Notes to the standalone financial statements for the year ended March 31, 2018

1 CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') is a public limited Company domiciled in India. The registered office of the Company is located at Naman Centre, Bandra Kurla Complex, Mumbai, India. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company carries its business in the following business segments:

a. Engineering Procurement Construction (EPC)

The Company is engaged in handling EPC solutions in the infrastructure sector.

b. Others

The Company's business also comprises of investment activity and corporate support to various infrastructure Special Purpose Vehicles (SPV). Information on other related party relationships of the Company is provided in Note 33.

The standalone financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 30, 2018.

The standalone financial statements comprise the financial statements of the Company and its controlled staff welfare trust. The Company is the sponsoring entity of staff welfare trust. Based on the internal assessment by the management, it believes that the staff welfare trust is an extension arm of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated below;

The Company applied for the first time amendments to the standards, which are effective for annual periods beginning on or after 1 April 2017. The nature and the impact of such amendment is described below:

Amendments to Ind AS 7 Statement of Cash Flows

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for the current period under the standalone statement of cash flows.

2.1. BASIS OF PREPARATION

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

The functional and presentation currency of the Company is Indian Rupee ("₹ ") which is the currency of the primary economic environment in which the Company operates and all values are rounded to nearest crore except when otherwise indicated.

2.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a Current versus non-current classification

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

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,

ii. Held primarily for the purpose of trading,

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,

ii. It is held primarily for the purpose of trading,

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

Notes to the standalone financial statements for the year ended March 31, 2018

Advance tax paid is classified as non-current assets.

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

b Fair value measurement of financial instruments

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

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

a) In the principal market for the asset or liability, or

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

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

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

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

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

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

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

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

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

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

c Revenue recognition

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

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

Revenue from construction activity

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. The amount of revenue can be measured reliably,

ii. It is probable that the economic benefits associated with the contract will flow to the Company,

iii. The stage of completion of the contract at the end of the reporting period can be measured reliably,

iv. The costs incurred or to be incurred in respect of the contract can be measured reliably

Provision is made for all losses incurred to the balance sheet date. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amount received before the related work is performed are disclosed in the Balance Sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customers are disclosed in the Balance Sheet as trade receivables.

Income from management/ technical services

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

Interest income

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

Dividends

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

d Taxes on income

Current income tax

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

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

Deferred tax

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

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

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

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 balance sheet date.

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

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

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance

Notes to the standalone financial statements for the year ended March 31, 2018

sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

e Non-current assets held for sale

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

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

a) The appropriate level of management is committed to a plan to sell the asset,

b) An active programme to locate a buyer and complete the plan has been initiated,

c) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and

e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

f Property, plant and equipment

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

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

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

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

Category of asset*	**Estimated useful life**
Plant and equipment	4 - 15 years*
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 - 10 years
Computers	3 years

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

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

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

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

g Intangible assets

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

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

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

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

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

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

h Borrowing cost

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

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

i Leases

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

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

Company as a lessee

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

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

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

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

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

j Inventories

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

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

Costs incurred that relate to future activities on the contract are recognised as "Contract work in progress".

Contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value.

k. Impairment of non-financial assets, investment in subsidiary, associate and joint venture companies

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

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

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and

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

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

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

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

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

l. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the

Notes to the standalone financial statements for the year ended March 31, 2018

reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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

Provisions and contingent liability are reviewed at each balance sheet.

m. Retirement and other employee benefits

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

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

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

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

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

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

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

a. The date of the plan amendment or curtailment, and

b. The date that the Company recognises related restructuring costs

Notes to the standalone financial statements for the year ended March 31, 2018

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

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income.

n. Financial instruments

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

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

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

Effective interest method

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

(a) Financial assets

Financial assets at amortised cost

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

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Impairment of financial assets, excluding investments in subsidiary, associate and joint venture companies

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

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

De-recognition of financial assets

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

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

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

(b) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

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

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

a. Financial guarantee contracts

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

b. De-recognition

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

Off-setting of financial instruments

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

o. Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency 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.

p. Convertible preference shares/debentures

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

Notes to the standalone financial statements for the year ended March 31, 2018

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

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

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

q. Cash and cash equivalents

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

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

r. Cash dividend

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

s. Foreign currencies

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

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

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

t. Treasury shares

The Company has created a Staff welfare Trust ('SWT') for providing staff welfare to its employees. The Company treats SWT as its extension and shares held by SWT are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve.

u. Corporate social responsibility ('CSR') expenditure

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

v. Interest in Joint Operations

In respect of its interests in joint operations, the Company recognises its share in assets, liabilities, income and expense line by line in the standalone Ind AS financial statements of the entity which is party to such joint arrangement. Interests in joint operations are included in the segments to which they relate.

Notes to the standalone financial statements for the year ended March 31, 2018

3. Property, plant and equipment

(₹ in crore)

Particulars	Freehold land	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total
Gross Block (at cost)								
As at April 01, 2016	0.08	0.34	74.21	2.40	4.01	4.78	1.89	87.71
Additions	-	-	7.23	0.97	1.17	0.32	0.59	10.28
Disposals	-	-	-	-	-	0.15	0.01	0.16
As at March 31, 2017	**0.08**	**0.34**	**81.44**	**3.37**	**5.18**	**4.95**	**2.47**	**97.83**
Additions	-	-	65.78	0.09	0.65	-	0.31	66.83
Disposals	-	-	-	-	0.38	-	1.22	1.60
As at March 31, 2018	**0.08**	**0.34**	**147.22**	**3.46**	**5.45**	**4.95**	**1.56**	**163.06**
Depreciation								
As at April 01, 2016	-	0.11	11.03	0.49	1.80	0.98	0.29	14.70
Charge for the year	-	0.12	10.93	0.46	1.66	1.02	0.70	14.89
Disposals	-	-	-	-	-	0.11	0.01	0.12
As at March 31, 2017	**-**	**0.23**	**21.96**	**0.95**	**3.46**	**1.89**	**0.98**	**29.47**
Charge for the year	-	0.11	14.45	0.47	1.07	1.01	0.87	17.98
Disposals	-	-	-	-	0.38	-	1.22	1.60
As at March 31, 2018	**-**	**0.34**	**36.41**	**1.42**	**4.15**	**2.90**	**0.63**	**45.85**
Net block								
As at March 31, 2018	**0.08**	**-**	**110.81**	**2.04**	**1.30**	**2.05**	**0.93**	**117.21**
As at March 31, 2017	**0.08**	**0.11**	**59.48**	**2.42**	**1.72**	**3.06**	**1.49**	**68.36**

4. Intangible assets

(₹ in crore)

Particulars	Computer Software	Total
Gross Block (at cost)		
As at April 01, 2016	3.74	3.74
Additions	1.58	1.58
As at March 31, 2017	**5.32**	**5.32**
Additions	0.12	0.12
As at March 31, 2018	**5.44**	**5.44**
Amortisation		
As at April 01, 2016	**0.97**	**0.97**
Charge for the year	1.24	1.24
As at March 31, 2017	**2.21**	**2.21**
Charge for the year	1.08	1.08
As at March 31, 2018	**` 3.29**	**3.29**
Net block		
As at March 31, 2018	**2.15**	**2.15**
As at March 31, 2017	**3.11**	**3.11**

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
A. Investments carried at cost				
Unquoted equity shares				
i. Subsidiary companies				
- Domestic Companies				
GMR Hyderabad International Airport Limited ('GHIAL')	0.00	0.00	-	-
[1,000 (March 31, 2017: 1,000) equity shares of ₹ 10 each] [₹ 10,000 (March 31, 2017: ₹ 10,000)]				
GMR Pochanpalli Expressways Limited ('GPEL')[9]	2.07	2.07	-	-
[2,070,000 (March 31, 2017: 2,070,000) equity shares of ₹ 10 each]				
GMR Ambala Chandigarh Expressways Private Limited ('GACEPL')[1,6,9]	47.49	47.49	-	-
[47,495,280 (March 31, 2017: 47,495,280) equity shares of ₹ 10 each]				
Delhi International Airport Private Limited ('DIAL')	0.00	0.00	-	-
[200 (March 31, 2017: 200) equity shares of ₹ 10 each] [₹ 2,000 (March 31, 2017: ₹ 2,000)]				
GMR Airports Limited ('GAL')[1,3,12] [also refer 15(3)]	691.11	691.11	-	-
[350,869,304 (March 31, 2017: 350,869,304) equity shares ₹ 10 each]				
GMR Aviation Private Limited ('GAPL')[14]	244.08	244.08	-	-
[244,080,868 (March 31, 2017: 244,080,868) equity shares of ₹ 10 each]				
Gateways for India Airports Private Limited ('GFIAL')	0.01	0.01	-	-
[8,649 (March 31, 2017: 8,649) equity shares of ₹ 10 each]				
GMR Krishnagiri SEZ Limited ('GKSEZ')	117.50	117.50	-	-
[117,500,000 (March 31, 2017: 117,500,000) equity shares of ₹ 10 each]				
GMR Highways Limited ('GMRHL')[1,6,9,13]	1,852.93	1,852.93	-	-
[1,852,929,746 (March 31, 2017: 1,852,929,746) equity shares of ₹ 10 each]				

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL')[9]	2.05	2.05	-	-
[2,050,000 (March 31, 2017: 2,050,000) equity shares of ₹ 10 each]				
GMR Corporate Affairs Private Limited ('GCAPL')	5.00	5.00	-	-
[4,999,900 (March 31, 2017: 4,999,900) equity shares of ₹ 10 each]				
GMR Chennai Outer Ring Road Private Limited ('GCORRPL')[1,9]	12.30	12.30	-	-
[12,300,000 (March 31, 2017: 12,300,000) equity shares of ₹ 10 each]				
GMR Energy Trading Limited ('GETL')	50.22	50.22	-	-
[50,219,897 (March 31, 2017: 50,219,897) equity shares of ₹ 10 each]				
Dhruvi Securities Private Limited ('DSPL')	199.70	199.70	-	-
[168,059,694 (March 31, 2017: 168,059,694) equity shares of ₹ 10 each]				
GMR Generation Assets Limited ('GGAL') (formerly known as GMR Renewable Energy Limited ('GREEL'))[1,2,4,7,8]	6,320.80	6,172.75	-	-
[6,322,750,426 (March 31, 2017: 6,172,750,426) equity shares of ₹ 10 each]				
GMR Power Infra Limited ('GPIL')	0.85	0.85	-	-
[849,490 (March 31, 2017: 849,490) equity shares of ₹ 10 each]				
GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL')[9]	5.05	5.05	-	-
[5,050,000 (March 31, 2017: 5,050,000) equity shares of ₹ 10 each]				
GMR Infra Developers Limited ('GIDL')	0.05	0.05	-	-
[49,994 (March 31, 2017: 49,994) equity shares of ₹10 each fully paid-up]				
GMR Aerostructure Service Limited ('GASL') (formerly known as GMR Hyderabad Airport Resource Management Limited ('GHARML')	0.05	0.05	-	-
[50,000 (March 31, 2017: 50,000) equity shares of ₹10 each fully paid-up]				
	9,551.26	**9,403.21**	-	-
- Body Corporates				
GMR Infrastructure (Mauritius) Limited ('GIML')[5,11,16] [320,550,001 (March 31, 2017: 320,550,001) equity share of USD 1 each]	1,477.99	1,477.99	-	-

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
GMR Coal Resources Pte Limited ('GCRPL')[11] [30,000 (March 31, 2017: 30,000) equity share of SGD 1 each]	0.11	0.11	-	-
GMR Male International Airport Private Limited ('GMIAL')[5] [154 (March 31, 2017: 154) equity share of Mrf 10 each] [₹ 4,917 (March 31, 2017: ₹ 4,917)]	0.00	0.00	-	-
GMR Infrastructure (Overseas) Limited ('GIOL')[11] [100 (March 31, 2017: 100] equity shares of USD 1 each] [₹ 4,903 (March 31, 2017: ₹ 4,903)]	0.00	0.00	-	-
	1,478.10	**1,478.10**	-	-
ii. Joint ventures/ associates				
GMR Megawide CEBU Airport Corporation ('GMCAC')[1]	12.03	12.03	-	-
[88,405,234 (March 31, 2017: 88,405,234) equity shares of PHP 1 each]				
GMR Energy Limited ('GEL')[1,2,4,7,10,17,18]	1,476.46	1,476.46	-	-
[536,894,545 (March 31, 2017: 536,894,545) equity shares of ₹ 10 each]				
GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL')[2,10]	0.00	0.00	-	-
[4,900 (March 31, 2017: 4,900) equity shares of ₹ 10 each] [₹ 49,000 (March 31, 2017: ₹ 49,000)]				
GMR OSE Hungund Hospet Highways Private Limited ('GOSEHHHPL')[1,13]	-	-	59.80	59.80
[59,801,692 (March 31, 2017: 59,801,692) equity shares of ₹ 10 each]				
Less: provision for diminution in value of investments	-	-	(29.65)	(29.65)
			30.15	30.15
Less: Investments classified as held for sale	-	-	(30.15)	(30.15)
- Body Corporates				
GMR Energy (Mauritius) Limited ('GEML')[2]	0.00	0.00	-	-
[5 (March 31, 2017: 5) equity share of USD 1 each] [₹ 202 (March 31, 2017: ₹ 202)]				
B. Investments carried at deemed cost				
Unquoted equity shares				
i. Subsidiary companies				
GMR SEZ & Port Holdings Private Limited ('GSPHPL')[15]	782.69	782.69	-	-
[47,989,999 (March 31, 2017: 47,989,999) equity shares of ₹ 10 each]			-	-
	2,271.18	**2,271.18**	-	-
Investment in additional equity of subsidiaries				
GMRHL[6,9,13]	413.50	401.32	-	-
GCAPL	16.25	16.25	-	-
GSPHPL[15]	64.00	62.39	-	-

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
GACEPL[6]	4.73	4.73	-	-
GCORRPL[9]	21.25	33.85	-	-
GHVEPL[9]	61.32	61.32	-	-
GKUAEL[9]	1.69	1.69	-	-
GPEL[9]	9.93	36.21	-	-
GGAL[2,4,7,8]	312.17	304.64	-	-
DSPL	147.62	147.62	-	-
Deepesh Properties Private Limited ('DPPL')[15]	1.13	1.13	-	-
DIAL	5.72	5.72	-	-
GMR Energy (Netherlands) BV (GENBV)	2.65	2.65	-	-
GMR Airport Developers Limited (GADL)	1.07	1.07	-	-
GAPL[14]	4.45	4.16	-	-
GCRPL[11]	40.63	40.63	-	-
GETL	3.99	0.44	-	-
GHIAL	19.55	19.55	-	-
GIML[5,11,16]	13.18	13.18	-	-
GMR Infrastructure (Singapore) Pte Limited (GISPL)[11]	5.66	5.66	-	-
GMR Power Corporation Limited (GPCL)[4]	1.34	1.34	-	-
GMIAL[5]	13.02	13.02	-	-
PT Barasentosa Lestari (PTBSL)	3.37	3.37	-	-
GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	16.22	16.22	-	-
GMR Tuni Anakapalli Expressways Limited (GTAEPL)	12.20	12.20	-	-
GAL[3,12]	6.92	6.92	-	-
Prakalpa Properties Private Limited (PPPL)[15]	0.03	0.03	-	-
Raxa Security Services Limited (RSSL)	2.83	0.92	-	-
Kakinada SEZ Private Limited (KSPL)[15]	3.22	3.22	-	-
GPIL	2.11	2.11	-	-
	1,211.75	**1,223.56**	-	-
Investment in additional equity of associates and joint ventures				
GMR Warora Energy Limited (GWEL)[2,4,17]	9.29	9.29	-	-
GMR Bajoli Holi Hydropower Private Limited (GBHHPL)[2,4]	9.10	9.10	-	-
GEL[2,4,7,10,17,18]	217.04	217.04	-	-
GMR Gujarat Solar Power Private Limited (GGSPPL)[2,4]	0.61	0.61	-	-
GMR Chhattisgarh Energy Limited (GCEL)[4,8]	14.26	14.26	-	-
GMR Rajahmundry Energy Limited (GREL)[4,7]	44.46	44.46	-	-
GMCAC	2.87	2.87	-	-
GMR Kamalanga Energy Limited (GKEL)[2,4,18]	5.01	5.01	-	-
	302.64	**302.64**	-	-
Less: provision for diminution in value of investments	(7,509.85)	(6,183.27)	-	-
Total investment in equity	**7,305.08**	**8,495.42**	**-**	**-**

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
C. Investment in preference shares of subsidiary companies				
i. Investment in preference shares (in the nature of equity) of subsidiary companies at cost				
GGAL[2,4,7,8]	492.10	492.10	-	-
[492,102,500 (March 31, 2017: 492,105,500) 0.01% compulsorily convertible cumulative preference shares of ₹ 10 each]				
GPEL[9]	44.50	-	-	-
[4,450,000 (March 31, 2017: Nil) 0.01% compulsorily convertible non- cumulative preference shares of ₹ 100 each] (refer note 33)				
GCORRPL[9]	21.93	-	-	-
[2,192,500 (March 31, 2017: Nil) 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each] (refer note 33)				
ii. Investment in preference shares of subsidiary companies at amortised cost				
GPEL[9]	-	16.89	-	-
[Nil (March 31, 2017: 4,450,000) 8% non-cumulative redeemable preference shares of ₹ 100 each] (refer note 33)				
GACEPL[6]	0.44	0.39	-	-
[66,000 (March 31, 2017: 66,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]				
GCORRPL[9]	5.23	13.37	-	-
[1,200,000 (March 31, 2017: 3,392,500) 6% non-cumulative redeemable convertible preference shares of ₹ 100 each] (refer note 33)				
GCAPL	11.31	9.88	-	-
[15,000,000 (March 31, 2017: 15,000,000) 8% non-cumulative redeemable preference shares of ₹ 10 each]				
DSPL	160.16	139.97	-	-
[42,000,000 (March 31, 2017: 42,000,000) 8% compulsorily convertible preference shares of ₹ 10 each]				
GHVEPL[9]	42.11	38.04	-	-
[8,152,740 (March 31, 2017: 8,152,740) 6% non-cumulative redeemable convertible preference shares of ₹ 100 each]				
GKUAEL[9]	0.47	0.42	-	-
[195,000 (March 31, 2017: 195,000) 0.1% non cumulative compulsorily convertible preference shares of ₹ 100 each]				
	778.25	**711.06**	**-**	**-**
Less: provision for diminution in value of investments	(65.30)	-	-	-
Total investment in preference shares	**712.95**	**711.06**	**-**	**-**

Notes to the standalone financial statements for the year ended March 31, 2018

5. **Financial assets - Investments (Contd.)**

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
D. Investment in debentures of subsidiary companies				
i. Investment in debentures (in the nature of equity) of subsidiary companies at cost				
GSPHPL[15]	100.00	100.00	-	-
[100 (March 31, 2017: 100) 0% unsecured compulsorily convertible cumulative debentures of ₹ 10,000,000 each]				
GSPHPL[15]	21.20	270.20	-	-
[21,200,000 (March 31, 2017: 270,200,000) 0% unsecured compulsorily convertible debentures of ₹ 10 each] (refer note 33)				
GSPHPL[15]	138.26	-	-	-
[13,826 (March 31, 2017: Nil) 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each] (refer note 33)				
ii. Investment in debentures of subsidiary companies at amortised cost				
GKSEZ	14.20	22.85	-	-
[14.20 (March 31, 2017: 22.85) 12% unsecured optionally convertible cumulative debentures of ₹ 10,000,000 each]				
GKSEZ	-	73.40	-	-
[Nil (March 31, 2017: 734) 12% unsecured optionally convertible cumulative debentures of ₹ 1,000,000 each]				
GSPHPL[15]	-	129.00	-	-
[Nil (March 31, 2017: 12,900) 12.25% unsecured optionally convertible cumulative debentures of ₹ 100,000 each] (refer note 33)				
GSPHPL[15]	-	14.76	-	-
[Nil (March 31, 2017: 1,476) 12% unsecured optionally convertible cumulative debentures of ₹ 100,000 each] (refer note 33)				
DPPL[15]	0.86	0.75	-	-
[150 (March 31, 2017: 150) 0.1% unsecured optionally convertible cumulative debentures of ₹ 100,000 each]				
	274.52	**610.96**	**-**	**-**
E. Investments at fair value through profit and loss account				
Investment in mutual funds				
ICICI Prudential Liquid Growth Plan 756,442.23 (March 31, 2017: Nil) units of ₹ 256.39 (March 31, 2017: Nil)	-	-	19.39	-
L&T Liquid Fund- Regular Growth 30,358.34 (March 31, 2017: 30,358.34) units of ₹ 2,375.82 each (March 31, 2017: ₹ 2,225.52)	-	-	7.21	6.77
	-	**-**	**26.60**	**6.77**
Total investments (A+B+C+D+E)	**8,292.55**	**9,817.44**	**26.60**	**6.77**

Notes to the standalone financial statements for the year ended March 31, 2018

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Aggregate book and market value of quoted investments	-	-	26.60	6.77
Aggregate gross value of unquoted investments	15,867.70	16,000.71	-	-
Aggregate amount of impairment in value of investments	(7,575.15)	(6,183.27)	-	-

1. Details of investments pledged at face value as security in respect of the loans availed by the Company and the investee Companies.
The following unquoted investments included above have been pledged as security in respect of the borrowings of the Company or the investee Companies:

(₹ in crore)

Description	March 31, 2018	March 31, 2017
GMRHL	1,303.05	20.00
[1,303,050,820 (March 31, 2017: 19,999,994 equity share of ₹ 10 each)]		
GACEPL	23.27	23.27
[23,272,687 (March 31, 2017: 23,272,687) equity shares of ₹ 10 each]		
GMCAC	12.03	12.03
[88,405,234 (March 31, 2017: 88,405,234) equity shares of PHP 1 each]		
GCORRPL	3.49	2.42
[3,487,500 (March 31, 2017: 2,418,000) equity shares of ₹ 10 each]		
GOSEHHHPL	59.80	59.80
[59,801,692 (March 31, 2017: 59,801,692) equity shares of ₹ 10 each]		
GAL	82.45	91.23
[82,454,330 (March 31, 2017: 91,226,067) equity shares of ₹ 10 each]		
GEL	422.67	314.47
422,673,547 (March 31, 2017: 314,466,466) equity share of ₹ 10 each]		
GGAL	3,793.95	3,793.95
[3,793,950,136 (March 31, 2017: 3,793,950,136) equity shares of ₹ 10 each]		

2. The Company along with its subsidiaries entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 30.00 crore through primary issuance of equity shares of GEL. The transaction was completed on November 4, 2016 and GEL allotted equity shares to the Investors for the said consideration of USD 30.00 crore. As per the conditions precedent to the completion of the transaction, GEL's investment in certain entities was transferred from GEL to other subsidiaries of the Company along with novation of loans taken from the Company to GGAL towards discharge of the purchase consideration. Pursuant to the above transaction, compulsory convertible preference shares of GGAL issued to various preference shareholders were converted into equity shares of GGAL.

