required under Ind AS 115 is part of note 25. Further, the additional disclosure on trade receivable and contract assets, contract liabilities are as below:

Contract balances	March 31, 2023	March 31, 2022
Trade receivables *	79.95	59.67
Contract assets**	53.88	27.26
Contract liabilities***	21.10	20.78

* Trade receivables carry a credit period ranging between 15-30 days. Further, trade receivables beyond the credit period as per the contracts with the customers, are interest bearing. In March 31, 2023: Rs. 0.18 crore (March 31, 2022: Rs. 0.31 crore) was recognized as provision for expected credit losses on trade receivables.

** Contract asset includes unbilled revenue. Amount of revenue recognised from amounts included in the contract assets at the beginning of the year is Rs. 27.26 crores. Total contract assets outstanding as on 31 March 2023 will be recognised in next 12 months.

*** Contract liabilities includes advance received from customers (current and non-current). Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year Rs. 1.63 crores (31 March 2022: Rs. 2.80 crores) and performance obligations satisfied in previous years is ₹Nil (31 March 2022: ₹Nil). Total contract liabilities outstanding as on 31 March 2023 will be recognised in next 12 months.

Details of movement in provision for trade receivable is as below:

Particulars	March 31, 2023	March 31, 2022
Opening balance	0.31	0.31
Add: Provision reversed during the year	(0.13)	-
Closing balance	0.18	0.31

- 65 The Hon'ble Orissa High Court vide Judgement in W.P. No.20463/2018, in the case of Safari Retreats Private Limited, observed that the GST provisions under Section 17(5)(c) and 17(5)(d) w.r.t input tax credit eligibility are not in line with the objective of the GST Act to allow seamless credit where such input services are used to provide taxable output services and accordingly, it was held that if an assessee is required to discharge GST on the rental income, it is eligible to avail the Input Tax Credit (ITC) of GST paid on the goods or services or both by a taxable person for construction of an immovable property when they are used in the course or furtherance of business. The Company is engaged in the operation of Airport, it renders taxable Output Services in the nature of landing and parking charges, hanger services, charges for use of terminal facilities, refuelling facilities, licensing of space for various aeronautical and non-aeronautical charges being its output supplies which are subject to output GST. Hence, the company in view of the favourable judgment of Orissa High Court in the case of Safari Retreats Private Limited has availed the Input Tax Credit accumulated in respect of the Input goods and Services supplied for the construction of Airport facilities as part of the ongoing expansion project and regular operations. Further, department has filed Special leave to appeal before Hon'ble Supreme Court of India against the judgement of Hon'ble Orissa High Court, where leave has been allowed without stay of operation of the judgment. Thus relying upon the favourable ruling of Orissa High Court which is a binding law and enforceable across all jurisdictions, the management decided to avail the Input Tax Credit in the GST Returns and books for the respective periods. However, the credit availed was not utilized by the Company owing to pending outcome of the judgement of Hon'ble Supreme Court of India. Further, the Company has filed a writ petition (10367/2020) with Hon'ble High Court of Telangana requesting to strike down the relevant provisions of GST which denies ITC in respect of works contract services or goods and services received for construction of immovable property (other than plant & machinery). The Hon'ble High Court had passed interim order directing the Respondents to not take any coercive action against the petitioner.

Considering that, the final decision from the Hon'ble Supreme Court of India, may take longer time, the management has taken a considered view for recognition of the project expenditure in terms of the prudent accounting principles and prevailing circumstances and also in view of the fact that various developmental activities under the ongoing expansion project are under completion and currently being recognised as CWIP, the said expenditure including the value of Input Tax Credit pertaining to the Civil Works needs to be capitalised during the year ended March 31, 2023. However, the management reserves its right to claim ITC in case of favourable decision from the Supreme Court on the above issue. Accordingly, GST ITC on civil works amounting to Rs. 513.12 crores accumulated till March 31, 2023 (March 31, 2022: Rs. 451.21 crores) has been reversed from GST recoverable account and now capitalized against the respective property, plant and equipment and capital work in progress to the tune of Rs. 303.81 Crores and Rs. 209.31 Crores respectively in the books on accounts during financial year 2022-23.



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Summary of significant accounting policies and other explanatory information

(All amounts in Rupees crores, except when otherwise stated)

66 On December 13, 2022 and March 13, 2023, the Company has issued listed, rated, secured, redeemable non-convertible debentures ("NCD") amounting to Rs. 1,150 crore and Rs. 840 crore respectively to the eligible Qualified Institutional Buyers. The proceeds from the NCD's have been fully utilized for part redemption of existing Senior Secured Notes (SSN) aggregating to \$139.67 million and \$103.25 million respectively, including accrued interest till the date of redemption. The derivative arrangements in the nature of "Call Spread (CS)" and "Coupon Only Swap" (COS) entered to hedge the principal and interest payment liability on the SSN's redeemed during the period have been settled and resultant loss of Rs. 60.14 crore and Rs. 30.63 crore respectively has been accounted in the accompanying Standalone Financial Statements. Further the Company has realised a gain of Rs. 7.23 crore upon prepayment of SSN at a discount on December 13, 2022 and has incurred a premium cost of Rs. 8.19 crore upon prepayment of SSN at a premium on March 13, 2023 which has been accounted in the accompanying Standalone Financial Statements.

67 Utilisation of money raised through issue of Senior Secured Notes (SSN)

Details of utilization of funds raised are as under:

Unutilised amount at the beginning of the year

Amount raised during the year

Less: Utilized for capital project works

Add: Income on temporary cash investment

Unutilised amount at the end of the year

Details of temporary cash investment made from unutilized proceeds of SSN is as follows:

Funds parked in:

Current accounts

Fixed deposits*

* including accrued interest of Rs.Nil (March 31, 2022: 8.52)

March 31, 2023	March 31, 2022
973.73	2,027.96
-	-
(975.64)	(1,111.07)
1.91	56.84
0.00	973.73

March 31, 2023	March 31, 2022
-	0.39
-	973.34
-	973.73

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration

Number: 001076N/N500013

Danish Ahmed
Danish Ahmed

Partner

Membership No.: 522144

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

Chartered Accountants

ICAI Firm Registration

Number: 003109S

Hitesh Kumar P
Hitesh Kumar P

Partner

Membership No.:233734

**For and on behalf of the Board of Directors of GMR Hyderabad International Airport Limited**

GBS Raju
GBS Raju
Managing Director
DIN.: 00061686

Place: New Delhi
Date: May 04, 2023

C Prasanna
C Prasanna
Director
DIN: 01630300

Place: Hyderabad
Date: May 04, 2023

Pradeep Panicker
Pradeep Panicker
Chief Executive Officer

Place: Hyderabad
Date: May 04, 2023

P. Anand Kumar P
Anand Kumar P
Chief Financial Office

Place: Hyderabad
Date: May 04, 2023

Kiran Kumar M
Kiran Kumar M
Company Secretary

Place: Hyderabad
Date: May 04, 2023

Place: New Delhi
Date: May 04, 2023

Place: Bengaluru
Date: May 04, 2023