   Pursuant to the aforesaid transaction, GEL and its underlying entities ceased to be subsidiaries of the Company and were considered as joint ventures as per the requirements of Ind AS -111.

3. GAL has allotted 11,046,532 class B Compulsorily Convertible Preference Shares ("CCPS B") as bonus shares in their allotment and transfer committee meeting held on August 04, 2011 which is being carried at ₹ Nil. Also refer note 5(12).

Notes to the standalone financial statements for the year ended March 31, 2018

4. The Company has investments in GGAL and GEL. GGAL and GEL have certain underlying subsidiaries/ joint ventures/ associates which are engaged in energy sector including mining operations. GEL, GGAL and some of the underlying subsidiaries/ joint ventures/ associates as further detailed in Notes 5(7), 5(8), 5(17) and 5(18) below have been incurring losses. As a result, based on its internal assessment with regard to future operations and valuation assessment by an external expert, the management of the Company has made a provision for diminution in the value of its investments in GGAL and GEL amounting to ₹ 5,117.41 crore till March 31, 2018. (including ₹ 671.21 crore during the year ended March 31, 2018 respectively) and has disclosed the same as an 'exceptional item' in the accompanying standalone Ind AS financial statements of the Company. Based on the valuation assessment by the external expert and the sensitivity analysis carried out for some of the aforesaid assumptions the value so determined after discounting the projected cash flows using discount rate ranging from 14.00% to 16.00% across various entities indicates that there exists a further diminution of ₹ 2,830.00 crore in the value of Company's investment in GGAL as at March 31, 2018. However, for reasons as detailed in notes 5(7), 5(8), 5(17) and 5(18) below, the management is of the view that the carrying value of the Company's investment in GGAL is appropriate.

5. The Company through its subsidiary GMR Infrastructure (Mauritius) Limited ('GIML') made investments of ₹ 151.54 crore (USD 2.31 crore) towards 77% holding in GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company. GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives, for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years ("the Concession Agreement"). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the Concession Agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement and MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. The matter was under arbitration. During the year ended March 31, 2017, the arbitration tribunal delivered its final award in favour of GMIAL.

   During the current year, Maldives Inland Revenue Authority ('MIRA') has issued tax audit reports and notice of tax assessments demanding business profit tax amounting to USD 1.44 crores, additional withholding tax amounting to USD 0.28 crore and further fines amounting to USD ₹ 0.33 Crore. However, management of the Group is of the view that the notice issued by MIRA is not tenable.

6. The Company along with its subsidiaries has investments (including loans and advances and other receivables) of ₹ 477.39 crore in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') a subsidiary of the Company. GACEPL has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 353.15 crore as at March 31, 2018. The management believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant till further orders. Based on an internal assessment and a legal opinion, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of GACEPL believes that the carrying value of investments in GACEPL as at March 31, 2018, is appropriate.

7. In view of lower supplies / availability of natural gas to the power generating companies in India, GMR Energy Limited ('GEL'), GMR Vemagiri Power Generation Limited ('GVPGL') and GMR Rajahmundry Energy Limited ('GREL') are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GVPGL and GREL emerged as successful bidders in the auction process organised by the Ministry of Power and operated on an intermittent basis from August 2015 and October 2015 respectively till September 2016. These entities have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply. During the year ended March 31, 2017, GEL had entered into a MOU with an external party for sale of its 220 MW gas based power plant for a consideration of USD 6.30 crore, however, the sale was not completed. Presently, the management of the Company is actively identifying the customers for the barge mount plant held by GEL.

   GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015. As a result, the consortium of lenders of GREL decided to implement Strategic Debt Restructuring Scheme, under the Framework of Reserve Bank of India for Revitalizing Distressed Assets in the Economy, whereby the lenders have to collectively hold 51% or more of the equity share capital in such assets by converting part of the debt outstanding into equity and to undertake flexible structuring of balance debt post conversion as a Corrective Action Plan for improving viability and revival of the project. Pursuant to the scheme, borrowings aggregating to ₹ 1,308.57 crore and interest accrued thereon amounting to ₹ 105.42 crore was converted into equity shares of GREL on May 12, 2016 for 55% stake in equity share capital of GREL and the Company and GGAL have given a guarantee of ₹ 2,571.71 crore to the lenders against the remaining debt. Under the SDR Scheme, the bankers had to find new promoters for GREL within the period as prescribed under the scheme, which expired during the year ended March

Notes to the standalone financial statements for the year ended March 31, 2018

31, 2018. Meanwhile, Reserve Bank of India (RBI) has issued a circular “Resolution of Stressed Assets - Revised Framework” on February 12, 2018. With this circular, all existing frameworks for stressed asset resolution including SDR stand discontinued and the resolution plan is to be implemented within 180 days from the reference date, viz., March 01, 2018. The lenders and the management are exploring various options for revival of the project and is confident of implementing a resolution plan with in the period of 180 days, as allowed by the RBI circular. The lenders have advised the Company and GGAL to ensure payment of their dues failing which the lenders shall be constrained to invoke the guarantees. Consequent to the SDR as stated above, GREL ceased to be a subsidiary of the Company and has been considered as a joint venture as per the requirement of Ind AS -111.

Further, during the year ended March 31, 2014, in case of GVPGL’s litigation with APDISCOMs, Appellate Tribunal for Electricity (‘APTEL’) had passed orders declaring that natural gas for the purpose of Power Purchase Agreement (‘PPA’) includes Regasified Liquefied Natural Gas (‘RLNG’). Subsequently, during the year ended March 31, 2018, pursuant to the appeal filed by APDISCOMs, the Honorable Supreme Court has held that RLNG is not natural gas for the purpose of the said PPA and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG.

The management is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India (‘GoI’) would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management has also carried out a valuation assessment of GVPGL and GREL during the year ended March 31, 2018 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The management will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise. Based on the aforementioned reasons and business plans, the management is of the view that the carrying value of investments of ₹ 898.38 crore in these aforesaid entities (net of provision for diminution in the value of investments) as at March 31, 2018 is appropriate. Further, the Company has provided for its investment in full in GREL and the management is confident of implementing a resolution plan with the lenders for the guarantee provided to the lenders against the remaining debt.

8 (a) The Company through its subsidiary, GGAL has investments (including loans and advances and other receivables) of ₹ 2,260.45 crore in GCEL after providing for diminution in the value of investment in GGAL. GMR Chhattisgarh Energy Limited (‘GCEL’) declared commercial operations of Unit I on November 1, 2015 and Unit II on March 31, 2016 of its 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh. GCEL does not have any long term PPAs currently and has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 3,146.56 crore as at March 31, 2018. During the year ended March 31, 2018, GCEL has been successful in its bid under the Tolling Linkage initiative of the GoI and has won a Power Purchase Agreement for supply of power to the extent of 500MW to Gujrat Urja Vikas Nigam Limited (‘GUVNL’) for a period of 8 months which has commenced during the year ended March 31, 2018. GCEL is taking steps to tie up the power supply through power supply agreements on a long/medium term basis with various customers including State Electricity Boards and is hopeful of tying up significant part of generation capacity in the ensuing financial year.

GCEL has experienced certain delays and incurred cost overruns in the completion of the project including receipt of additional claims from the EPC contractors. The claims of the key EPC contractor, Doosan Power Systems India Private Limited (‘DPS’) is under arbitration in the Singapore International Arbitration Centre (SIAC). Based on the legal opinion, the management is confident that it has strong defence for the claims raised by the EPC contractor and believes that the claims are not tenable in law and accordingly no financial implications are expected out of the said arbitration.

GCEL has also obtained provisional Mega Power status certificate from the Ministry of Power, GoI, and accordingly has availed an exemption of customs and excise duty against bank guarantees of ₹ 957.36 crore and pledge of deposits of ₹ 54.01 crore. The grant of final mega power status of GCEL is dependent on its achieving tie up for supply of power for 70% of its installed capacity through the long term power purchase agreements by way of competitive bidding and the balance through regulated market within stipulated time (i.e., March 2022). The management of GCEL is certain of fulfilling the conditions relating to Mega Power status in the foreseeable future, pending which cost of customs and excise duty has not been included in the cost of the project.

Further, GCEL was allotted two coal mines at Ganeshpur and Talabira to meet its fuel requirements. During the period ended September 30, 2017, GCEL has filed writ petition with Delhi High Court for surrendering both the coal blocks allotted during the year ended March 31, 2015. The management is of the opinion that in view of the recent decisions by the Delhi High Court in similar cases, no adjustments will be required to the carrying value of investments in connection with the surrender of mines.

Notes to the standalone financial statements for the year ended March 31, 2018

GCEL had entered into Bulk Power Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL'), per which GCEL was granted Long Term Access (LTA) of 386MW in Western Region and 430MW in Northern Region. GCEL has written letters to PGCIL for surrendering these transmission lines and has filed a petition before Central Electricity Regulatory Commission ('CERC') for acceding to GCEL's request. During the year ended March 31, 2018, PGCIL has operationalized the LTA and issued two letters calling upon the GCEL to schedule the transfer of power against LTA and establish a letter of credit failing which regulatory action would be initiated. GCEL has filed a petition before the Delhi High Court against the letters issued by PGCIL. The Delhi High Court has issued an interim order during the year ended March 31, 2018 staying the operation of the impugned letters till GCEL has the opportunity to approach CERC for such relief and accordingly GCEL has submitted an application with CERC on October 21, 2017 to restrain PGCIL from operationalizing LTA and consequently raising the bill for the same. GCEL based on an internal assessment is of the view that the factors adversely impacting the supply of power by GCEL is "Force Majeure" as per BPTA and accordingly, believes that this will not have financial implications on GCEL.

During the year ended March 31, 2017, under a Framework for Revitalizing Distressed Assets in the Economy by RBI, the lenders of GCEL have implemented the Strategic Debt Restructuring Scheme on February 21, 2017 pursuant to which borrowings of GCEL aggregating to ₹ 2,992.22 crore (including interest accrued thereon of ₹ 654.73 crore) got converted into equity shares. The aforesaid conversion has resulted in loss of control by the Group over GCEL and the Consortium of bankers have taken over 52.38% of the paid up equity share capital of GCEL and the bankers have to find a new promoter for GCEL within the period as prescribed under the scheme, which expired during the year ended March 31, 2018. Further, majority of the lenders have reduced interest rates for GCEL. Consequent to the SDR as stated above, GCEL ceased to be a subsidiary of the Company and has been considered as an associate as per the requirement of Ind AS -28. Meanwhile, RBI has issued a circular "Resolution of Stressed Assets - Revised Framework" on February 12, 2018. With this circular, all existing frameworks for stressed asset resolution including SDR stand discontinued and the resolution plan is to be implemented within 180 days from the reference date, viz., March 01, 2018. The Consortium of lenders are in the process of identifying investors for GCEL so as to revive the operational and financial position of GCEL and has shortlisted prospective investors, with whom discussions are currently in progress.

The management has also carried out a valuation assessment of GCEL during the year ended March 31, 2018 which includes certain assumptions relating to future revenues, profitability in operation and servicing of its debts which is dependent upon tying up of its entire generation capacity at profitable rates through long term and medium term PPA in a power scarce market, achievement of higher PLF, projected sales mix of PPA, fuel linkage tie ups, refinancing of existing loans with lower rates of interest with banks, achievement of mega power status, successful gains from upcoming PPA Bids, successful outcome of all legal disputes and non-extraction of coal from Ganeshpur Mines. The cash flows so projected based on the aforementioned assumptions are discounted using a discount rate of 17.00%. The valuation expert based on these assumptions, has determined the range of value in use of GCEL's assets as at December 31, 2017 (i.e., valuation date). Based on the valuation assessment by the external expert and the sensitivity analysis carried out for some of the aforesaid assumptions the value so determined indicates that there exists a further diminution in the value of Company's investment of ₹ 2,260.45 crore in GCEL as at March 31, 2018.

As per the RBI circular dated February 12, 2018 for resolution of stressed assets stated above, the management of the Group, including the lenders' of GCEL, who also collectively are the majority shareholders, have initiated a process for 'change of control' of GCEL, which entails sale of up to 100% equity stake of GCEL. The process is in an advanced stage and is expected that the process of change in control would be completed by August 2018. The management is confident that it will succeed in completing the change of control and subsequently the Company will be able to recover the carrying value of assets in GCEL and accordingly, the management of the Group is of the view that the carrying value of the investments in GCEL of ₹ 2,260.45 crore (net of provision for diminution in the value of investments) as at March 31, 2018 is appropriate. Also refer note 5(4).

9. Based on internal assessment of its investments in GMRHL, a subsidiary of the Company and other road entities, the Company made a provision for diminution in the value of investments / advances of ₹ 2,260.36 crore as at March 31, 2018 (including ₹ 633.68 crore impairment during the year ended March 31, 2018) which has been disclosed as an 'exceptional item' in the accompanying standalone Ind AS financial statements of the Company for the year ended March 31, 2018. As detailed below, the diminution in value has primarily arisen on account of the diminution in the value of investments / advances in GHVEPL and GKUAEL.

(a) The Company along with its subsidiaries has investments (including loans and advances and other receivables) of ₹ 897.39 crore in GHVEPL. GHVEPL has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 857.70 crore as at March 31, 2018. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of GHVEPL based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL has decided to

Notes to the standalone financial statements for the year ended March 31, 2018

proceed with arbitration and accordingly Arbitral Tribunal has been constituted. GHVEPL has filed a claim of ₹ 752.32 crore calculated up to March 2017 before the Arbitral Tribunal. The project was initially developed from existing 2 lanes to 4 lane and will be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If 6 laning is not carried out (if so required by NHAI/desired by the GHVEPL), concession period will be restricted to 15 years as against 25 years from the appointed date if 6 laning is carried out.

The management of GHVEPL is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons, which is significantly dependent on the fructification of the aforesaid claims and a concession period of 25 years. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years, valuation assessment by an external expert, the managment of GHVEPL believes that the carrying value of its investments in GHVEPL as at March 31, 2018 is appropriate.

(b) GKUAEL, a subsidiary of the Company, had entered into a Concession Agreement with NHAI for six laning of Kishangarh-Udaipur-Ahmedabad section of NH 79A, 79, 76 and 8. Pursuant to non-fulfillment of the mandatory ‘Conditions Precedent’ specified under the Concession Agreement within the due date, GKUAEL had issued a notice to NHAI of its intention to terminate the Concession Agreement and the matter was under arbitration.

During the year ended March 31, 2017, GKUAEL has settled their disputes with NHAI before the arbitral tribunal after payment of penalty of ₹ 53.87 crore by GKUAEL to NHAI.

In addition, GKUAEL had awarded the EPC contract to GMR Enterprises Private Limited (‘GEPL’), the Holding Company and had given an advance of ₹ 590.00 crore. Pursuant to the issue of notice of dispute as stated above, GKUAEL terminated the contract on May 15, 2015. During the year ended March 31, 2017, GKUAEL had settled the termination claims of the EPC contractors for ₹ 259.00 crore and the balance of ₹ 331.00 crore was to be recovered from GEPL. Subsequent to the year ended March 31, 2018, an amount of ₹ 231.00 crore has been received and the balance amount of ₹ 100.00 crore is expected to be received by June 30, 2018.

10. GMR Badrinath Hydro Power Generation Private Limited (‘GBHPL’) is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand and has incurred ₹ 467.29 crore towards the development of the project as at March 31, 2018. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change (‘MoEF’) has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the current year, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of GBHPL is confident of obtaining the requisite clearances and based on business plan and a valuation assessment, carried out by an external expert during the year ended March 31, 2018, the management of the Company is of the view that the carrying value of the investments in GBHPL as at March 31, 2018 is appropriate.

11. The Company through its subsidiary GMR Coal Resources Pte. Limited (‘GCRPL’) has investments of ₹ 3,312.22 crore in PTGEMS, a joint venture as at March 31, 2018. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Company is significantly higher than the book value of assets of PTGEMS and includes certain furture benefits including Coal Supply Agreement (‘CSA’ of GCRPL with PTGEMS whereby GCRPL is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount. GCRPL has not significantly commenced the offtake of the coal under the CSA, however an amended CSA has been executed during the period ended September 30, 2017, pursuant to which the supplies are expected to commence in the next financial year. Further, during the year ended March 31, 2017, GCRPL had restructured its loan facility with the lenders whereby the loan is repayable over a period of 5 years commencing January 2017. After a significant decline in 2016 and 2017, the coal prices in the international markets have exhibited stability during the last few quarters making the operations of the mines more profitable. Based on these factors and valuation assessment carried out by an external expert during the year ended March 31, 2018, the management believes that the carrying value of investments in PTGEMS as at March 31, 2018 is appropriate.

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

As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement. The call option was to be exercised by the Company on or before April 6, 2015. If the call option was not exercised by the Company before April 6, 2015, as per the investment agreement, each CCPS A will get converted into 82.821 equity shares of GAL with simultaneous

Notes to the standalone financial statements for the year ended March 31, 2018

conversion of CCPS B held by the Company into equity shares of GAL as per Articles and Memorandum of Association of GAL

The Company vide its letter dated April 1, 2015, had exercised the call option to buy the CCPS A, subject to obtaining the requisite regulatory approvals. However, Investors have initiated arbitration proceedings against GAL and the Company, seeking conversion of the CCPS A. The arbitration process is currently under progress.

In view of ongoing arbitration and considering the uncertainty regarding the conversion / settlement of CCPS A, the Group has recorded CCPS A issued to PE investors at the face value as at March 31, 2018. Further, no adjustments have been made for the call option exercised by the Company to acquire CCPS A and the CCPS B issued to the Company continues to be carried at cost of ₹ Nil. Accordingly, the accompanying standalone Ind AS financial statements of the Company do not include any adjustments that might result from the outcome of the aforesaid uncertainty.

13. During the year ended March 31, 2016, the Company along with its subsidiary GMRHL, entered into a shares purchase agreement ('SPA') with Oriental Tollways Private Limited and Orbit Infraventures LLP for the divestment of 117,300,000 equity shares of ₹ 10 each, held by both the Company and GMRHL, representing their 51.00% stake in GOSHHEPL, a joint venture of the Company for a sale consideration of ₹ 59.14 Crore. As at March 31, 2018, the transfer of 59,801,692 equity shares held by the Company is not completed, pending approval of regulatory authorities. However, based on the SPA, the Company had made a provision for impairment of ₹ 29.65 Crore towards the diminution in the value of investments, which had been disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2016.

14. Based on an internal assessment of its investments in GAPL, a subsidiary of the Company, the Company has made a provision for diminution in the value of its investments of ₹ 110.39 crore as at March 31, 2018 (including ₹ 108.35 crore provided during the year ended March 31, 2017 which was disclosed as an 'exceptional item' in the standalone Ind AS financial statements of the Company for the year ended March 31, 2017).

15. GSPHPL, a subsidiary of the Company has investment in certain step down subsidiaries which holds investment properties. The Company has considered fair value of its investments in GSPHPL as deemed cost under Ind AS 101 'First-time Adoption of Indian Accounting Standards' and accordingly, based on the valuation assessment done by an external expert as per the requirements of Ind AS, the Company has adjusted ₹ 734.70 crore to the carrying value of its investments in GSPHPL reported under the previous GAAP in its opening balance sheet as at April 1, 2015 prepared under Ind AS with a consequent increase in Other Equity. During the year ended March 31, 2018, based on the valuation assessment of GSPHPL including its subsidiaries carried out by an external expert, the Company has made a provision for diminution in the value of investments of ₹ 86.99 crore as at March 31, 2018 which has been included as an 'exceptional item' in the accompanying standalone Ind AS financial statements of the Company for the year ended March 31, 2018.

16. The Company through GIML has an investment in GMR Infrastructure (Cyprus) Limited, a subsidiary of GIML. GICL has fixed deposits of ₹ 184.59 Crore (USD 2.83 crore) as at March 31, 2018 with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. During the year ended March 31, 2018, the bank has released USD 0.67 crore and the management of the Group is of the view that despite such economic difficulties, the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus.

17. The Company along with its subsidiaries/ joint ventures has investments (including loans and advances and other receivables) of ₹ 1,218.24 crore in GMR Warora Energy Limited ('GWEL'), a joint venture of the Company. GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of ₹ 718.27 crore as at March 31, 2018 which has resulted in substantial erosion of GWEL's net worth. GWEL has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and has tied up entire power supplies capacity with customers and has completed the refinancing of its term and other loans with the lenders which has resulted in the reduction in the rate of interest and extended repayment period. Though the net worth of GWEL is fully eroded, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment by an external expert during the year ended March 31, 2018, the management of the Group is of the view that the carrying value of its investments in GWEL as at March 31, 2018 is appropriate.

18. The Company along with its subsidiaries/ joint ventures has investments (including loans and advances and other receivables) of ₹ 2,633.87 crore in GMR Kamalanga Energy Limited ('GKEL'), a joint venture of the Company. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has accumulated losses of ₹ 1,817.55 crore as at March 31, 2018, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. Further, GKEL has fuel supply agreement for 493 MW with Shakti Linkage. Pursuant to the Reserve Bank of India's framework for revitalizing distressed assets in the economy (including strategic debt restructuring scheme), the consortium of bankers have amended the rupee term loan agreement on June 29, 2015 and accordingly loan is to be repaid in 66 quarterly structured instalments from October 1, 2017. Further, GKEL received certain favourable orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2018, the management of the Group is of the view that the carrying value of its investments in GKEL as at March 31, 2018 is appropriate.

Notes to the standalone financial statements for the year ended March 31, 2018

6. Loans

(₹ in crore)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans to related parties				
Unsecured, considered good (refer note 33)	2,230.22	1,825.55	180.21	499.99
Unsecured considered, doubtful[2] (refer note 33)	45.41	-	-	-
	2,275.63	**1,825.55**	**180.21**	**499.99**
Less: Provision for doubtful loans [refer note 5(9), 29]	(45.41)	-	-	-
(A)	**2,230.22**	**1,825.55**	**180.21**	**499.99**
Loans to employees (unsecured, considered good)	0.49	0.24	-	0.17
(B)	**0.49**	**0.24**	**-**	**0.17**
Total (A+B)	**2,230.71**	**1,825.79**	**180.21**	**500.16**

1. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.
2. The Company made a provision for diminution in the value of loan of ₹ 45.41 crore as at and for the year ended March 31, 2018 which has been disclosed as 'exceptional item' in the accompanying standalone Ind AS financial statements of the Company for the year ended March 31, 2018. As detailed below, the diminution in value has primarily arisen on account of the diminution in the value of investments / advances in DSPL.
3. Refer note 5(2), 5(4), 5(5), 5(6), 5(7), 5(8), 5(9), 5(10), 5(11), 5(12), 5(14), 5(15), 5(16), 5(17), 5(18).

7. Trade receivables

(₹ in crore)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Unsecured, considered good[1]				
Receivable from related parties (refer note 33)	2.26	1.17	9.19	17.29
Other trade receivables	64.48	41.06	41.15	50.59
(A)	**66.74**	**42.23**	**50.34**	**67.88**
Unsecured, considered doubtful				
Receivable from related parties (refer note 33)	0.64	-	0.47	5.00
Other trade receivables	9.71	9.04	11.72	10.69
(B)	**10.35**	**9.04**	**12.19**	**15.69**
Less: Provision for doubtful receivables	(10.35)	(9.04)	(12.19)	(15.69)
Total trade receivables (A + B)	**66.74**	**42.23**	**50.34**	**67.88**

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

1. Includes retention money (net of provision for doubtful debts) of ₹ 68.18 crore (March 31, 2017 ₹ 46.15 crore). These payments are deducted by customer to ensure performance of the Company's obligations and hence are receivable on the completion of contract or after the completion of defect liability period as defined in the respective contract and accordingly no discounting has been done for the same.

Notes to the standalone financial statements for the year ended March 31, 2018

8. Other financial assets (₹ in crore)

	Non-current		Current	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Unbilled revenue :				
Considered good				
Unbilled revenue from related parties (refer note 33)	-	-	4.34	12.60
Other unbilled revenue	53.63	26.65	452.24	284.26
	53.63	**26.65**	**456.58**	**296.86**
Considered doubtful				
Unbilled revenue from related parties (refer note 33)	-	-	1.09	4.28
	-	**-**	**1.09**	**4.28**
Less: Provision for doubtful debts (refer note 33)	-	-	(1.09)	(4.28)
Total unbilled revenue (A)	**53.63**	**26.65**	**456.58**	**296.86**
Non-current bank balance (refer note 13)	147.76	103.29	-	-
Security deposit (refer note 33)	1.62	3.23	1.68	4.63
Interest accrued on fixed deposits	-	-	3.31	3.10
Interest accrued on loans and debentures to related parties (refer note 33)	-	-	161.72	244.89
(B)	**149.38**	**106.52**	**166.71**	**252.62**
Total other financial assets (A+B)	**203.01**	**133.17**	**623.29**	**549.48**

- Refer note 37(c) for details pertaining to ECL.

9. Other assets (₹ in crore)

	Non-current		Current	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Capital advances				
Unsecured, considered good (refer note 33)	12.59	18.94	-	-
(A)	**12.59**	**18.94**	**-**	**-**
Advances other than capital advances				
Receivable from related parties (refer note 33)	-	-	0.36	2.68
Other advances	-	-	44.89	48.57
(B)	**-**	**-**	**45.25**	**51.25**
Ancillary cost of arranging the borrowings	0.24	0.23	6.16	0.86
Prepaid expenses	1.09	2.80	5.49	5.22
Balance with statutory / government authorities	26.17	23.36	-	-
(C)	**27.50**	**26.39**	**11.65**	**6.08**
Total other assets (A+B+C)	**40.09**	**45.33**	**56.90**	**57.33**

Notes to the standalone financial statements for the year ended March 31, 2018

10. Deferred tax

(₹ in crore)

	March 31, 2018	March 31, 2017
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	3.76	3.73
Deferred tax asset*		
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	(3.76)	(3.73)
MAT Credit Entitlement	97.23	97.23
Total	**97.23**	**97.23**

* In the absence of reasonable uncertainty that sufficient future taxable income would be available against which such deferred tax assets can be realised, the Company has recognised deferred tax assets, other than MAT receivables, only to the extent of deferred tax liabilities as at the end of financial reporting period.

11(a). Non-current tax assets (net)

(₹ in crore)

	March 31, 2018	March 31, 2017
Advance income tax (net of provision for current tax and including tax paid under protest)	34.68	85.73
Total	**34.68**	**85.73**

11(b). Liabilities for current tax (net)

(₹ in crore)

	March 31, 2018	March 31, 2017
Provision for current tax (net of advance income tax)	5.18	5.18
Total	**5.18**	**5.18**

12. Inventories

(₹ in crore)

	March 31, 2018	March 31, 2017
Raw materials (valued at lower of cost and net realizable value)	38.10	65.74
Total inventories	**38.10**	**65.74**

13. Cash and cash equivalents

(₹ in crore)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Balances with banks				
- On current accounts[4,5]	0.28	0.28	73.75	16.95
Deposits with original maturity of less than three months	-	-	2.24	14.25
Cash on hand	-	-	0.16	0.27
(A)	**0.28**	**0.28**	**76.15**	**31.47**
Other bank balances				
- Deposits with original maturity for less than 12 months[1,2,3,6,7]	131.05	75.64	16.53	13.59
- Deposits with remaining maturity for more than 12 months [1,2,3,6,7]	16.43	27.37	-	-
(B)	**147.48**	**103.01**	**16.53**	**13.59**
Amount disclosed under other finacial assets (refer note 8)	(147.76)	(103.29)	-	-
(C)	**(147.76)**	**(103.29)**	**-**	**-**
Total (A+B-C)	-	-	**92.68**	**45.06**

Notes to the standalone financial statements for the year ended March 31, 2018

1. A charge has been created over the deposits of ₹ 82.10 crore (March 31, 2017: ₹ 28.70 crore) towards Debt Service Reserve Account ('DSRA') maintained by the Company for loans availed by the Company from banks and financial institutions (refer note 16).
2. A charge has been created over the deposits of ₹ 11.85 crore (March 31, 2017: ₹ 25.55 crore) for working capital facility availed by the Company (refer note 16).
3. A charge has been created over the deposits of ₹ 0.06 crore (March 31, 2017: ₹ 0.06 crore) for loan availed by the Company from a bank (refer note 16).
4. Includes unclaimed dividend of ₹ 0.27 crore (March 31, 2017: ₹ 0.27 crore).
5. Includes ₹ 0.01 crore (March 31, 2017: ₹ 0.01 crore) towards DSRA maintained by the Company with ICICI bank (refer note 16).
6. A charge has been created over the deposits of ₹ 6.50 crore (March 31, 2017: ₹ 6.50 crore) towards margin money for hedging of FCCB interest (refer note 16)
7. A charge has been created over the deposits of ₹ 59.47 crore (March 31, 2017: ₹ 42.20 crore) towards bank guarantee and letter of credit facilities availed by the Company.
8. Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Company, and earn interest at the respective short-term deposit rates).
9. For the purpose of the standalone statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crore)

	March 31, 2018	March 31, 2017
Balances with banks:		
- On current accounts	73.75	16.95
Deposits with original maturity of less than three months	2.24	14.25
Cash on hand	0.16	0.27
	76.15	**31.47**
Less: Bank overdraft** (refer note 16)	(0.97)	(9.08)
Cash and cash equivalents for cash flow statement	**75.18**	**22.39**

** Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. A characteristic of such banking arrangements is that the bank balance often fluctuates from being positive to overdrawn. Accordingly, the Company has considered only such bank overdrafts which fluctuates from being positive to overdrawn often.

14. Equity Share Capital

	Equity Shares		Preference Shares	
	In Numbers	**(₹ in crore)**	**In Numbers**	**(₹ in crore)**
Authorised share capital:				
At April 1, 2016	**13,500,000,000**	**1,350.00**	**6,000,000**	**600.00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2017	**13,500,000,000**	**1,350.00**	**6,000,000**	**600.00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2018	**13,500,000,000**	**1,350.00**	**6,000,000**	**600.00**

Notes to the standalone financial statements for the year ended March 31, 2018

a. Issued equity capital

Equity shares of ₹ 1 each issued, subscribed and fully paid

	In Numbers	(₹ in crore)
At April 1, 2016	**6,035,945,275**	**603.59**
Changes during the year	**-**	**-**
At March 31, 2017	**6,035,945,275**	**603.59**
Changes during the year	-	-
At March 31, 2018	**6,035,945,275**	**603.59**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares 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 equity shareholders.

c. Terms/ rights attached to preference shares

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

d. Shares held by holding /ulitmate holding Company and/ or their subsidiaries/ associates.

Out of the equity share issued by the Company, share held by its holding company, ultimate holding company and their subsidiaries/ associates are as below

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of shares held	(₹in crore)	No. of shares held	(₹ in crore)
GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company (till August 10, 2016) and holding company w.e.f August 11, 2016.	2,878,245,098	287.82	2,878,245,098	287.82
Equity shares of ₹ 1 each, fully paid up				
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company	31,321,815	3.13	31,321,815	3.13
Equity shares of ₹ 1 each, fully paid up				
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company	17,999,800	1.80	17,999,800	1.80
Equity shares of ₹ 1 each, fully paid up				
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company	805,635,166	80.56	805,635,166	80.56
Equity shares of ₹ 1 each, fully paid up				
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company	100,000	0.01	100,000	0.01
Equity shares of ₹ 1 each, fully paid up				

Notes to the standalone financial statements for the year ended March 31, 2018

e. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of ₹ 1 each fully paid				
GEPL	2,878,245,098	47.69%	2,878,245,098	47.69%
GBC	805,635,166	13.35%	805,635,166	13.35%
Dunearn Investments (Mauritius) Pte Limited	218,528,214	3.62%	513,639,481	8.51%

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

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

During the year ended March 31, 2016, 5,683,351 Series A CCPS and 5,683,353 Series B CCPS of face value of ₹ 1,000 each have been converted into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively (refer note 14(c)

g. Shares reserved for issue under options

For details of shares reserved for issue on conversion of foreign currency convertible bonds ('FCCB'), please refer note 16(2) related to terms of conversion/ redemption of FCCB.

15. Other Equity

Equity component of preference shares		**(₹ in crore)**
Balance as at April 01, 2016		133.94
Balance as at March 31, 2017		133.94
Less: Transfer to general reserve		(133.94)
Balance as at March 31, 2018	**(A)**	**-**

Issued preference share capital	
	In Numbers
At April 01, 2016	
a) Series A CCPS of ₹ 1,000 each	5,683,351
b) Series B CCPS of ₹ 1,000 each	5,683,353
Less: Converted into equity shares during the year	
a) Series A CCPS of ₹ 1,000 each (Refer note 14(c))	(5,683,351)
b) Series B CCPS of ₹ 1,000 each (Refer note 14(c))	(5,683,353)
At March 31, 2017	
a) Series A CCPS of ₹ 1,000 each	-
b) Series B CCPS of ₹ 1,000 each	-
At March 31, 2018	
a) Series A CCPS of ₹ 1,000 each	-
b) Series B CCPS of ₹ 1,000 each	-

Treasury shares[3]		**(₹ in crore)**
Balance as at April 01, 2016		(101.54)
Balance as at March 31, 2017		(101.54)
Balance as at March 31, 2018	**(B)**	**(101.54)**

Notes to the standalone financial statements for the year ended March 31, 2018

Securities premium		(₹ in crore)
Balance as at April 01, 2016		10,010.98
Balance as at March 31, 2017		10,010.98
Balance as at March 31, 2018	**(C)**	**10,010.98**

Debenture redemption reserve ('DRR')[1]		(₹ in crore)
Balance as at April 01, 2016		125.44
Add: amount transferred from the surplus balance in the standalone statement of profit and loss		29.89
Less: amount transferred to the surplus balance in the standalone statement of profit and loss		(28.13)
Balance as at March 31, 2017		127.20
Balance as at March 31, 2018	(D)	**127.20**

General reserve		(₹ in crore)
Balance as at April 01, 2016		40.62
Balance as at March 31, 2017		40.62
Add: Transferred from equity component of preference shares		133.94
Balance as at March 31, 2018	**(E)**	**174.56**

Capital reserve[2]		(₹ in crore)
Balance as at April 01, 2016		141.75
Balance as at March 31, 2017		141.75
Balance as at March 31, 2018	**(F)**	**141.75**

FCMTR (refer note 16(2))		(₹ in crore)
Balance as at April 01, 2016		(0.88)
Add: Exchange difference on FCCB recognised during the year		35.07
Less: FCMTR amortisation during the year		(0.76)
Balance as at March 31, 2017		33.43
Add: Exchange difference on FCCB recognised during the year		7.80
Less: FCMTR amortisation during the year		(0.83)
Balance as at March 31, 2018	**(G)**	**40.40**

Retained earnings		(₹ in crore)
Balance as at April 01, 2016		(786.07)
Profit/ (loss) for the year		(3,684.11)
Add: Amount transferred from debenture redemption reserve		28.13
Less: Transfer to debenture redemption reserve		(29.89)
Less: Re-measurement gains / (losses) on defined benefit plans		(0.83)
Balance as at March 31, 2017		**(4,472.77)**
Profit/ (loss) for the year		(1,930.75)
Add: Re-measurement gains / (losses) on defined benefit plans		0.49
Balance as at March 31, 2018	**(H)**	**(6,403.03)**

Total other equity	**(A+B+C+D+E+F+G+H)**	
Balance as at March 31, 2017		**5,913.61**
Balance as at March 31, 2018		**3,990.32**

Notes to the standalone financial statements for the year ended March 31, 2018

1. The Company had issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of the debentures. The Company has made loss during the year.

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

3. The Company had given an interest free loan of ₹ 115.00 crore to GMR Welfare Trust ('GWT') during the year ended March 31, 2011 for the purpose of employee benefit scheme. The trust had utilised the proceeds of the loan received from the Company in the following manner:

(₹ in crore)

	March 31, 2018	**March 31, 2017**
Investment in equity shares of the Company	101.55	101.55
Investment in equity shares of GAL (refer note 5)	11.28	11.28
Others	2.17	2.17
	115.00	**115.00**

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

Notes to the standalone financial statements for the year ended March 31, 2018

16. Financial liabilities - Borrowings

(₹ in crore)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Long term borrowings:				
Debentures / Bonds				
10,000 (March 31, 2017: 10,000) 0% redeemable and non-convertible debentures of ₹ 567,500 each (March 31, 2017: ₹ 717,500; (secured)[1]	386.81	565.66	179.26	148.67
6 (March 31, 2017: 6) 7.5% Foreign Currency Convertible Bonds ('FCCBs') of USD 50,000,000 (March 31, 2017: USD 50,000,000) each (unsecured)[2]	1,920.62	1,930.14	-	-
Term Loans				
From banks				
Indian rupee term loans (secured)[3,4,5,6,7,8,9,10,11,12,13,14]	1,201.28	992.98	352.40	355.44
Indian rupee term loans (unsecured)[15,16,17]	484.63	556.83	37.41	59.60
From financial institutions				
Indian rupee term loans (secured)[18,19,20,21,22]	264.80	137.69	102.02	53.95
Indian rupee term loans (unsecured)[23,24,25]	666.69	787.71	121.35	120.46
Others				
Loans from others (secured)[26]	-	0.06	0.06	0.06
Loans from related parties (unsecured)[27,28,29,30] (Refer note 33)	259.74	120.44	28.61	25.19
Short term borrowings:				
Bank Overdraft (secured)[31]	-	-	125.73	76.31
Inter-corporate deposits from related parties (unsecured)[32,33,34,35,36,37] (Refer note 33)	-	-	458.18	36.57
Loan from a financial institution (unsecured)[38]	-	-	185.00	-
	5,184.57	**5,091.51**	**1,590.02**	**876.25**
The above amount includes				
Secured borrowings	1,852.89	1,696.39	759.47	634.43
Unsecured borrowings	3,331.68	3,395.12	830.55	241.82
Less: amount clubbed under "Other financial liabilities" (refer note 18)	-	-	(821.11)	(763.37)
Total financial liabilities - borrowings	**5,184.57**	**5,091.51**	**768.91**	**112.88**

1. During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each to ICICI Bank Limited ('ICICI') ('Tranche 1'). During the year ended March 31, 2013 the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each ('Tranche 2'). These debentures are secured by way of (i) first pari passu charge over 894.52 acres of land held by GKSEZ (ii) subservient charge on 8,236 acres of SEZ land held by KSPL (iii) first exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by the Company with ICICI and (iv) second ranking pledge over 30% of fully paid-up equity shares of ₹ 10 each of GGAL. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 25, 2012. As at March 31, 2018, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 567,500 (March 31, 2017: ₹ 717,500;) per debenture and the carrying value of outstanding debentures is ₹ 566.07 crore (March 31, 2017: ₹714.33 crore). Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

2. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted

Notes to the standalone financial statements for the year ended March 31, 2018

FCCBs of USD 30.00 crore to Kuwait Investment Authority with a maturity period of 60 years. The subscriber can exercise the conversion option on and after 18 months from the closing date upto close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at ₹ 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/USD. The Company needs to take necessary steps in case the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited.

3. Indian rupee term loan from a bank of ₹ 145.25 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 183.25 crore) carries interest @ the lender's Marginal Cost of Funds based Lending Rate of 1Y (I-MCLE-1Y) plus spread of 4.55% p.a. (March 31, 2017: the lender's Marginal Cost of Funds based Lending Rate of 1Y (I-MCLE-1Y) plus spread of 4.55% p.a.) and interest is payable on a monthly basis. The loan is secured by (i) first pari passu charge over 894.52 acres of land held by GKSEZ (ii) subservient charge on 8,236 acres of SEZ land held by KSPL (iii) charge over Dividend / Interest Escrow Account of the Company into which all dividends and/or interest receivable by the Company from GEL and GGAL would be deposited and (iv) first ranking pledge/ NDU over 49% of equity shares of GGAL. The loan is repayable in eighteen structured quarterly instalments commencing from December 25, 2016 and ending on March 25, 2021. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

4. Indian rupee term loan from a bank of ₹ Nil is outstanding as on March 31, 2018 (March 31, 2017: ₹ 79.59 crore) carried interest @ base rate of lender plus spread of 1.50% p.a. (March 31, 2017: base rate of lender plus spread of 1.50% p.a.) and interest was payable on a monthly basis. The loan was secured by i) an exclusive charge on loans and advances provided by the Company out of this loan facility ii) DSRA covering interest payment of one month and iii) securities as set out in note 16(39). The loan was repayable in five equal quarterly instalments commencing from March 26, 2017 as per the revised agreement dated May 23, 2016. The loan has been repaid in full during the current year.

5. Indian rupee term loan from a bank of ₹ 61.29 crore (March 31, 2017: ₹ 193.76 crore) carries interest @ base rate of lender plus spread of 1.05% p.a. (March 31, 2017: base rate of lender plus spread of 1.05% p.a.) and interest is payable on a monthly basis. The loan is secured by i) residual charge over all current assets and movable fixed assets of the Company with negative lien ii) first charge over loans and advances of the Company (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding iii) first charge over cash flows of GMRHL iv) DSRA covering interest payment for the first three months and v) securities as set out in note 16(39). The loan is repayable in six structured quarterly instalments commencing from March 26, 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

6. Indian rupee term loan from a bank of ₹ 41.03 crore (March 31, 2017: ₹ 60.35 crore) carries interest @ base rate of lender plus spread of 0.85% p.a. (March 31, 2017: base rate of lender plus spread of 0.85% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets created out of this facility iii) corporate guarantee of GEPL and iv) securities as set out in note 16(39). The loan is repayable in ten structured quarterly instalments commencing from March 6, 2017 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of thirty six months from the date of first disbursement and every three months thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

7. Indian rupee term loan from a bank of ₹ 103.59 crore (March 31, 2017: ₹117.07 crore) carries interest @ base rate of lender plus spread of 1.50% p.a. (March 31, 2017: base rate of lender plus spread of 1.50% p.a) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) charge on assets created out of this facility and iii) securities as set out in note 16(39). The loan is repayable in eight equal quarterly instalments commencing from January 27, 2018 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of eighteen months from the date of first disbursement and every three months thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

8. Indian rupee term loan from a bank of ₹ 76.42 crore (March 31, 2017: ₹ 82.44 crore) carries interest @ base rate of lender plus spread of 1.25% p.a. (March 31, 2017: base rate of lender plus spread of 1.25% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank iii) second charge on cash flows of GISPL from coal trading under Coal Sales and Purchase Agreement with GCRPL iv) exclusive charge on loans given to GEL v) DSRA covering interest payment for the next three months and vi) securities as set out in note 16(39).

   The loan is repayable in fourteen unequal semi-annually instalments commencing after twelve months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

Notes to the standalone financial statements for the year ended March 31, 2018

9. Vehicle loan from a bank of ₹ 0.08 crore (March 31, 2017: ₹ 0.23 crore) carries interest @ 10.00% p.a. (March 31, 2017 : 10.00% p.a) and the same is payable on a monthly basis. The loan is repayable in sixty equal monthly instalments commencing from October 01, 2013 and is secured by the vehicle taken on loan.

10. Indian rupee term loan from a bank of ₹ 500.70 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ Nil) carries interest @ lender's marginal cost of funds based lending rate ('MCLR') plus spread of 3.10% p.a. (March 31, 2017: Nil) and interest is payable on a monthly basis. The loan is secured by (i) first charge on the assets taken on loan by the Company to provide minimum cover of 1.00 times of the facility outstanding (ii) extension of pledge over 20% shares of GEL along with all beneficial/economic voting rights (already cross collateralized for existing term loan facilities at the Company, RSSL, GGAL (Term Loan-I), GMRHL (Term Loan-I)) (iii) additional pledge over 8% shares of GEL along with all beneficial/economic voting rights and non disposal undertaking over 2% shares of GEL (prior to disbursement) (iv) pledge over 23.5% shares of GMR Airports Limited along with all beneficial/economic voting rights (v) margin of 19.14% of outstanding amount (in form of FD/cash or any other instrument to the satification of the lender). The loan is repayable in fourteen half yearly structured instalments commencing after a moratorium period of one year from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements.

11. Indian rupee term loan from a bank of ₹ 211.34 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 253.73 crore) carries interest @ base rate of lender plus spread of 0.50% p.a. (March 31, 2017: base rate of lender plus spread of 0.50% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% DSRA in the form of lien on fixed deposits in favour of the lender ii) Exclusive first charge on assets provided by the Company created out of this facility and iii) securities as set out in note 16(39). The loan is repayable in fourteen structured quarterly instalments commencing from January 15, 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

12. Indian rupee term loan from a bank of ₹ 370.44 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 378.00 crore) carries interest @ lender's marginal cost of funds based lending rate ('MCLR') plus spread of 1.45% p.a. (March 31, 2017: lender's marginal cost of funds based lending rate ('MCLR') plus spread of 1.45% p.a.) and interest is payable on a monthly basis. The loan is secured by i) first charge on assets created out of this facility ii) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender and iii) securities as set out in note 16(39). The loan is repayable in twenty eight structured quarterly instalments commencing from October, 2017. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

13. Indian rupee term loan from a bank of ₹ 14.89 crore (March 31, 2017: ₹ Nil) carries interest @ lender's marginal cost of funds based lending rate ('MCLR') plus spread of 1.35% p.a. and is payable on a monthly basis. The loan is secured by i) hypothecation of construction equipments/machineries purchased out of the term loan on exclusive basis and ii) pari passu first charge on the current assets of the Company and bank accounts of GIL-SIL JV. The loan is repayable in nineteen structured monthly instalments commencing after 2 months from the date of first disbursement.

14. Indian rupee term loan from a bank of ₹ 28.65 crore (March 31, 2017: ₹ Nil) carries interest @ 11.50% p.a. linked to MCLR and is payable on a monthly basis. The loan is secured by i) exclusive charge on the equipments purchased by the Company out of the term loan and ii) second charge on the current assets/ non current assets including bank account in respect of Dedicated Freight Corridor Corporation (DFCC) - 201 project. The loan is repayable in thirteen structured monthly instalments commencing from December 01, 2017.

15. Indian rupee term loan from a bank of ₹ 484.63 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 482.43 crore) carries interest @ base rate of lender plus spread of 4.75% p.a. (March 31, 2017 : 4.75% p.a.) payable on a monthly basis. The loan is secured by (i) first pari passu charge on 894.52 acres of land held by GKSEZ and (ii) subservient charge on 8,236 acres of SEZ land held by KSPL. The loan is repayable in twelve structured quarterly instalments commencing from April 25, 2021 and ending on January 25, 2024 as per the revised agreement dated May 27, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

16. Indian rupee term loan from a bank of ₹ 7.51 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 44.75 crore) carries interest at base rate of lender plus applicable spread of 3.25% p.a (March 31, 2017: base rate of lender plus applicable spread of 3.25% p.a.) and the interest is payable on a monthly basis. The loan is secured by an exclusive first mortgage and charge on i) residential property of Mr. G.B.S Raju, Director at Bangalore ii) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL') iii) non agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at Andhra Pradesh iv) non agricultural lands of Mr. G. M. Rao, Executive Chairman and v) commercial apartment owned by Honey Flower Estates Private Limited ('HFEPL') and additionally secured by a) an irrevocable and unconditional guarantee of BIPL and HJPPL limited to the extent of the value of their property as stated aforesaid b) an irrevocable and unconditional guarantee of GEPL, BIPL and HFEPL and c) demand promissory note equal to principal amount of the loan and interest payable on the loan given by the Company. The loan is repayable in thirteen equal quarterly instalments starting July 1, 2015 as per the revised agreement dated April 10, 2015. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

Notes to the standalone financial statements for the year ended March 31, 2018

17. Indian rupee term loan from a bank of ₹ 29.90 crore (March 31, 2017: ₹ 89.25 crore) carries interest @ lender's MCLR plus spread of 5.00% p.a. (March 31, 2017: lender's MCLR plus spread of 5.00% p.a.) payable on a monthly basis. The loan is secured by a first mortgage and charge on 117.96 acres of land or such additional land held by GKSEZ to give a minimum cover equivalent to the facility amount. The loan is repayable in eighteen equal monthly instalments commencing from the end of six months from October 26, 2016.

18. Indian rupee term loan from a financial institution of ₹ 8.27 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 19.26 crore) carries interest @ 14.75% p.a. linked with SBR on reducing balance (March 31, 2017: 14.75% p.a. linked with SBR on reducing balance) and is payable on a monthly basis. The loan is repayable in fifty seven monthly instalments commencing from April, 2014. The loan is secured by a charge on the assets purchased out of the loan proceeds by the Company.

19. Indian rupee term loan from a financial institution of ₹ 129.42 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 172.38 crore) carries interest rate @ 14.25% p.a. (March 31, 2017: 14.25% p.a.) and is payable on a monthly basis. The loan is repayable in eighteen quarterly instalments commencing from October' 2016. The loan is secured by way of i) first mortgage and charge on non-agriculture lands of SJK Powergen Limited ('SJK') ii) pledge of 20,000,000 equity shares of ₹ 1 each of the Company, held by GEPL and iii) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 crore held by the Company and in case of default of repayment of loan, the lender has the right to convert the loan into equity.

20. Indian rupee term loan from a financial institution of ₹ 137.61 crore (March 31, 2017: ₹Nil) carries interest @ the lender's benchmark rate plus spread of 3.30% p.a. The loan is secured by i) a mortgage on exclusive first charge basis on a) 99.76 acres of immovable property held by RSSL b) 10 acres of immovable property held by GEPL c) 10 acres of immovable property held by Fabcity Properties Private Limited d) 11.46 acres of immovable property held by GMR Bannerghatta Properties Private Limited e) 10 acres of immovable property held by Sri Varalakshmi Jute Twine Mills Private Limited f) 13.225 acres of land held by BIPL. g) 246.10 square meter of house property located in New Delhi held by DG Buildwell Private Limited h) commercial property held by Grandhi Enterprises Private Limited and corporate guarantee of these entities which are giving mortgage charge ii) minimum 0.75 time cover on the loan amount by way of first pari-passu charge over SEZ land held by KSPL iii) pledge of 10,551,655 unlisted shares of Rajam Enterprises Private Limited iv) Pledge of 6,024,097 listed shares of the Company on exclusive charge basis v) DSRA covering interest payment for two quarters and principal repayment for one quarter in the form of fixed deposit vi) escrow over all the receivables from KSPL on exclusive charge basis and vii) post dated cheques ('PDC') for interest and principal repayments. The loan is repayable in fourty eight monthly instalments commencing after a moratorium period of 12 months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements.

21. Vehicle loan taken from a financial institution of ₹ 17.56 crore (March 31, 2017: ₹ Nil) carries interest @ 9.50% p.a. (March 31, 2017 :Nil) payable on a monthly basis. The loan is repayable in thirty four monthly instalments commencing after two months from the date of first disbursement. The loan is secured by a charge on the assets purchased out of loan proceeds by the Company.

22. Indian rupee term loan from a financial institution of ₹ 73.96 crore (March 31, 2017: ₹ Nil) carries interest @ SREI Benchmark Rate (SBR) less spread of 4.25% p.a. (March 31, 2017 : Nil) payable on a monthly basis. The loan is repayable in five equal monthly instalments commencing from January 2019. The loan is secured by i) first charge on all the current assets, present and future, including the cash flow of the DFCC-202 project ii) second charge over all the movable fixed asset of the DFCC-202 project including project documents and all licences, permits, approvals, censent and insurance policies iii) exclusive charge by way of pledge of 19% equity share of GMRHL. Further the lender has certain mandatory prepayment rights as per the terms of the agreements.

23. Indian rupee term loan from a financial institution of ₹ 128.52 crore (March 31, 2017: ₹ 149.82 crore) carries interest @ 12.00% p.a. (March 31, 2017: 12.00% p.a.) payable on a quarterly basis. The loan is repayable in seven equal annual instalments commencing at the end of four years from the date of first disbursement. The loan is secured by exclusive first charge on land held by GKSEZ.

24. Indian rupee term loan from a financial institution of ₹ 399.62 crore (March 31, 2017: ₹ 498.61 crore) carries interest @ 11.75% p.a. (March 31, 2017: 11.75% p.a.) payable on a half yearly basis. The loan is repayable in ten equated annual instalments commencing from December 2012. The loan is secured by a first pari passu charge on 8,236 acres of land held by KSPL.

25. Indian rupee term loan from a financial institution of ₹ 259.90 crore (March 31, 2017: ₹ 259.74 crore) carries interest @ 12.15% p.a. (March 31, 2017: 12.15% p.a.) payable on a quarterly basis. The loan is repayable in six equal annual instalments commencing at the end of five years from the date of first disbursement. The loan is secured by an exclusive first charge on certain immovable properties located in the State of Andhra Pradesh ('AP') owned by Namitha Real Estate Private Limited (NREPL), a subsidiary of the Company, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi.

26. Vehicle loan from others of ₹ 0.06 crore (March 31, 2017: ₹ 0.12 crore) carries interest @10.33% p.a. (March 31, 2017 @10.33% p.a) and interest is payable on a monthly basis. The loan is repayable in sixty equal monthly instalments commencing from April, 2014 and is secured by vehicle purchased out of the loan proceeds.

Notes to the standalone financial statements for the year ended March 31, 2018

27. Loan of ₹ 61.77 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 78.13 crore) from its subsidiary, GADL carries interest @ 12.70% p.a. (March 31, 2017: 12.70% p.a.) and is payable on a monthly basis. The loan is to be prepaid on the occurrence of any liquidity event as per the terms of the agreement or repayable in twenty eight structured quarterly instalments commencing from December 23, 2013.

28. Loan of ₹ 66.00 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ 67.50 crore) from its subsidiary, RSSL carries interest @ 11.35% p.a. (March 31, 2017: 11.35% p.a) payable on a monthly basis. The deposit is repayable on discharge of all performance obligations of Raxa under the long term service agreements entered into with the Company and other group companies.

29. During the year ended March 31, 2018, the Company has taken long term loans of ₹ 138.18 crore from its subsidiary, GETL carrying interest @ 14.00% p.a payable along with the principal. The loan is repayable after 3 years from the date of first disbursement. Entire loan of ₹ 138.18 crore is outstanding as on March 31, 2018.

30 During the year ended March 31, 2018, the Company has taken long term loans from its subsidiary, GPCL of ₹ 50.00 crore carrying interest @12.50% p.a. payable along with the principal. The loan is repayable after 3 years from the date of first disbursement. Out of the above, ₹ 22.40 crore is outstanding as on March 31, 2018.

31. Bank overdrafts from banks amounting to ₹ 125.73 crore (March 31, 2017: ₹ 76.31 crore) is secured by first charge on current assets of the EPC division of the Company, first mortgage on the Company's entire fixed asset pertaining to DFCC- 201 project, a first charge on all the Company's bank accounts including, without limitation, the TRA/ Escrow account and lien on fixed deposits with banks and carries an interest ranging between 12.30% to 13.75% p.a. (March 31, 2017: 13.00% to 13.75% p.a.).

32. During the year ended March 31, 2017, the Company had obtained a loan of ₹ 60.00 crore from its subsidiary, GAL carrying an interest @ 10.00% p.a. payable on a monthly basis. The outstanding loan of ₹ 36.50 crore as at April 1, 2017 had been repaid in full on May 15, 2017. During the year ended March 31, 2018, the Company has taken a short term loan of ₹ 100.00 crore from GAL carrying interest @ 10.10 % p.a. (March 31, 2017: Nil) payable on a monthly basis. Entire loan of ₹ 100.00 crore is outstanding as on March 31, 2018 (March 31, 2017: ₹ Nil).

33, The Company had taken a short term loan from GEPL which is interest free and is repayable on demand. Out of the above, ₹ Nil is outstanding as on March 31, 2018 (March 31, 2017: ₹ 0.07 crore).

34. During the year ended March 31, 2018, the Company has taken short term loans from its subsidiary, GPEL of ₹ 24.32 crore and ₹ 13.00 crore carrying interest @ 10% p.a and 11% p.a respectively, payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties. Entire loan of ₹ 37.32 crore is outstanding as on March 31, 2018.

35. During the year ended March 31, 2018, the Company has taken short term loans from its subsidiary, GPCL of ₹ 314.72 crore carrying interest @ 7% p.a. payable along with the principal. Out of the above, ₹ 313.22 crore is outstanding as on March 31, 2018.

36. During the year ended March 31, 2018, the Company has taken a short term loan of ₹ 7.00 crore from its subsidiary, GTTEPL carrying interest @ 10% p.a. payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties. Out of the above, ₹ 5.53 crore. is outstanding as on March 31, 2018."

37. During the year ended March 31, 2018, the Company has taken a short term loan of ₹ 3.50 crore from its subsidiary, GTAEPL carrying interest @ 10% p.a. payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties. Out of the above, ₹ 2.11 crore is outstanding as on March 31, 2018.

38. During the year ended March 31, 2018, the Company has taken short term loan from a financial institution of ₹ 185.00 crore carrying interest @ 9.75% p.a. payable on quarterly basis. The loan is repayable in September' 2018.

39. Securities for the facilities mentioned in note nos. 4, 5, 6, 7, 8, 11 & 12

    a. First charge over 30% pledge of shares of Raxa Security Services Limited and 70% shares under NDU arrangement to be kept in lender's demat account

    b. Charge over 30% pledge of shares of GGAL.

    c. Mortgage on Andhra Pradesh land (piece and parcel of the property admeasuring 557.76 acres in aggregate of land situated at Kothavalasa, Viziangaram District of Andhra Pradesh).

    d. Pledge over 30% shares of GMRHL held by the Company.

    e. Undertaking from the Company to hold majority stake in GMRHL.

    f. Pledge/charge on the advances/CCPS invested by GISPL in GCRPL in favour of lender/ lender approved correspondent bank.

Notes to the standalone financial statements for the year ended March 31, 2018

g. Pledge of 12% of Delhi Duty Free Services Private Limited (DDFS) free shares held by GAL.

h. Mortgage on office space at Bandra Kurla Complex, Mumbai.

i. Pledge of 30% shares of GPCL.

j. NDU of 21% shareholding of GPCL.

k. First charge over properties located at Rajam Mandal, Srikakulam District, Andhra Pradesh or equivalent cash margin.

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

Particulars	Nature	March 31, 2018 (₹ in crore)	Period of Default (No. of Days)	March 31, 2017 (₹ in crore)	Period of Default (No. of Days)
Indian Rupee term loans from financial institutions	Payment of Interest	-	-	44.56	0-60
Indian Rupee term loans from banks	Payment of Interest	-	-	24.82	0-60
Loan from a Group Company	Payment of Interest	-	-	5.92	0-210
Bank overdraft	Payment of Interest	-	-	0.73	0-30
Total		**-**		**76.03**	

17. Financial liabilities - Trade payables **(₹ in crore)**

	Current	
	March 31, 2018	**March 31, 2017**
Trade payables[1]	313.94	205.19
Trade payables to related parties (refer note 33)[1]	19.54	14.36
Total trade payables	**333.48**	**219.55**

1. Includes retention money of ₹ 64.27 crore (March 31, 2017: ₹ 57.07 crore). Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts.These payments are kept as retention to ensure performance of the vendor obligation and hence are not discounted for present value of money.

2. Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2018 and March 31, 2017.

3. Terms and conditions of the above financial liabilities:

   - Trade payables are non-interest bearing
   - For explanations on the Company's credit risk management processes, refer note 37 (c)
   - The dues to related parties are unsecured.

Notes to the standalone financial statements for the year ended March 31, 2018

18. Other financial liabilites

(₹ in crore)

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Financial liabilities through profit or loss				
Derivatives not designated as hedges				
Foreign exchange forward contracts[2]	-	-	0.31	1.57
	-	-	**0.31**	**1.57**
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 16)	-	-	821.11	763.37
Interest accrued but not due on borrowings (refer note 33)	-	-	68.40	57.10
Interest accrued and due on borrowings (refer note 33)	-	-	-	76.03
Capital creditors	-	-	4.17	-
Share application money refund [₹ 22,563 (March 31, 2017: ₹ 22,563)[1]	-	-	0.00	0.00
Non trade payable (refer note 33)	-	-	3.39	13.65
	-	**-**	**897.07**	**910.15**
Financial guarantee contracts	99.19	104.75	13.37	13.40
Total other financial liabilities	**99.19**	**104.75**	**910.75**	**925.12**

1. During the year ended March 31, 2016, ₹ 22,563 was received as excess share application money received against rights issue which is pending to be refunded during year ended March 31, 2018.
2. While the Company entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected repayment of interest, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

19(a) Net employee defined benefit liabilities

(₹ in crore)

	Long-term		Short-term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for employee benefits				
Provision for compensated absences	-	-	3.88	6.76
Provision for gratuity (refer note 34)	0.46	2.74	0.57	0.63
Provision for other employee benefits	-	-	8.82	8.21
	0.46	**2.74**	**13.27**	**15.60**

19(b) Other provisions

(₹ in crore)

	Long-term		Short-term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for debenture redemption premium	-	-	1.50	1.91
	-	**-**	**1.50**	**1.91**

20. Other liabilities

(₹ in crore)

	Non-Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advance from customers (refer note 33)	33.61	122.96	224.27	288.01
Unclaimed dividend	-	-	0.27	0.27
TDS payable	-	-	8.43	6.35
Other statutory dues	-	-	0.54	1.70
Total other liabilities	**33.61**	**122.96**	**233.51**	**296.33**

Notes to the standalone financial statements for the year ended March 31, 2018

21. Liabilities directly associated with the asset classified as held for disposal

(₹ in crore)

	Current	
	March 31, 2018	March 31, 2017
Advance sale consideration towards assets held for disposal	25.23	25.23
Total	**25.23**	**25.23**

22. Revenue from operations

(₹ in crore)

		March 31, 2018	March 31, 2017
a)	**Sale of services:**		
	Engineering, Procurement and Constrution ('EPC'):		
	Construction revenue (refer note 33)	736.13	392.77
		736.13	**392.77**
b)	**Other operating revenue:**		
	Income from management and other services (refer note 33)	-	4.60
	Dividend income on current investments (gross) ₹ 14,482 (March 31, 2017: ₹ 10,732)	0.00	0.00
	Profit on sale of current investments (others)	6.34	4.73
	Interest Income:		
	Bank deposits	7.39	22.74
	Long term loans and investments (refer note 33)	356.15	754.93
		369.88	**787.00**
		1,106.01	**1,179.77**

23. Other income

(₹ in crore)

	March 31, 2018	March 31, 2017
Gain on account of foreign exchange fluctuations (net)	5.92	-
Fair value gain on financial instrument at fair value through profit or loss	1.26	-
Gain on final settlement of claims (refer note 33)	19.84	-
Provisions no longer required, written back (refer note 33)	2.81	-
Interest income on income tax refund	19.91	-
Other non-operating income	2.61	2.65
	52.35	**2.65**

24. Cost of materials consumed

(₹ in crore)

	March 31, 2018	March 31, 2017
Inventory at the beginning of the year	65.74	8.73
Add: Purchases	348.89	170.08
	414.63	178.81
Less: Inventory at the end of the year	38.10	65.74
	376.53	**113.07**

Notes to the standalone financial statements for the year ended March 31, 2018

25. Employee benefits expenses*

(₹ in crore)

	March 31, 2018	March 31, 2017
Salaries, wages and bonus	43.26	43.80
Contribution to provident and other funds (refer note 34(a))	2.69	3.01
Gratuity expenses (refer note 34(b))	0.92	0.26
Staff welfare expenses (refer note 33)	4.81	5.04
	51.68	**52.11**

*Employee benefit expenses are net of ₹ 24.88 crore (March 31, 2017: ₹ 39.07 crore) cross charged to certain subsidiaries, associates and joint ventures

26. Depreciation and amortization expenses

(₹ in crore)

	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment (refer note 3)	17.98	14.89
Amortisation of intangible assets (refer note 4)	1.08	1.24
	19.06	**16.13**

27. Finance costs*

(₹ in crore)

	March 31, 2018	March 31, 2017
Interest on debt and borrowings	805.15	722.43
Bank and other charges	16.46	22.31
	821.61	**744.74**

* Finance costs are net of ₹ 0.08 crore (March 31, 2017: ₹ 0.40 crore) cross charged to certain subsidiaries, associates and joint ventures.

28. Other expenses*

(₹ in crore)

	March 31, 2018	March 31, 2017
Bad debts written off [includes provision for doubtful debts: (₹ 5.38 crore) (March 31, 2017: ₹ 8.98 crore)]	18.78	16.13
Lease rental and equipment hire charges	40.44	19.96
Rates and taxes	20.41	14.97
Repairs and maintenance	11.11	5.34
Freight	6.41	4.64
Travelling and conveyance	5.98	5.49
Printing and stationery	1.23	1.24
Logo fees (March 31, 2018: ₹ 1,000 and March 31, 2017: ₹ 1,000)	0.00	0.00
Legal and professional fees	26.53	21.91
Payment to auditors (refer details below)	2.89	2.67
Directors' sitting fees	0.23	0.28
Security expenses	7.71	7.97
Donation	0.03	0.02
Corporate social responsibility expenditure**	-	0.07
Loss on account of foreign exchange fluctuations (net)	-	9.10
Fair value loss on financial instruments at fair value through profit or loss	-	1.36
Miscellaneous expenses	2.62	2.96
Total other expenses	**144.37**	**114.11**

*Other expenses are net of ₹ 44.01 crore (March 31, 2017: ₹ 64.16 crore) cross charged to certain subsidiaries, associates and joint ventures. Also refer note 33.

** CSR expenditure:

(a) Gross amount required to be spent by the Company during the year: ₹ Nil (March 31,2017: ₹ Nil)

(b) The Company has incurred ₹ Nil (March 31, 2017: ₹ 0.07 crore) on CSR activities during the year 2017-18.

Notes to the standalone financial statements for the year ended March 31, 2018

a) Payment to auditors (exclusive of service tax/ goods and service tax and swachh bharat cess)

(₹ in crore)

	March 31, 2018	March 31, 2017
As auditor:		
Audit fee (including fees for internal controls over financial reporting, consolidated financial statements of the Company and quarterly limited reviews)	1.87	1.87
Tax audit fees	0.04	0.04
In other capacity		
Other Services (including certification fees)	0.74	0.52
Reimbursement of expenses	0.24	0.24
	2.89	**2.67**

29. Exceptional items (net)

(₹ in crore)

	March 31, 2018	March 31, 2017
Provision for diminution in the value of investments / advances in subsidiaries/ associates/ joint ventures (refer note below) (also refer note 33)	(1,437.29)	(3,654.16)
	(1,437.29)	**(3,654.16)**

Note: Refer note 5(4), 5(7), 5(8), 5(9), 5(14) and 5(15) with regard to provision for diminution in the value of investments/ advances made in GSPHPL, GGAL, GMRHL and their subsidiaries/ associates/ joint ventures.

(This space has been intentionally left blank)

Notes to the standalone financial statements for the year ended March 31, 2018

30. Income Tax

The Company is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Company is liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the statement of profit and loss consist of the following:

(₹ in crore)

	March 31, 2018	March 31, 2017
(a) Current tax	0.09	10.20
(b) Deferred tax	-	-
(c) Minimum alternate tax credit entitlement	-	(10.11)
Total taxes	**0.09**	**0.09**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

(₹ in crore)

	March 31, 2018	March 31, 2017
(Loss)/Profit before taxes	(1,930.66)	(3,684.02)
Computed tax charge on applicable tax rates in India	**(502.36)**	**(853.42)**
Tax effect on exempted income	(21.12)	(166.06)
Tax effect on permanent non deductible expenses :		
Disallowance on account of Sec 14 A of Income Tax Act	41.17	23.99
Others	(1.01)	8.78
Tax effect of expenses on which deferred taxes has not been accounted		
Taxable losses	154.77	140.52
Long term capital losses	331.61	843.09
Others	(2.97)	3.19
Total tax expenses	**0.09**	**0.09**

31. Earnings per share (EPS)

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

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

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

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Face value of equity shares (₹ per share)	1	1
Profit/ (loss) attributable to equity shareholders	(1,930.75)	(3,684.11)
Weighted average number of equity shares used for computing earning per share (basic and diluted)	6,017,945,475	6,017,945,475
EPS- basic and diluted (₹)	**(3.21)**	**(6.12)**

Notes to the standalone financial statements for the year ended March 31, 2018

Notes:

(i) Considering that the Company has incurred losses during the year ended March 31, 2018 and March 31, 2017, the allotment of conversion option in case of FCCBs would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share. Management has computed diluted EPS using ₹ 18 per share as fair market value for computing the number of equity shares which would be issued on the conversion of FCCB.

(ii) Weighted average number of equity shares used for computing earning per share (basic and diluted) have been adjusted for 17,999,800 treasury shares held by GWT as detailed in note 15.

32. Significant accounting judgements, estimates and assumptions

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

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

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

i) Estimates and assumptions

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

a. Taxes

Deferred tax assets are recognised for MAT Credit Entitlement to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement 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. Refer note 10 and 30 for further disclosures.

b. Fair value measurement of financial instruments

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

c. Contingencies

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

In respect of financial guarantees provided by the Company to third parties, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 36 for further disclosure.

Notes to the standalone financial statements for the year ended March 31, 2018

d. Revenue recognition

The Company uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the costs incurred till date as a proportion of the total cost to be incurred. Costs incurred have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

e. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

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

Further details about gratuity obligations are given in note 34.

f. **Impairment of non current asset**

Determining whether investment are impaired requires an estimation of the recoverable amount, which is the higher of fair value less costs of disposal and value in use of the individual investment or the relevant cash generating units. The fair value less costs of disposal calculation is based on available data for similar immovable property/ investments or observable market prices less incremental costs for disposing of the immovable property/ investments. The value in use calculation is based on DCF model over the estimated useful life of the power plants, concession on roads, airports etc. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business, estimation of passenger and vehicle traffic and rates and favourable outcomes of litigations etc. in the airport and expressway business which are considered as reasonable by the management (refer note 5).

i) Refer 5(4), 5(5), 5(7), 5(8), 5(10), 5(11), 5(14), 5(15), 5(17), 5(18) towards impairment of assets for investment in certain entities.

ii) Refer 5(6) and 5(9) as regard the recovery of claims in GACEPL, GCORRPL and GHVEPL.

ii) Significant judgements

i) Refer note 5(12) as regards the accounting of CCPS issued by GAL.

Notes to the standalone financial statements for the year ended March 31, 2018

33. Related parties

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Holding Company	GMR Enterprises Private Limited (GEPL) [w.e.f August 11, 2016][1]
	GMR Holdings Private Limited (GHPL) [till August 10, 2016][1]
Subsidiary Companies	GMR Generation Assets Limited (GGAL) [formerly known as GMR Renewable Energy Limited (GREEL)]
	GMR Energy Limited (GEL)[4]
	GMR Power Corporation Limited (GPCL)
	GMR Vemagiri Power Generation Limited (GVPGL)[4]
	GMR Energy Trading Limited (GETL)
	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)[4]
	GMR Mining and Energy Private Limited (GMEL)[4]
	GMR Consulting Services Private Limited (GCSPL)[4]
	GMR Rajahmundry Energy Limited (GREL) [ceased to be Subsidiary Company w.e.f. May 13, 2016][5]
	SJK Powergen Limited (SJK)
	GMR Coastal Energy Private Limited (GCEPL)
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)[4]
	GMR Chhattisgarh Energy Limited (GCEL) [ceased to be Subsidiary Company w.e.f. February 23, 2017][5]
	GMR Londa Hydropower Private Limited (GLHPPL)
	GMR Kakinada Energy Private Limited (GKEPL)
	GMR Warora Energy Limited (GWEL) [formerly known as EMCO Energy Limited (EMCO)[4]
	Delhi International Airport Limited (DIAL) [formerly known as Delhi International Airport Private Limited]
	Delhi Aerotropolis Private Limited (DAPL)
	GMR Hyderabad International Airport Limited (GHIAL)
	Hyderabad Menzies Air Cargo Private Limited (HMACPL)
	Hyderabad Airport Security Services Limited (HASSL)
	GMR Aerostructure Service Limited (GASL) [formerly known as GMR Hyderabad Airport Resource Management Limited (GHARML)]
	GMR Hyderabad Aerotropolis Limited (HAPL)
	GMR Hyderabad Aviation SEZ Limited (GHASL)
	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)
	GMR Hotels and Resorts Limited (GHRL)
	Gateways for India Airports Private Limited (GFIAL)
	GMR Highways Limited (GMRHL)
	GMR Tuni Anakapalli Expressways Limited (GTAEPL)
	GMR Highways Projects Private Limited (GHPPL)
	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Pochanpalli Expressways Limited (GPEL)
	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)
	GMR Chennai Outer Ring Road Private Limited (GCORRPL)
	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)
	GMR Krishnagiri SEZ Limited (GKSEZ)
	Advika Properties Private Limited (APPL)

Notes to the standalone financial statements for the year ended March 31, 2018

Description of relationship	Name of the related parties
	Aklima Properties Private Limited (AKPPL)
	Amartya Properties Private Limited (AMPPL)
	Baruni Properties Private Limited (BPPL)
	Camelia Properties Private Limited (CPPL)
	Eila Properties Private Limited (EPPL)
	Gerbera Properties Private Limited (GPL)
	Lakshmi Priya Properties Private Limited (LPPPL)
	Honeysuckle Properties Private Limited (HPPL)
	Idika Properties Private Limited (IPPL)
	Krishnapriya Properties Private Limited (KPPL)
	Nadira Properties Private Limited (NPPL)
	Prakalpa Properties Private Limited (PPPL)
	Purnachandra Properties Private Limited (PUPPL)
	Shreyadita Properties Private Limited (SPPL)
	Sreepa Properties Private Limited (SRPPL)
	Bougainvillea Properties Private Limited (BOPPL)
	Honeyflower Estates Private Limited (HFEPL)
	Namitha Real Estate Private Limited (NREPL)
	GMR Gujarat Solar Power Private Limited (GGSPPL)[4]
	GMR Airports Limited (GAL)
	Asia Pacific Flight Training Academy Limited (APFT) [w.e.f. October 09, 2017][10]
	GMR Corporate Affairs Private Limited (GCAPL)
	GMR SEZ & Port Holdings Private Limited (GSPHPL)
	GMR Aviation Private Limited (GAPL)
	GMR Business Process and Services Private Limited (GBPSPL)
	Dhruvi Securities Private Limited (DSPL)
	Himtal Hydro Power Company Private Limited (HHPPL)[4]
	GMR Upper Karnali Hydro Power Limited (GUKPL)[4]
	GMR Energy (Mauritius) Limited (GEML)[4]
	GMR Lion Energy Limited (GLEL)[4]
	GMR Energy (Cyprus) Limited (GECL)
	GMR Energy (Netherlands) BV (GENBV)
	PT Unsoco (PT)
	PT Dwikarya Sejati Utma (PTDSU)
	PT Duta Sarana Internusa (PTDSI)
	PT Barasentosa Lestari (PTBSL)
	GMR Infrastructure (Mauritius) Limited (GIML)
	GMR Infrastructure (Cyprus) Limited (GICL)
	GMR Infrastructure Overseas (Malta) Limited (GIOSL) (Formerly known as GMR Infrastructure Overseas Sociedad Limitada)
	GMR Infrastructure (UK) Limited (GIUL)
	GMR Infrastructure (Global) Limited (GIGL)
	GMR Infrastructure (Singapore) Pte Limited (GISPL)

Notes to the standalone financial statements for the year ended March 31, 2018

Description of relationship	Name of the related parties
	GMR Energy (Global) Limited (GEGL)
	GMR Maharashtra Energy Limited (GMAEL)[4]
	GMR Bundelkhand Energy Private Limited (GBEPL)[4]
	GMR Rajam Solar Power Private Limited (GRSPPL) (Formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEPL))[4]
	GMR Genco Assets Limited (GENCO) [formerly known as GMR Hosur Energy Limited (GHOEL)]
	Karnali Transmission Company Private Limited (KTCPL)[4]
	Marsyangdi Transmission Company Private Limited (MTCPL)[4]
	GMR Indo-Nepal Energy Links Limited (GINELL)[4]
	GMR Indo-Nepal Power Corridors Limited (GINPCL)[4]
	Aravali Transmission Service Company Limited (ATSCL)[6]
	Maru Transmission Service Company Limited (MTSCL)[6]
	GMR Energy Projects (Mauritius) Limited (GEPML)
	Hyderabad Duty Free Retail Limited (HDFRL) [merged with GHRL w.e.f. April 1, 2016]
	GMR Airport Developers Limited (GADL)
	GADL International Limited (GADLIL)
	GADL (Mauritius) Limited (GADLML)
	Deepesh Properties Private Limited (DPPL)
	Larkspur Properties Private Limited (LAPPL)
	Padmapriya Properties Private Limited (PAPPL)
	Radha Priya Properties Private Limited (RPPL)
	Pranesh Properties Private Limited (PRPPL)
	Kakinada SEZ Private Limited (KSPL)
	GMR Power Infra Limited (GPIL)
	GMR Male International Airport Private Limited (GMIAL)
	GMR Coal Resources Pte Limited (GCRPL)
	GMR Airport Handling Services Company Limited (GAHSCL)
	GMR Airport Global Limited (GAGL)[9]
	GMR Hosur Industrial City Private Limited (GHICL) (Formerly known as Lantana Properties Private Limited (LPPL))
	Asteria Real Estate Private Limited (AREPL)
	GMR Infrastructure Overseas Limited (GIOL)
	GMR Hosur EMC Private Limited(GHEMCPL)
	GMR Airports (Mauritius) Limited (GAML)
	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)
	GMR Aerospace Engineering Limited (GAEL) (formerly known as MAS GMR Aerospace Engineering Company Limited (MGAECL))
	Delhi Airport Parking Services Private Limited (DAPSL)
	GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited (MGATL))
	East Godavari Power Distribution Company Private Limited (EGPDCPL)
	Suzone Properties Private Limited (SUPPL)
	Lilliam Properties Private Limited (LIPPL)
	GMR Utilities Private Limited (GUPL)
	Raxa Security Services Limited (RSSL)

Notes to the standalone financial statements for the year ended March 31, 2018

Description of relationship	Name of the related parties
	Indo Tausch Trading DMCC (Indo Tausch)
	Kakinada Gateway Port Limited (KGPL)[2]
	GMR Goa International Airport Limited (GIAL)[2]
	GMR SEZ Infra Services Limited (GSISL)[2]
	GMR Infra Developers Limited (GIDL)[2]
	GMR Infrastructure Airport Mauritius Limited (GIAML)[11]
Associates / Joint Venture Companies	Rampia Coal Mine and Energy Private Limited (RCMEPL)
	Limak GMR Construction JV (CJV)
	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
	Delhi Cargo Service Centre Private Limited (DCSCPL)
	Delhi Aviation Services Private Limited (DASPL)
	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
	Devyani Food Street Private Limited (DFSPL)
	Delhi Select Services Hospitality Private Limited (DSSHPL)
	Wipro Airport IT Services Limited (WAISL)
	TIM Delhi Airport Advertisment Private Limited (TIM)
	PT Golden Energy Mines Tbk (PTGEMS)
	PT Tanjung Belit Bara Utama (TBBU)
	PT Roundhill Capital Indonesia (RCI)
	PT Kuansing Inti Makmur (KIM)
	PT Trisula Kencana Sakti (TKS)
	PT Borneo Indobara (BIB)
	PT Karya Cemerlang Persada (KCP)
	PT Bungo Bara Utama (BBU)
	PT Bara Harmonis Batang Asam (BHBA)
	PT Berkat Nusantara Permai (BNP)
	PT Bumi Anugerah Semesta (BAS)
	Shanghai Jingguang Energy Co. Ltd (SJECL)
	PT Gems Energy Indonesia (PTGEI)
	Delhi Aviation Fuel Facility Private Limited (DAFF)
	Laqshya Hyderabad Airport Media Private Limited (Laqshya)
	Jadcherla Expressways Private Limited (JEPL) (formerly known as GMR Jadcherla Expressways Limited (GJEPL))[3]
	Ulundurpet Expressways Private Limited (UEPL) (formerly GMR Ulundurpet Expressways Private Limited (GUEPL))[3]
	GEMS Trading Resources Pte. Limited (GEMSCR) (formerly known as GEMS Coal Resources Pte Ltd.)
	Megawide - GISPL Construction JV(MGCJV)
	Asia Pacific Flight Training Academy Limited (APFT)[till October 09, 2017][10]
	East Delhi Waste Processing Company Private Limited (EDWPCPL)
	GMR Megawide Cebu Airport Corporation (GMCAC)
	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)[12]
	GMR Kamalanga Energy Limited (GKEL)

Notes to the standalone financial statements for the year ended March 31, 2018

Description of relationship	Name of the related parties
	Delhi Duty Free Services Private Limited (DDFS)
	GMR Energy Limited (GEL)[4]
	GMR Vemagiri Power Generation Limited (GVPGL)[4]
	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)[4]
	GMR Mining and Energy Private Limited (GMEL)[4]
	GMR Consulting Services Private Limited (GCSPL)[4]
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)[4]
	GMR Warora Energy Limited (GWEL) (Formerly EMCO Energy Limited (EMCO))[4]
	GMR Gujarat Solar Power Private Limited (GGSPPL)[4]
	Himtal Hydro Power Company Private Limited (HHPPL)[4]
	GMR Upper Karnali Hydro Power Limited (GUKPL)[4]
	GMR Energy (Mauritius) Limited (GEML)[4]
	GMR Lion Energy Limited (GLEL)[4]
	GMR Maharashtra Energy Limited (GMAEL)[4]
	GMR Bundelkhand Energy Private Limited (GBEPL)[4]
	GMR Rajam Solar Power Private Limited (GRSPPL) (Formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEPL))[4]
	Karnali Transmission Company Private Limited (KTCPL)[4]
	Marsyangdi Transmission Company Private Limited (MTCPL)[4]
	GMR Indo-Nepal Energy Links Limited (GINELL)[4]
	GMR Indo-Nepal Power Corridors Limited (GINPCL)[4]
	GMR Rajahmundry Energy Limited (GREL) [w.e.f. May 13, 2016][5]
	GMR Chhattisgarh Energy Limited (GCEL) [w.e.f. February 23, 2017][5]
Enterprises where key managerial personnel or their relatives exercise significant influence (Where transactions have taken place)	Welfare Trust of GMR Infra Employees (GWT)
	GMR Varalakshmi Foundation (GVF)
	GMR Family Fund Trust (GFFT)
	GMR Enterprises Private Limited (GEPL) [till August 10, 2016][1]
	Grandhi Enterprises Private Limited (GREPL)[7]
	GEOKNO India Private Limited (GEOKNO)[8]
Fellow Subsidiaries (Where transactions have taken place)	GMR Projects Private Limited (GPPL) [till August 10, 2016][1]
	Grandhi Enterprises Private Limited (GREPL)[7]
	GEOKNO India Private Limited (GEOKNO)[8]
	GMR Airport Global Limited (GAGL)[9]
Key management personnel and their relatives (Where transactions have taken place)	Mr. G.M. Rao (Chairman)
	Mrs. G Varalakshmi (Relative)
	Mr. G.B.S. Raju (Director)
	Mr. Grandhi Kiran Kumar (Managing Director & CEO)
	Mr. Srinivas Bommidala (Director)
	Mr. B.V. Nageswara Rao (Director)
	Mr. Adiseshavataram Cherukupalli (Company Secretary) (Resigned w.e.f. November 14, 2017)
	Mr. Venkat Ramana Tangirala (Appointed w.e.f. November 15, 2017)
	Mr. Jayesh Desai (Resigned w.e.f. February 13, 2017)
	Mr. R S S L N Bhaskarudu (Independent Director)

Notes to the standalone financial statements for the year ended March 31, 2018

Description of relationship	Name of the related parties
	Mr. N C Sarabeswaran (Independent Director)
	Mr. S Sandilya (Independent Director)
	Mr. S Rajagopal (Independent Director)
	Mr. C.R. Muralidharan (Independent Director)
	Mrs. V. Siva Kameswari (Independent Director)
	Mr. V. Santhanaraman (Independent Director) (Retired on September 14, 2016)
	Dr. Prakash G Apte (Independent Director) (Retired on September 14, 2016)
	Mr. Madhva Bhimacharya Terdal (CFO)

Notes

1. During the year ended March 31, 2017, GHPL and GPPL were amalgamated with GEPL pursuant to completion of necessary legal procedures.

2. Subsidiaries incorporated during the year ended March 31, 2017.

3. Ceased to be an associate during the year ended March 31, 2017.

4. Ceased to be a subsidiary and became a joint venture w.e.f. November 4, 2016.

5. Ceased to be a subsidiary on account of Strategic Debt Restructuring (SDR) and became a joint venture on the date of SDR.

6. Ceased to be a subsidiary during the year ended March 31, 2017.

7. Ceased to be an enterprise where key managerial personnel or their relatives exercise significant influence and became a fellow subsidiary during the year ended March 31, 2017.

8. Ceased to be a fellow subsidiary and became an enterprise where key managerial personnel or their relatives exercise significant influence during the year ended March 31, 2017.

9. Ceased to be a subsidiary and became a fellow subsidiary during the year ended March 31, 2017.

10. Cease to be a joint venture and became a subsidiary during the year ended March 31, 2018.

11. Incorporated and amalgamated with GIML during the year ended March 31, 2018.

12. Ceased to be a subsidiary and became an associate during the year ended March 31, 2017.

Notes to the standalone financial statements for the year ended March 31, 2018

b) Summary of transactions and outstanding balances with above related parties are as follows: **(₹ in Crore)**

Nature of Transaction	March 31, 2018	March 31, 2017
i) Interest Income - Gross		
Subsidiary Companies		
- GEL	-	296.78
- GIOL	0.05	-
- GASL	39.33	-
- SJK	20.12	-
- GMRHL	9.21	106.96
- DSPL	20.72	26.04
- GBPSPL	2.32	2.32
- GKSEZ	7.35	20.47
- GAPL	0.21	2.37
- GSPHPL	16.58	34.53
- KSPL	134.18	153.67
- DPPL	0.11	0.10
- GCAPL	1.77	6.07
- GIML	21.50	16.31
- GGAL	17.82	53.83
- NREPL	1.53	0.94
- SUPPL	0.74	0.49
- LIPPL	0.47	0.34
- GPEL	1.34	1.63
- GACEPL	0.04	0.04
- GCORRPL	1.66	1.84
- GKUAEL	0.05	0.04
- GHVEPL	4.44	4.05
- ATSCL	-	0.08
- DIAL	-	4.45
- GWEL	-	0.48
- GADL	0.15	0.15
- GAL	24.58	1.00
- GBHHPL	-	0.44
- GCEL	-	3.97
- GETL	0.33	0.04
- GGSPPL	-	0.37
- GHIAL	15.81	1.31
- GMIAL	-	1.61
- GREL	-	0.08
- GTAEPL	-	0.09
- GTTEPL	0.24	0.26
- MTSCL	-	0.50
- PAPPL [₹ 36,332 (March 31, 2017 : ₹ 36,332)]	0.00	0.00
- PTBSL	0.40	0.44
- GCRPL	2.23	4.33
- GISPL	0.92	1.63
- RSSL	4.49	1.24

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
Associates / Joint venture Companies		
- GOSEHHHPL	0.48	0.48
- GKEL	0.27	0.27
- GEL	1.09	1.24
- GWEL	0.82	0.34
- GBHHPL	0.50	-
- GGSPPL	-	0.01
- GCEL	-	0.36
- GREL	2.28	0.92
ii) Construction revenue		
Subsidiary Companies		
- GCORRPL	10.97	13.33
- GHVEPL	-	0.21
iii) Income from management and other services		
Subsidiary Companies		
- GIML	-	2.72
- GCRPL	-	1.88
iv) Dividend income on current investments		
Subsidiary Company		
- GAL [₹ 14,482 (March 31, 2017: ₹ 10,732)]	0.00	0.00
v) Other income		
Holding company		
- GEPL[f]	19.84	-
Subsidiary Companies		
- GHVEPL [₹ 20,293 (March 31, 2017 : ₹ Nil)	0.00	-
- GACEPL [₹ 9,493 (March 31, 2017 : ₹ Nil)	0.00	-
- GKSEZ	0.14	-
- GGAL [₹ Nil (March 31, 2017: ₹ 37,822)]	-	0.00
Associates / Joint venture Companies		
- GKEL	2.22	-
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GEOKNO	0.02	-
vi) Subcontracting expenses		
Holding company		
- GEPL[f]	0.06	-
Subsidiary Companies		
- GHIAL	0.01	0.02
- GADL	-	0.13
- RSSL	-	0.01
Fellow subsidiary		
- GEOKNO	-	0.47
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GEOKNO	0.53	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
vii) Finance cost		
Subsidiary Companies		
- GAL	3.24	4.86
- DSPL	19.83	3.72
- RSSL	7.63	3.27
- GETL	6.92	-
- GPCL	14.35	-
- GPEL	2.03	-
- GTTEPL	0.49	-
- GTAEPL	0.20	-
- GADL	10.75	12.45
viii) Legal and professional fees		
Subsidiary Companies		
- GKSEZ	-	0.01
- GADL	-	0.05
- GCAPL	13.51	26.58
- GAL	5.98	-
- GBPSPL	1.58	1.09
- GISPL	1.51	-
Associates / Joint venture Companies		
- DAFF	-	0.03
Fellow subsidiary		
- GEOKNO	-	0.36
ix) Lease rental and equipment hire charges		
Subsidiary Companies		
- DIAL	2.17	2.11
- GHIAL	0.01	0.10
Fellow subsidiary		
- GREPL	1.23	0.81
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GFFT	-	0.43
- GREPL	-	0.48
x) Security expenses		
Subsidiary Company		
- RSSL	6.95	8.12
xi) Travelling and conveyance		
Subsidiary Companies		
- GTTEPL	-	0.02
- GTAEPL	-	0.04
- GCORRPL	-	0.08
- GMRHL	-	0.05
- GHIAL [₹ 25,791 (March 31, 2017: ₹ 29,929)]	0.00	0.00
- DIAL	0.01	-
- GHRL [₹ 75,514 (March 31, 2017: ₹ 5,958)]	0.00	0.00
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GVF [₹ Nil (March 31, 2017 : ₹ 68,745]	-	0.01

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
Key management personnel and their relatives		
- Mr. G.M.Rao	0.12	-
- Mr. Grandhi Kiran Kumar	0.21	-
xii) Repairs and maintenance		
Subsidiary Companies		
- GCAPL	0.62	0.71
- DIAL	0.49	0.43
- GHIAL [₹ Nil (March 31, 2017 : ₹ 45,731)]	-	0.00
- GADL	0.52	-
- RSSL	-	0.04
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GFFT	-	0.42
xiii) Rates & Taxes		
Subsidiary Company		
- PAPPL	-	0.12
xiv) Miscellaneous Expenses		
Subsidiary Companies		
- GKSEZ	-	0.01
- KSPL	0.01	-
- GHIAL [₹ Nil (March 31, 2017: ₹ 15,429)]	-	0.00
xv) Staff welfare expense		
Subsidiary Company		
- DIAL	-	0.01
Associates / Joint venture Companies		
- GOSEHHHPL [₹ Nil (March 31, 2017: ₹ 5,900)]	-	0.00
xvi) Expenses incurred by GIL on behalf of others- Cross charges		
a] Cross charges during the year		
Subsidiary Companies		
- ATSCL	-	0.03
- MTSCL	-	0.06
- GCEL	-	7.12
- GGSPPL	-	0.16
- DIAL	20.85	37.70
- GCORRPL	0.35	0.58
- GEL	-	1.33
- GHIAL	12.62	12.68
- GKSEZ	0.52	0.72
- KSPL	2.10	2.85
- GPCL	0.04	0.22
- GSPHPL	0.23	0.33
- GTTEPL	1.30	1.16
- GAPL	0.20	0.36
- GMRHL	0.12	0.29
- GTAEPL	0.98	0.98
- GVPGL	-	0.58
- DSPL	-	0.10
- GWEL	-	4.76

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- GCSPL	-	0.02
- GBHHPL	-	1.15
- GACEPL	0.23	0.39
- GPEL	0.42	0.57
- GETL	8.96	4.07
- GHVEPL	1.07	1.37
- GREL	-	0.35
- GAL	3.78	4.19
- GGAL	0.01	0.01
- GPIL (₹ 31,626) (March 31, 2017: ₹ 39,078)	0.00	0.00
- RSSL	0.70	0.55
Associates / Joint venture Companies		
- GEL	0.52	0.95
- GVPGL	0.35	0.42
- GWEL	5.61	3.40
- GCSPL	0.02	0.01
- GBHHPL	2.19	0.82
- GGSPPL	0.11	0.11
- GCEL	0.03	0.65
- GREL	-	3.81
- GKEL	5.66	8.58
b] Reimbursement of expenses		
Subsidiary Company		
- GAL	-	1.02
Fellow subsidiary		
- GEOKNO	-	0.23
xvii) Logo Fees		
Holding company		
- GEPL[f] [₹ 1,000 (March 31, 2017: ₹ 1,000)]	0.00	0.00
xviii) Provision for doubtful debts		
Subsidiary Companies		
- GCORRPL	0.11	1.22
- GHVEPL	0.27	0.61
- GTTEPL	0.01	-
- GPEL	0.72	-
Associates / Joint venture Companies		
- JEPL	0.47	-
- GKEL	0.18	-
- GWEL	1.26	1.59
xix) Provision for doubtful debts, (written back)		
Subsidiary Company		
- GCORRPL	3.89	-
xx) Provision for diminution in value of investments		
Subsidiary Companies		
- GSPHPL	86.99	-
- GMRHL	633.68	736.07
- GGAL	671.21	2,715.39
- GAPL	-	108.35

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction		March 31, 2018	March 31, 2017
	Associates / Joint venture Companies		
	- GEL	-	94.35
xxi)	Provision for doubtful loans		
	Subsidiary Company		
	- GASL	45.41	-
xxii)	Security deposit refunded / adjusted		
	Subsidiary Company		
	- HFEPL	1.25	1.26
	Enterprises where key managerial personnel or their relatives exercise significant influence		
	- GFFT	-	0.82
xxiii)	Purchase of property, plant and equipment		
	Holding company		
	- GEPL[f]	0.71	-
	Subsidiary Company		
	- GKUAEL	-	0.19
xxiv)	Investment in equity shares of		
	Subsidiary Companies		
	- GIDL	-	0.05
	- GGAL	148.05	-
	- GASL [₹ Nil (March 31, 2017: ₹ 1]	-	0.00
xxv)	Investment in debentures of		
	Subsidiary Company		
	- GSPHPL	-	6.50
xxvi)	Redemption of debentures of		
	Subsidiary Companies		
	- GKSEZ	82.05	-
	- GSPHPL	254.50	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
xxvii) Loans given to		
Subsidiary Companies		
- GASL	424.82	-
- GAL	430.00	-
- GEL	-	1,038.72
- GGAL	350.45	235.14
- NREPL	-	12.46
- SUPPL	-	6.50
- LIPPL	-	5.04
- GMRHL	553.44	345.07
- GIOL	31.21	-
- SJK	391.87	-
- DSPL	274.85	189.68
- KSPL	92.94	481.89
- GKSEZ	63.50	8.05
- GSPHPL	2.89	-
- GETL	58.00	-
- GIML	177.78	181.03
- RSSL	64.31	-
xxviii) Loans repaid by		
Subsidiary Companies		
- GIML	140.27	134.76
- GAL	99.57	-
- GMRHL	799.78	230.53
- DSPL	274.85	254.24
- GEL	-	732.65
- GKSEZ	81.08	-
- LIPPL	0.69	1.00
- GGAL	330.35	288.48
- SJK	3.35	-
- KSPL	454.54	285.97
- RSSL	-	24.00
- GETL	58.00	-
- SPPL	1.26	-
- GCAPL	39.35	-
- GASL	21.80	-
- RSSL	18.84	-
- GSPHPL	132.31	-
xxix) Debentures converted into equity		
Subsidiary Company		
- GAPL	-	98.65
xxx) Loans converted into equity		
Subsidiary Companies		
- GMRHL	-	989.39
- GGAL	-	4,051.35

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- GAPL	-	32.50
xxxi) Accrued interest on loans and debentures converted into equity		
Subsidiary Company		
- GAPL	-	26.49
xxxii) Loans received from		
Subsidiary Companies		
- GAL	100.00	60.00
- DSPL	573.18	214.00
- GPCL	364.72	-
- GETL	138.18	-
- GTTEPL	7.00	-
- GPEL	37.32	-
- GTAEPL	3.50	-
- RSSL	-	75.00
xxxiii) Loans repaid to		
Holding Company		
- GEPL[f]	0.07	-
Subsidiary Companies		
- GTTEPL	1.47	-
- GTAEPL	1.39	-
- GAL	36.50	83.50
- GADL	18.28	-
- DSPL	272.98	214.00
- GPCL	29.11	-
- RSSL	1.50	7.50
xxxiv) Loans (receivable) novated to		
Subsidiary Companies		
- DSPL from GASL	317.86	-
- GGAL from GEL	-	3,321.07
xxxv) Loans and interest (payable) adjusted against		
Subsidiary Company		
- GASL from DSPL	317.86	-
xxxvi) Debentures novated to GGAL		
Subsidiary Company		
- GEL	-	867.50
xxxvii) Equity recouped on account of early conversion/ modification of preference shares/ debentures/ loans		
Subsidiary Companies		
- GMRHL	-	512.76
- GGAL	-	1,504.47
- GSPHPL	-	65.10
- GTTEPL	-	12.32
- GTAEPL	-	9.64
- GACEPL	-	15.70
- GCORRPL	12.60	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- GPEL	26.28	-
Associates / Joint venture Companies		
- GEL	-	74.89
xxxviii) Additional equity on account of financial guarantees		
Subsidiary Companies		
- GGAL	7.53	0.88
- GCRPL	-	11.54
- GISPL	-	0.21
- GTTEPL	-	0.28
- GETL	3.55	0.06
- GREL	-	44.46
- GMRHL	12.18	-
- GAPL	0.29	-
- RSSL	1.91	0.86
- GSPHPL	1.60	-
Associates / Joint venture Companies		
- GBHHPL	-	2.58
xxxix) Additional Equity on account of loans at concessional rate of interest		
Subsidiary Companies		
- GMRHL	-	32.91
- GGAL	-	3.01
- GEL	-	206.40
xl) Additional equity on account of preference shares and debentures at concessional rate of interest		
Subsidiary Companies		
- GAPL	-	2.12
- GEL	-	58.43
xli) Preference Shares converted to equity		
Subsidiary Companies		
- GGAL	-	2,120.90
- GMRHL	-	843.54
xlii) Conversion of 4,450,000 8% non-cumulative redeemable preference shares of ₹ 100 each to 4,450,000 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each		
Subsidiary Company		
- GPEL	44.50	-
xliii) Conversion of 2,192,500 6% non-cumulative redeemable preference shares of ₹ 100 each to 2,192,500 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each		
Subsidiary Company		
- GCORRPL	21.93	-
xliv) Conversion of 249,000,000 0% unsecured compulsorily convertible debentures of ₹ 10 each to 249,000,000 0% unsecured optionally convertible debentures of ₹ 10 each		
Subsidiary Company		
- GSPHPL	249.00	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
xlv) Conversion of 12,900 12.25% unsecured optionally convertible cumulative debentures of ₹ 100,000 each to 12,900 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each		
Subsidiary Company		
- GSPHPL	129.00	-
xlvi) Conversion of 926 12% unsecured optionally convertible cumulative debentures of ₹ 100,000 each to 926 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each		
Subsidiary Company		
- GSPHPL	9.26	-
xlvii) Advance received from customers		
Subsidiary Companies		
- GCORRPL	5.65	-
- GPEL	-	7.75
- GKSEZ	0.02	-
Associates / Joint venture Companies		
- GKEL	5.44	-
xlviii) Advance repaid/ adjusted to customers		
Subsidiary Companies		
- GMRHL	1.29	-
- GPEL	7.75	-
Associates / Joint venture Companies		
- GKEL	1.21	-
xlix) Non-trade payables repaid/ adjusted to customers		
Holding Company		
- GEPL[f]	10.26	-
l) Corporate Guarantees/ Comfort Letters given on behalf of		
Subsidiary Companies		
- GISPL	-	321.44
- GMRHL	885.00	-
- GSPHPL	150.00	-
- GCORRPL	55.50	-
- GAPL	55.00	10.00
- GADL	-	18.00
- RSSL	150.00	100.00
- GETL	285.00	25.00
- GGAL	600.00	149.00
- GTTEPL	-	105.00
- GCRPL	-	2,860.16
- GBPSPL	1.10	-
Associates / Joint venture Companies		
- GREL	-	2,571.71
- GBHHPL	-	200.00

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
li) Corporate Guarantees/ Comfort Letters extinguished on behalf of		
Subsidiary Companies		
- GAPL	221.44	-
- GAL	500.00	-
- KSPL	250.00	-
- GIML	-	968.17
- GHIAL	-	1,480.00
- GISPL	-	469.04
- DIAL	-	377.11
- ATSCL	-	13.20
- GCRPL	-	3,391.52
- GMRHL	-	450.00
- GTTEPL	-	105.00
- GMIAL	-	2,620.72
- MTSCL	-	18.70
- RSSL	30.00	-
Associates / Joint venture Companies		
- GEL	150.00	1,641.00
- GGSPPL	-	35.00
lii) Bank Guarantees extinguished on behalf of		
Subsidiary Company		
- GMRHL	-	2.13
Fellow subsidiary		
- GEOKNO	-	1.18
liii) Managerial remuneration to		
(a) Key management personnel and their relatives		
- Mr. G.M. Rao	0.78	0.71
- Mr. Grandhi Kiran Kumar	-	1.27
- Mr. Adiseshavataram Cherukupalli	0.64	0.84
- Mr. Venkat Ramana Tangirala	0.23	-
- Mr. Madhva Bhimacharya Terdal	2.17	1.96
(b) Sitting fees paid to independent directors		
- Dr. Prakash G. Apte	-	0.01
- Mr. R S S L N Bhaskarudu	0.06	0.06
- Mr. N C Sarabeswaran	0.05	0.05
- Mr. S. Sandilya	0.02	0.02
- Mr. S. Rajagopal	0.04	0.04
- Mr. V. Santhanaraman	-	0.02
- Mr. C.R. Muralidharan	0.02	0.02
- Mrs. V. Siva Kameswari	0.04	0.05
(c) Expenses include the following remuneration to the Key Management Personnel		
- Short-term employee benefits	3.82	4.78
- Sitting fees paid to independent directors	0.23	0.27
- Other benefits[e]	-	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction		March 31, 2018	March 31, 2017
liv)	**Purchase of Equity Shares**		
	Subsidiary Company	-	0.00
	- GHIAL [₹ Nil (March 31, 2017: ₹ 1]		
lv)	**Outstanding balances as at the year ended**		
	a) Loans receivable – Non-Current		
	Subsidiary Companies		
	- GIML	267.29	229.05
	- KSPL	921.68	1,303.75
	- GBPSPL	18.95	18.95
	- GSPHPL	2.89	90.50
	- GKSEZ	58.83	76.41
	- RSSL	45.47	-
	- GGAL	103.99	83.88
	- NREPL	12.46	12.46
	- SUPPL	5.24	6.50
	- SJK	388.53	-
	- GASL (net of impairment of ₹ 45.41 crore as at March 31, 2018)	39.75	-
	- GIOL	31.36	-
	- GAL	330.43	-
	- LIPPL	3.35	4.04
	b) Loans receivable – Current		
	Subsidiary Companies		
	- GCAPL	-	39.35
	- GMRHL	58.21	304.55
	- KSPL	58.00	37.53
	- GSPHPL	-	41.81
	c) Cross Charge Receivable		
	Holding Company		
	- GEPL[f]	0.13	0.13
	Subsidiary Companies		
	- GETL	0.62	3.28
	- GKSEZ	-	0.07
	- GPIL	-	0.01
	- GADL [₹ Nil (March 31, 2017 : ₹ 43,332)]	-	0.00
	- GHVEPL	10.11	8.85
	- DIAL	1.92	12.23
	- GHIAL	2.73	4.14
	- KSPL	-	5.30
	- GAPL	0.98	1.26
	- GTTEPL	1.01	0.78
	- GTAEPL	0.61	0.50
	- GPCL	0.30	0.22
	- GMRHL	0.01	0.34
	- GCORRPL	3.00	2.86
	- GSPHPL	0.24	0.19
	- GAL	2.41	2.10

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- DSPL	0.12	0.12
- GPEL	0.09	0.65
- GGAL	0.01	-
- GCSPL	0.01	-
- GACEPL	1.15	0.88
- RSSL	0.38	0.63
- GGIAL	0.12	-
- GCCL	0.00	-
- GCAPL	4.36	-
- GBPSPL	-	0.15
Associates / Joint venture Companies		
- GEL	1.34	0.82
- GVPGL	0.01	-
- GBHHPL	2.55	1.26
- GWEL	14.54	8.25
- GGSPPL	0.18	0.05
- GCEL	2.45	2.45
- GKEL	14.33	19.25
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GFFT	0.05	-
d) Advances other than capital advances		
Subsidiary Companies		
- GAPL	-	2.00
- GAL [₹ 45,450]	0.00	0.24
- GKSEZ	0.05	-
- RSSL	0.02	-
- KSPL [₹ 34,800 (March 31, 2017: ₹ Nil)]	0.00	-
- GCSPL [₹ 7,244 (March 31, 2017: ₹ Nil)]	0.00	-
Fellow subsidiaries		
- GEOKNO	-	0.44
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GEOKNO	0.28	-
e) Security deposits receivable - Non current		
Holding Company		
- GEPL[f]	-	0.02
Subsidiary Companies		
- GHIAL	0.04	0.04
- RSSL	0.28	0.28
f) Security deposits receivable - Current		
Subsidiary Company		
- HFEPL	-	1.25
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GFFT	0.53	0.53

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
g) Trade receivables- Non Current		
Subsidiary Company		
- GCORRPL	2.90	1.17
Provision for doubtful receivables:		
- GCORRPL	0.64	-
h) Trade receivables- Current		
Holding Company		
- GEPL[f]	6.52	-
Subsidiary Companies		
- GMRHL	-	1.30
- GHEMCPL	0.02	-
- GCORRPL	-	7.82
- GIML	1.31	1.31
- GHVEPL	0.41	3.57
- GACEPL [₹ 10,870 (March 31, 2017 : ₹ Nil)]	0.00	-
- GTTEPL [₹ 24,000 (March 31, 2017 : ₹ Nil)]	0.00	-
Associates / Joint venture Companies		
- JEPL	-	0.47
- GWEL	1.40	6.61
- GKEL	-	1.21
Provision for doubtful receivables:		
Subsidiary Company		
- GHVEPL	0.05	0.22
Associates / Joint venture Companies		
- GWEL	0.42	4.78
i) Unbilled revenue - Current		
Subsidiary Companies		
- GCORRPL	-	5.59
- GHVEPL	5.43	5.69
- GMRHL	-	0.72
- GTTEPL	-	0.01
Associates / Joint venture Companies		
- GWEL (net of advance)	-	0.40
- GKEL	-	0.18
Provision for doubtful receivables:		
Subsidiary Companies		
- GCORRPL	-	3.89
- GHVEPL	1.09	0.39
j) Accrued interest on loans given		
Subsidiary Companies		
- GASL	37.77	-
- GMRHL	3.38	24.97
- DSPL	-	3.43
- GCAPL	0.05	4.35
- GETL	0.11	-

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- GIML	14.87	15.00
- GIOL	0.05	-
- KSPL	67.31	152.90
- GKSEZ	2.96	8.95
- GBPSPL	5.26	2.94
- GSPHPL	1.47	16.21
- GGAL	3.19	1.50
- NREPL	2.37	0.85
- SUPPL	0.74	0.44
- SJK	4.01	-
- LIPPL	0.47	0.31
- RSSL	4.12	-
k) Accrued interest on investment in debentures		
Subsidiary Companies		
- GKSEZ	0.80	11.55
- GSPHPL	12.79	1.47
- DPPL ₹ 31,859 (March 31, 2017: ₹ 18,373)	0.00	0.00
Associates / Joint venture Companies		
- GEL	-	0.02
l) Loans payables – Non Current		
Subsidiary Companies		
- RSSL	66.00	67.50
- GPCL	22.40	-
- GETL	138.18	-
- GADL	33.16	52.94
m) Loans payables – Current		
Holding Company		
- GEPL[f]	-	0.07
Subsidiary Companies		
- GTTEPL	5.53	-
- GPCL	313.22	-
- GPEL	37.32	-
- GTAEPL	2.11	-
- GAL	100.00	36.50
- GADL	28.61	25.19
n) Trade payables - Current		
Holding Company		
- GEPL[f]	-	0.97
Subsidiary Companies		
- GMRHL	0.21	0.21
- GHIAL	0.13	0.11
- GHVEPL	0.04	0.04
- GACEPL [₹ 28,423 (March 31, 2017 : ₹ Nil)]	0.00	-
- GHRL [₹ 12,878 (March 31, 2017 : ₹ 6,443)	0.00	0.00
- GAL	6.09	0.54

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
- GISPL	1.52	-
- GCAPL	-	3.12
- GBPSPL	1.21	1.08
- DIAL	0.02	0.01
- GKSEZ	0.16	0.02
- KSPL	0.21	-
- GPEL (March 31, 2017 : ₹ 3,588)	0.02	0.00
- GTTEPL	0.02	0.02
- RSSL	8.38	4.86
- GGAL [₹ Nil (March 31, 2017 : ₹ 24,228)	-	0.00
- GKUAEL	0.26	0.26
- GCORRPL	0.08	0.08
- GTAEPL	0.05	0.04
- GADL	0.66	0.34
Fellow Subsidiaries		
- GREPL	-	0.34
Associates / Joint venture Companies		
- GVPGL	-	0.40
- GCSPL	-	0.01
- GWEL [₹ Nil (March 31, 2017 : ₹ 24,232)]	-	0.00
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GFFT	0.15	0.15
- GEOKNO	0.10	-
Key management personnel and their relatives		
- Mr. G.M.Rao	0.01	0.41
- Mr. Grandhi Kiran Kumar	0.21	1.27
- Mr. G.B.S. Raju	-	0.01
- Mr. R.S.S.L.N. Bhaskarudu	-	0.01
- Mr. N.C. Sarabeswaran (₹ 23,547)	0.00	0.01
- Mr. S. Rajagopal	-	0.01
- Mr. C.R. Muralidharan	-	0.01
- Mrs. V. Siva Kameswari	-	0.01
o) Accrued interest but not due on borrowings		
Subsidiary Companies		
- GTTEPL	0.44	-
- GPEL	1.83	-
- GTAEPL	0.18	-
- DSPL	0.18	-
- GETL	1.07	-
- GPCL	8.67	-
- RSSL	-	0.01
p) Accrued interest and due on borrowings		
Subsidiary Company		
- GADL	-	5.97

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
q) Non Trade payables - Current		
Holding Company		
- GEPL[f]	-	10.26
Associates / Joint venture Companies		
- GREL	3.39	3.39
r) Advance from customers - Current		
Subsidiary Companies		
- GMRHL	0.01	1.30
- GPEL	-	7.75
- GKSEZ	0.02	-
- GCORRPL	5.65	-
Associates / Joint venture Companies		
- GKEL	9.78	5.55
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GEOKNO [₹ 8,183 (March 31, 2017 : ₹ Nil)	0.00	-
s) Corporate Guarantees/ Comfort Letters sanctioned on behalf of		
Subsidiary Companies		
- GADL	118.00	118.00
- GAPL	55.00	221.44
- GCORRPL	842.28	786.78
- GCRPL	2,848.82	2,860.16
- PAPPL	3.60	3.60
- GHVEPL	1,690.00	1,690.00
- GISPL	2,465.07	2,337.58
- GMRHL	885.00	-
- KSPL	150.00	400.00
- GSPHPL	150.00	-
- PTBSL	373.74	375.23
- GETL	370.00	85.00
- GAL	-	500.00
- GTTEPL	105.00	105.00
- GTAEPL	45.00	45.00
- GGAL	749.00	149.00
- RSSL	250.00	130.00
- GBPSPL	1.10	-
Associates / Joint venture Companies		
- GEL	768.00	918.00
- GWEL	1,210.50	1,210.50
- GKEL	400.00	400.00
- GCEL	1,858.24	1,860.71
- GBHHPL	1,745.00	1,745.00
- GREL	2,571.71	2,571.71
- GOSEHHHPL	1,080.00	1,080.00

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in crore)

Nature of Transaction	March 31, 2018	March 31, 2017
t) Bank Guarantee outstanding on behalf of		
Subsidiary Company		
- GKSEZ	45.66	45.66
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GEOKNO	1.30	1.30

Notes:

a. The Company has provided securities by way of pledge of investments for loans taken by certain Companies (refer note 5).

b. The Holding Company has pledged certain shares held in the Company as security towards the borrowings of the Company.

c. Also refer note 5 on non-current investments and current investments.

d. Also refer note 16 for long term borrowings and short term borrowings as regards security given by related parties for loans availed by the Company.

e. As the liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors are not included.

f. Refer note 33(a)(1).

g. The Company has entered into sub-contract agreements with unincorporated joint ventures formed by the Company and other joint venturer under joint operation arrangements. Such joint ventures are rendering services ultimately to an unrelated party. Accordingly, the transactions entered on account of such sub-contract arrangement with the unincorporated joint ventures have not been disclosed above.

34. Gratuity and other post-employment benefit plans

a) Defined contribution plan

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Provident and pension fund	3.14	3.66
Superannuation fund	1.10	1.52
Total*	**4.24**	**5.18**

* Gross of ₹ 0.97 crore (March 31, 2017 : ₹ 1.34 crore) towards contribution to provident fund and ₹ 0.58 crore (March 31, 2017 ₹ 0.83 crore) towards contribution to superannuation fund cross charged to certain subsidiaries.

b) Defined benefit plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the standalone statement of profit and loss and the funded status and amounts recognised in the standalone balance sheet for gratuity benefit.

i. Net benefit expenses (recognized in the standalone statement of profit and loss)

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Current service cost	0.98	0.86
Past service cost - plan amendments	0.41	-
Net interest cost on defined benefit obligations/ (assets)	0.18	0.21
Net benefit expenses*	**1.57**	**1.07**

* Gross of ₹ 0.65 crore (March 31, 2017: ₹ 0.81 crore) cross charged to certain subsidiaries.

Notes to the standalone financial statements for the year ended March 31, 2018

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

Particulars	March 31, 2018	March 31, 2017
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(0.39)	0.61
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	(0.09)	0.21
Actuarial (gain) / loss arising during the year	**(0.48)**	**0.82**
Return on plan assets (greater)/ less than discount rate	(0.01)	0.01
Actuarial (gain)/ loss recognised in OCI	**(0.49)**	**0.83**

iii. Net defined benefit asset/ (liability) (₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	(2.58)	(4.12)
Fair value of plan assets	1.55	0.75
Plan (liability)/asset	**(1.03)**	**(3.37)**

iv. Changes in the present value of the defined benefit obligation are as follows: (₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Opening defined benefit obligation	4.12	3.98
Current service cost	0.98	0.86
Interest cost on the defined benefit obligation	0.26	0.26
Past service cost- plan amendments	0.41	-
Benefits paid	(0.95)	(1.25)
Acquistion adjustment	(1.76)	(0.55)
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(0.39)	0.61
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	(0.09)	0.21
Closing defined benefit obligation	**2.58**	**4.12**

v. Changes in the fair value of plan assets are as follows: (₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Opening fair value of plan assets	0.75	0.59
Interest income on plan assets	0.08	0.05
Contributions by employer	3.41	1.16
Benefits paid	(0.95)	(1.25)
Return on plan assets (lesser)/ greater than discount rate	0.01	(0.01)
Acquisition adjustment	(1.75)	0.21
Closing fair value of plan assets	**1.55**	**0.75**

The Company expects to contribute ₹ 3.41 crore (March 31, 2017: ₹ 1.16 crore) towards gratuity fund in 2018-19.

Notes to the standalone financial statements for the year ended March 31, 2018

vi. The following pay-outs are expected in future years: (₹ in crore)

Particulars	March 31, 2018
March 31, 2019	0.57
March 31, 2020	0.29
March 31, 2021	0.30
March 31, 2022	0.22
March 31, 2023	0.37
March 31, 2024 to March 31, 2028	3.09

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2017: 10 years).

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

Particulars	March 31, 2018	March 31, 2017
Investments with insurer	100%	100%

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

Particulars	March 31, 2018	March 31, 2017
Discount rate (in %)	7.60%	7.10%
Salary escalation (in %)	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality rate	Refer Note 4 below	Refer Note 4 below

Notes:

1. Plan assets are fully represented by balance with the Life Insurance Corporation of India.
2. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
3. The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. As per Indian Assured Lives Mortality (2006-08) (modified) Ultimate.

ix. A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Discount rate		
Impact on defined benefit obligation due to 1% increase in discount rate	(0.16)	(0.29)
Impact on defined benefit obligation due to 1% decrease in discount rate	0.19	0.34
Salary escalation rate		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	0.18	0.27
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(0.16)	(0.25)
Attrition Rate		
Impact on defined benefit obligation due to 1% increase in attrition rate [₹ (47,919)]	(0.00)	0.01
Impact on defined benefit obligation due to 1% decrease in attrition rate [₹ 24,696]	0.00	(0.02)

The sensitivity analysis 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.

Notes to the standalone financial statements for the year ended March 31, 2018

35. Segment information- Disclosure pursuant to Ind AS 108 "Operating Segment"

(a) Basis of identifying operating segments, reportable segments, segment profit and definition of each reportable segment and segment composition:

(i) **Basis of identifying operating segments:**

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

(ii) **Reportable segments:**

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) **Segment profit:**

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's Chief Executive Officer.

(iv) **Segment composition:**

a) EPC- Handling of engineering, procurement and construction solutions in infrastructure sector

b) Others - Investment activity and corporate support to various infrastructure SPVs.

(b) Information about reportable segment

(₹ in crore)

Particulars	EPC		Others		Unallocated		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Revenue								
External revenue*	736.13	392.77	369.88	787.00	-	-	1,106.01	1,179.77
Inter segment revenue	-	-	-	-	-	-	-	-
Total segment revenue	**736.13**	**392.77**	**369.88**	**787.00**	**-**	**-**	**1,106.01**	**1,179.77**
Segment results	**(27.14)**	**(34.09)**	**355.38**	**748.97**	**-**	**-**	**328.24**	**714.88**
Less:								
a. Finance costs	-	-	-	-	(821.61)	(744.74)	(821.61)	(744.74)
b. Exceptional items (refer note 29)	-	-	(1,437.29)	(3,654.16)	-	-	(1,437.29)	(3,654.16)
(Loss)/Profit before tax	**(27.14)**	**(34.09)**	**(1,081.91)**	**(2,905.19)**	**(821.61)**	**(744.74)**	**(1,930.66)**	**(3,684.02)**
Tax expenses	-	-	-	-	0.09	0.09	0.09	0.09
(Loss)/Profit after tax	**(27.14)**	**(34.09)**	**(1,081.91)**	**(2,905.19)**	**(821.70)**	**(744.83)**	**(1,930.75)**	**(3,684.11)**

*Revenue from one external customer in EPC segment amounting to ₹ 651.42 crore (March 31, 2017: ₹ 285.70 crore), and from related parties under common control in Others segment amounting to ₹ 356.15 crore (March 31, 2017: ₹ 759.53 crore) contributed to more than 10% of the entity's total revenue.

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in crore)

Other Information	EPC		Others		Unallocated		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Segment assets	885.63	666.61	11,179.61	12,589.89	138.33	184.46	12,203.57	13,440.96
Segment liabilities	568.36	618.56	187.67	186.46	6,853.63	6,118.74	7,609.66	6,923.76
Capital employed	317.27	48.05	10,991.94	12,403.43	(6,715.30)	(5,934.28)	4,593.91	6,517.20

(₹ in crore)

Particulars	Depreciation, amortization and impairment include in segment expense		Other non-cash expenses included in segment expense	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
EPC	17.27	14.01	18.78	16.13
Others	1,439.08	3,656.28	-	-
Segment total	**1,456.35**	**3,670.29**	**18.78**	**16.13**
Unallocated	-	-	-	0.70
Total	**1,456.35**	**3,670.29**	**18.78**	**16.83**

Reconciliation to amounts reflected in the financial statements.
Reconciliation of assets

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Segment assets	**12,065.24**	**13,256.50**
Deferred tax assets (net)	97.23	97.23
Non-current tax assets (net)	34.68	85.73
Ancillary cost of arranging the borrowings	6.42	1.09
Others	-	0.41
Total assets	**12,203.57**	**13,440.96**

Notes to the standalone financial statements for the year ended March 31, 2018

Reconciliation of liabilities (₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Segment liabilities	**756.03**	**805.02**
Non-current and current borrowings	5,953.48	5,204.39
Current maturities of long-term borrowings	821.11	763.37
Interest accrued but not due on borrowings	68.40	57.10
Interest accrued and due on borrowings	-	76.03
Foreign exchange forward contracts	0.31	1.57
Trade payable	3.65	9.19
Provision for debenture redemption premium	1.50	1.91
Liabilities for current tax (net)	5.18	5.18
Total liabilities	**7,609.66**	**6,923.76**

(c) Geographic information (₹ in crore)

Particulars	Segment revenue**		Non-current assets***	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
India	1,084.46	1,160.38	140.29	71.47
Outside India	21.55	19.39	-	-
Total	**1,106.01**	**1,179.77**	**140.29**	**71.47**

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

***Non-current assets for this purpose consist of property, plant and equipment, intangible assets and capital work in progress.

36 Commitments and contingencies

I Leases

Operating lease: Company as lessee

Office premises and equipments taken by the Company are obtained on operating leases. The Company entered into certain cancellable operating lease arrangements towards office premises. The equipments are taken on hire on need basis. There are no restrictions imposed by lease arrangements. There are no subleases. The lease rentals charged during the year as per the lease agreement are as follows:

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Lease rentals under cancellable leases [net of ₹ 5.27 crore (March 31, 2017 ₹ 5.42 crore) cross charged to certain subsidiaries, associates and joint ventures]	40.44	19.96

II Contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Notes to the standalone financial statements for the year ended March 31, 2018

(₹ in crore)

Particulars of guarantees	As at	
	March 31, 2018	March 31, 2017
Corporate guarantees availed by the group Companies		
(a) sanctioned	19,421.07	18,275.51
(b) outstanding	13,508.06	11,995.72
Bank guarantees		
(a) sanctioned	912.61	910.21
(b) outstanding	854.04	882.23
Letter of comfort provided on behalf of group Companies to banks		
(a) sanctioned	1,629.00	1,629.00
(b) outstanding	1,018.10	686.19

Litigations

The Company is involved in legal proceedings, both as plaintiff and as defendant. The Company believes the following claims to be of material nature.

(₹ in crore)

Other disputes	As at	
	March 31, 2018	March 31, 2017
Matters relating to indirect taxes under dispute	47.85	47.05
Matters relating to direct taxes under dispute[1,2]	244.32	154.55
Claims against the company not acknowledged as debts	8.37	9.40

Income Tax

1 The Company has ongoing disputes with Income Tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Company as deductions and the computation of, or eligibility of the Company's use of certain tax incentives or allowances, transfer pricing adjustments for related parties transactions etc. Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

2 Further, a search under Section 132 of the Income Tax Act, 1961 ('IT Act') was carried out at the premises of the Company by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates thereafter during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The Income Tax Department has subsequently sought certain information / clarifications and block assessment had been completed for certain years and the Company had received orders/ demand under Section 143(3) r.w.s.153A of the IT Act from the Income Tax Authorities in respect to Assessment Years ('AY') 2007-08 to 2013-14. Further, during the current year, the Company has received orders/ demand amounting to ₹ 75.54 crore under Section 143(3) r.w.s.144C of IT Act from the Income Tax Authorities in respect to Assessment year 2014-15 and 2015-16. The management of the Company has filed the appeals against the above orders and believes that these demands are not tenable and it has complied with all the applicable provisions of the IT Act with respect to its operations. The above amount has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

3 Also refer note 5(12).

III Commitments

a. Capital commitments

(₹ in crore)

Particulars	As at	
	March 31, 2018	March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	59.28	111.92

Notes to the standalone financial statements for the year ended March 31, 2018

b. Other commitments

1 **The Company has committed to provide financial assistance as tabulated below:** (₹ in crore)

Nature of relationship	Outstanding commitment for financial assistance	
	March 31, 2018	March 31, 2017
Subsidiaries	1,096.31	782.08
Joint Ventures / Associates	375.36	375.36
Total	**1,471.67**	**1,157.44**

2 The Company has extended comfort letters to provide continued financial support to certain subsidiaries/ joint ventures/ associates to ensure that these subsidiaries are able to meet their debts, commitments (including commitments towards investee entities) and liabilities as they fall due and they continue as going concerns.

3 The Company has entered into agreements with the lenders of certain group companies wherein it has committed to hold directly or indirectly at all times at least 51% of the equity share capital of the group companies and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.

4 The Company has certain long term unquoted investments which have been pledged as security towards loan facilities sanctioned to the Company and the investee Companies [refer note 5].

5 During the year ended March 31, 2014, the Company along with its subsidiaries entered into a definitive agreement ('SPA') with Malaysia Airports MSC Sdn Bhd ('Buyer') for sale of 40% equity stake in their joint ventures, ISG , LGM. Pursuant to the SPA entered with the buyer, the Company along with its subsidiaries had provided a guarantee of Euro 4.50 Crore towards tax claims, as specified in the SPA for a period till May 2019.

6 For commitment relating to FCCBs [refer note 16 (2)].

37. Disclosures on Financial instruments

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

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.2 (b) and 2.2 (n), to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018 and March 31, 2017.

As at March 31, 2018 (₹ in crore)

Particulars		Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Financial assets						
(i)	Investments (other than investments in subsidiaries, associates and joint ventures)	26.60	-	-	26.60	26.60
(ii)	Loans	-	-	2,410.92	2,410.92	2,410.92
(iii)	Trade receivables	-	-	117.08	117.08	117.08
(iv)	Cash and cash equivalents	-	-	76.15	76.15	76.15
(v)	Bank balances other than cash and cash equivalents	-	-	16.53	16.53	16.53
(vi)	Other financial assets	-	-	826.30	826.30	826.30
Total		**26.60**	**-**	**3,446.98**	**3,473.58**	**3,473.58**

Notes to the standalone financial statements for the year ended March 31, 2018

Particulars		Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Financial liabilities						
(i)	Borrowings	-	-	6,774.59	6,774.59	6,774.59
(ii)	Trade payables	-	-	333.48	333.48	333.48
(iii)	Foreign exchange forward contracts	-	0.31	-	0.31	0.31
(iv)	Other financial liabilities	-	-	75.96	75.96	75.96
(v)	Financial guarantee contracts	-	-	112.56	112.56	112.56
Total		**-**	**0.31**	**7,296.59**	**7,296.90**	**7,296.90**

As at March 31, 2017 (₹ in crore)

Particulars		Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Financial assets						
(i)	Investments (other than investments in subsidiaries, associates and joint venture)	6.77	-	-	6.77	6.77
(ii)	Loans	-	-	2,325.95	2,325.95	2,325.95
(iii)	Trade receivables	-	-	110.11	110.11	110.11
(iv)	Cash and cash equivalents	-	-	31.47	31.47	31.47
(v)	Bank balances other than cash and cash equivalents	-	-	13.59	13.59	13.59
(vi)	Other financial assets	-	-	682.65	682.65	682.65
Total		**6.77**	**-**	**3,163.77**	**3,170.54**	**3,170.54**
Financial liabilities						
(i)	Borrowings	-	-	5,967.76	5,967.76	5,967.76
(ii)	Trade payables	-	-	219.55	219.55	219.55
(iii)	Foreign exchange forward contracts	-	1.57	-	1.57	1.57
(iv)	Other financial liabilities	-	-	146.78	146.78	146.78
(v)	Financial guarantee contracts	-	-	118.15	118.15	118.15
Total		**-**	**1.57**	**6,452.24**	**6,453.81**	**6,453.81**

(i) Investments in mutual funds and derivative instruments are mandatorily classified as fair value through statement of profit and loss.

(ii) As regards the carrying value and fair value of investments in subsidiaries, associates and joint ventures, refer note 5.

(b) Fair value hierarchy

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

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

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

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2018				
Financial assets				
Investment in mutual funds	26.60	26.60	-	-
Financial liabilities				
Foreign exchange forward contracts	0.31	-	0.31	-
March 31, 2017				
Financial assets				
Investment in mutual funds	6.77	6.77	-	-
Financial liabilities				
Foreign exchange forward contracts	1.57	-	1.57	-

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Foreign exchange forward contracts are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

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

(iv) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2018 and March 31, 2017.

(v) Fair value of mutual funds is determined based on the net asset value of the funds.

(c) Financial risk management objectives and policies

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

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

Market risk

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

(a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Notes to the standalone financial statements for the year ended March 31, 2018

Interest rate sensitivity

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

(₹ in crore)

Particulars	Increase in basis points	Effect on profit before tax
March 31, 2018		
INR	+50	(14.93)
March 31, 2017		
INR	+50	(13.32)

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

(b) Market risk- Foreign currency risk

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

At March 31, 2017 and March 31, 2018, the Company hedged its interest of $22.50 mn on FCCB. This foreign currency risk is hedged by using foreign currency forward contracts.

The following table shows foreign currency exposure in US Dollar on financial instruments at the end of reporting period. The exposure to all other foreign currencies are not material.

(₹ in crore)

Particulars	Currency	Amount in foreign currency (crore)	Amount in ₹ (crore)
Borrowings	USD	30.00	1,960.20
		(30.00)	(1,968.00)
Trade Payables	USD	0.03	1.96
		(0.01)	(0.33)
Loans	USD	4.57	298.65
		(3.49)	(229.05)
Trade Receivables	USD	0.02	1.31
		(0.02)	(1.31)
Other financial assets	USD	0.23	14.92
		(0.23)	(15.00)

Note: Previous year's figures are shown in brackets above.

Notes to the standalone financial statements for the year ended March 31, 2018

Foreign currency sensitivity

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

(₹ in crore)

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2018	5%	(83.08)
March 31, 2017	5%	(86.95)

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2018 and March 31, 2017 excluding trade payables, trade receivables, other non-derivative and derivative financial instruments not forming part of debt and which do not present a material exposure. The period end balances are not necessarily representative of the average debt outstanding during the period.

Credit risk

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

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 11,766.13 crore, ₹ 12,987.98 crore, as at March 31, 2018, March 31, 2017 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company does not hold collateral as security. Further, the top 5 customers of the Company in the EPC segment contributes to more than 90% of the trade receivables during the year ended March 31, 2018 and March 31, 2017.

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

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

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Opening balance*	29.01	20.03
Amount provided/ (reversed) during the year	(5.38)	8.98
Closing provision*	23.63	29.01

* Pertains to provision for doubtful receivables and unbilled revenue.

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

Liquidity risk

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

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

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

(₹ in crore)

Particulars	0-1 years	1 to 5 years	> 5 years	Total
March 31, 2018				
Borrowings	1,604.20	2,546.45	2,730.74	6,881.39
Other financial liabilities	76.27	-	-	76.27
Trade payables	333.48	-	-	333.48
	2,013.96	**2,546.45**	**2,730.74**	**7,291.14**
March 31, 2017				
Borrowings	908.89	2,483.62	2,676.18	6,068.69
Other financial liabilities	148.35	-	-	148.35
Trade payables	219.55	-	-	219.55
	1,276.79	**2,483.62**	**2,676.18**	**6,436.59**

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 36.

(ii) The above excludes interest and other finance charges to be paid on the borrowings and other financial liabilities, by the Company.

Excessive risk concentration

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

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

Notes to the standalone financial statements for the year ended March 31, 2018

38. Capital management

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

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

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenants are complied with.

(₹ in crore)

Particulars	March 31, 2018	March 31, 2017
Borrowings (refer note 16)	6,774.59	5,967.76
Less: Cash and cash equivalents (refer note 13)	76.15	31.47
Total debts (A)	**6,698.44**	**5,936.29**
Capital components		
Equity share capital	603.59	603.59
Other equity	3,990.32	5,913.61
Total Capital (B)	**4,593.91**	**6,517.20**
Capital and borrowings C=(A+B)	**11,292.35**	**12,453.49**
Gearing ratio (%) D=(A/C)	**59.32%**	**47.67%**

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

Notes to the standalone financial statements for the year ended March 31, 2018

39. Disclosure as per Part A of Schedule V of securities (listing obligations and disclosures requirements) Regulations, 2015 as regards the loans and inter corporate deposits granted to subsidiaries, fellow subsidiaries, joint ventures, associates and other companies in which the directors are interested.

(₹ in crore)

Name of the entity	Amount outstanding as at		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent Company
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Loans given/ debentures subscribed^					
- GEL[1]	-	-	-	3,628.20	Nil
- GMRHL[1]	58.21	304.55	304.55	1,078.19	Nil
- GKSEZ[1]	58.83	76.41	76.41	76.41	Nil
- GCAPL[1]	-	39.35	39.35	39.35	Nil
- GSPHPL[1]	2.89	132.31	132.31	132.31	Nil
- DSPL[1]	-	-	123.17	107.96	Nil
- GIML[1]	267.29	229.05	407.97	355.01	Nil
- KSPL[1]	979.68	1,341.28	1,357.14	1,552.53	Nil
- GGAL[1]	103.99	83.88	303.45	4,321.19	Nil
- GAPL[1]	-	-	-	32.50	Nil
- GBPSPL[1]	18.95	18.95	18.95	18.95	Nil
- RSSL[1]	45.47	-	49.43	-	Nil
- SJK[1]	388.53	-	388.64	-	Nil
- GETL[1]	-	-	58.00	-	Nil
- GIOL[1]	31.36	-	31.36	-	Nil
- GASL[1]	85.16	-	424.82	-	Nil
- GAL[1]	330.43	-	430.00	-	Nil
- GEL[2]	-	-	-	867.50	Nil
- GKSEZ[2]	14.20	96.25	96.25	96.25	Nil
- GSPHPL[2]	259.46	513.96	513.96	513.96	Nil
- DPPL[2]	0.86	0.75	0.86	0.75	Nil
- GAPL[2]	-	-	-	98.65	Nil

1. Loans given
2. Debentures subscribed
3. The above loans and inter-corporate deposits have been given for business purpose.
4. There are no outstanding debts due from directors or other officers of the Company.

^ The above balances does not include interest accrued thereon and equity component of loans / debentures given at concessional rates.

Notes to the standalone financial statements for the year ended March 31, 2018

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

S. No.	Name of the entity	Relationship		Ownership interest		Date of Incorporation	Country of Incorporation/ Place of business
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017		
1	GEL	Joint venture	Joint venture	14.89%	14.89%	10-Oct-96	India
2	GBHPL	Joint venture	Joint venture	0.98%	0.98%	17-Feb-06	India
3	GEML	Joint venture	Joint venture	5.00%	5.00%	27-Feb-08	Mauritius
4	GETL	Subsidiary	Subsidiary	67.86%	67.86%	29-Jan-08	India
5	GGAL	Subsidiary	Subsidiary	99.99%	97.62%	03-Dec-10	India
6	GPIL	Subsidiary	Subsidiary	49.98%	49.98%	25-Feb-11	India
7	GACEPL	Subsidiary	Subsidiary	48.35%	48.35%	14-Jul-05	India
8	GPEL	Subsidiary	Subsidiary	1.50%	1.50%	18-Oct-05	India
11	GMRHL	Subsidiary	Subsidiary	90.26%	100.00%	03-Feb-06	India
12	GHVEPL	Subsidiary	Subsidiary	41.00%	41.00%	11-Jun-09	India
13	GCORRPL	Subsidiary	Subsidiary	41.00%	41.00%	21-Jul-09	India
14	GOSEHHHPL	Associate	Associate	26.00%	26.00%	05-Feb-10	India
15	GKUAEL	Subsidiary	Subsidiary	3.61%	3.61%	24-Nov-11	India
16	GFIAL	Subsidiary	Subsidiary	86.49%	86.49%	12-Jan-05	India
17	GASL	Subsidiary	Subsidiary	100.00%	100.00%	18-Jul-07	India
18	DIAL [200 Equity shares (March 31, 2017 - 200 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	01-Mar-06	India
19	GIDL	Subsidiary	Subsidiary	99.99%	99.99%	28-Mar-17	India
20	GAL	Subsidiary	Subsidiary	100.00%	100.00%	06-Feb-92	India
21	GAPL	Subsidiary	Subsidiary	100.00%	100.00%	22-Dec-06	India
22	GKSEZ	Subsidiary	Subsidiary	100.00%	100.00%	24-Sep-07	India
23	GSPHPL	Subsidiary	Subsidiary	100.00%	100.00%	28-Mar-08	India
24	GCAPL	Subsidiary	Subsidiary	100.00%	100.00%	22-Dec-06	India
25	DSPL	Subsidiary	Subsidiary	100.00%	100.00%	24-Jul-07	India
26	GIML	Subsidiary	Subsidiary	100.00%	100.00%	18-Dec-07	Mauritius
27	GIOL	Subsidiary	Subsidiary	100.00%	100.00%	23-Jun-10	Mauritius
28	GMCAC	Joint venture	Joint venture	1.74%	1.74%	13-Jan-14	Philippines
29	GCRPL [30,000 Equity shares (March 31, 2017 - 30,000 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	04-Jun-10	Singapore
30	GHIAL [1,000 Equity shares (March 31, 2017 - 1,000 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	17-Dec-02	India
31	GMIAL [154 Equity shares (March 31, 2017 - 154 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	09-Aug-10	Maldives

Note:-

1. Disclosure of financial data as per Ind AS – 112 'Disclosure of Interests in Other Entities' has been done based on the audited financial statements for the respective years.
2. The above disclosure made do not include step down subsidiaries, joint ventures and associates and are with respect to subsidiaries, joint ventures and associates existing as at March 31, 2018.

Notes to the standalone financial statements for the year ended March 31, 2018

41. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

i) Ind AS 115 Revenue from Contracts with Customers :

Ind AS 115 "Revenue from Contracts with Customers" was issued on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal year 2019 using either one of two methods:

(i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or

(ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (April 1, 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

ii) Amendments to Ind AS 112 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112:

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10-B16, apply to an entity’s interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for disposal.

As at March 31, 2018, the Company has classified its interest in GOSEHHHPL, an associate Company, as held for sale (see note 5), but these amendments are unlikely to affect the Company’s financial statements.

iii) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses:

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company.

Notes to the standalone financial statements for the year ended March 31, 2018

42. Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally for a period of one year.

(₹ in Crore)

Particulars	March 31, 2018	March 31, 2017
Fair value of foreign currency forward contracts not designated as hedging instruments	0.31	1.57

43. Disclosure in terms of Ind AS 11 - Construction contracts

(₹ in Crore)

Particulars	March 31, 2018	March 31, 2017
Contract revenue recognised during the year	736.13	392.77
Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	3,029.30	2,328.45
Amount of customer advances outstanding for contracts in progress	247.22	389.47
Retention money due from customers for contracts in progress	48.23	12.38
Gross amount due from customers for contract works as an asset (unbilled portion) (net of provision for doubtful debt receivable)	510.21	323.51
Gross amount due to customers for contract works as a liability	-	-

44. The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2018, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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

46. Ministry of Corporate Affairs have published a list of Disqualified Directors in September 2017. As per this list, Mr. Srinivasan Sandilya (director of the Company as at March 31, 2018) was reported as disqualified from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013 for the period from November 1, 2016 to October 31, 2021 pursuant to his directorship of Association Of Indian Automobiles Manufacturers (defaulting company). Consequently, the defaulting company has filed application with the Registrar of Companies under Condonation of Delay Scheme, 2018 ('CODS - 2018'). The Company is confident that since condonation application has been filed, the name of Mr. Srinivasan Sandilya will be removed from the list of disqualified directors and there will not be a material impact on the standalone Ind AS financial statements of the Company.

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: May 30, 2018

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

G M Rao
Chairman
DIN: 00574243

Grandhi Kiran Kumar
Managing Director & CEO
DIN: 00061669

Madhva Bhimacharya Terdal
CFO

Venkat Ramana Tangirala
Company Secretary

Place: New Delhi
Date: May 30, 2018