Notes to the consolidated financial statements for the year ended March 31, 2019

1. Corporate information

GMR Infrastructure Limited ('GIL' or 'the Company') is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is Naman Centre, 7th Floor, Opp.Dena Bank, Plot No.C-31 G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, India.

The Company and its subsidiaries, associates joint ventures and jointly controlled operations (hereinafter collectively referred to as 'the Group') are mainly engaged in development, maintenance and operation of airports, generation of power, coal mining and exploration activities, development of highways, development, maintenance and operation of special economic zones, and construction business including Engineering, Procurement and Construction ('EPC') contracting activities.

Airport sector

Certain entities of the Group are engaged in development, maintenance and operation of airport infrastructure such as green field international airports at Hyderabad, Nagpur, Bhagapuram (Vizag) and Goa and modernisation, maintenance and operation of international airports at Delhi, Cebu and Crete on build, own, operate and transfer basis.

Power sector

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

Development of Highways

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

Construction business

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

Others

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

The consolidated Ind AS financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 29, 2019.

1.1 Going concern

The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 8B(m), 46(i) and 46(ii), above with a consequent erosion of its networth and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetisation of assets, sale of stake in certain assets, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives for reduction of debt. Pursuant to such initiatives the Group had successfully divested its stake in certain assets in the highway sector, airport sector and energy sector in last few years. Further as detailed in note 45 (xvii), the management has signed a definitive agreement with certain investors to divest equity stake in GAL on a fully diluted basis for a consideration of Rs 8,000 crore. The divestment is subject to obtaining requisite approvals as stated in the aforesaid note and once successfully completed will enable the Group to meet its financial obligations and its cash flow requirements. Accordingly, the financial results continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.

2. Significant accounting policies

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

Notes to the consolidated financial statements for the year ended March 31, 2019

2.1. Basis of Consolidation

The consolidated financial statements 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 consolidated 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 Group is Indian Rupee ('Rs') which is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities, used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, which has a lag of three months, adjusted for the effects of significant transactions or events occur between the date of those financial statements and consolidated financial statements.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

Notes to the consolidated financial statements for the year ended March 31, 2019

(d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2. Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

a. Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was notified by the Ministry of Corporate Affairs on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 is effective from reporting periods beginning on or after April 01, 2018.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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. It also requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 01, 2018.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 01 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at 01 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

The Group has applied the modified retrospective approach and debited the retained earnings at April 01, 2018 by ₹ 13.22 crores, net of tax effect. Due to the application of Ind AS 115, revenue for the period is lower by ₹ 1,210.55 crore, other expenses are lower by ₹ 1,210.59 crore, tax expense is lower by ₹ 0.81 crore and loss after tax is lower by ₹ 0.77 crore, vis-à-vis the amounts if replaced standards were applicable. The application of Ind AS 115 did not have any significant impact on the basic and diluted EPS for the period.

b. Amendment to Ind AS 20 Government grant related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the asset. These amendments do not have any impact on the consolidated financial statements as the Group continues to present grant relating to asset by setting up the grant as deferred income.

c. Amendment to Ind AS 38 Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Group's consolidated financial statements.

d. Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's consolidated financial statements.

e. Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Group's consolidated financial statements.

f. Amendments to Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, then it may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Group's consolidated financial statements.

g. 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

Notes to the consolidated financial statements for the year ended March 31, 2019

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 do not have any impact on the Group as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

2.3. Changes in estimates

Depreciation on Property, plant and equipment with respect to Airport sector

Depreciation on the property plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management (except in case of airport assets which are prescribed by AERA as mentioned below), which coincides with the lives prescribed under Schedule II of the Companies Act, 2013. 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.

On June 12, 2014, the Airport Economic Regulatory Authority ("the Authority") has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, inter alia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, for such asset that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to the provisions of Part B of Schedule II of the Companies Act, 2013, the Authority has issued Order no. 35/2017-18 on January 12, 2018 which is further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which is effective from April 01, 2018 ("AERA Order").

Accordingly, the management has adopted useful life in respect of airport assets as prescribed in the aforesaid order with effect from April 01, 2018.

In order to align the useful life of Furniture and Fixtures, Trolleys, boundary wall and cost of resurfacing the Runway to the useful life specified in the AERA Order, the Group has revised the useful life and charged the depreciation of ₹ 44.23 crore related to the assets whose life were expired on March 31, 2018 to opening equity as at April 01, 2018 as per the AERA Order.

2.4. Summary of significant accounting policies:

a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Re-acquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Notes to the consolidated financial statements for the year ended March 31, 2019

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

b. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The results, assets and liabilities of joint venture and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever applicable. An investment in associate or joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint venture or associate. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve. The unrealised profits/losses on transactions with joint ventures are eliminated by reducing the carrying amount of investment.

The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is objective evidence of impairment.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When the end of the reporting period of the parent is different from that of an associate or a joint venture, an associate or a joint venture, for consolidation purposes, prepares additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of an associate or a joint venture, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, with a lag of three months, adjusted for the effects of significant transactions or events occur between the date of those financial statements and consolidated financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c. Interest in joint operations

In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement which then becomes part of the consolidated financial statements of the Group when the financial statements of the Parent Company and its subsidiaries are combined for consolidation. Interests in joint operations are included in the segments to which they relate.

Notes to the consolidated financial statements for the year ended March 31, 2019

The financial statements of the joint operations are prepared for the same reporting period as the Group. When the end of the reporting period of the parent is different from that of a joint operations, a joint operations, for consolidation purposes, prepares additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of a joint operations, unless it is impracticable to do so. In case of entities, where it is impracticable to do so, they are consolidated using the most recent financial statements available, with a lag of three months, adjusted for the effects of significant transactions or events occur between the date of those financial statements and consolidated financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

d. Current versus non-current classification

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

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

ii. Held primarily for the purpose of trading,

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

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

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

e. Operating cycle for the business activities of the Group extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective line of business.

Fair value measurement of financial instruments

The Group 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 Group.

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 Group 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.

Notes to the consolidated financial statements for the year ended March 31, 2019

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 consolidated financial statements on a recurring basis, the Group 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.

f. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, 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 Group 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.

Significant financing component

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

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments - initial recognition and subsequent measurement.

Contract liabilities

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

Energy sector

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI')

Notes to the consolidated financial statements for the year ended March 31, 2019

(collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year.

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

Claims for delayed payment charges and any other claims, in which the Group companies are entitled to under the PPAs, are recognized on reasonable certainty to expect ultimate collection.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers. Revenue/ charges from unscheduled interchange for the deviation in generation with respect to scheduled generation are recognized/ charged at rates notified by CERC from time to time, as revenue from sale of energy and adjusted with revenue from sale of energy. Further, revenue is recognized/adjusted towards truing up in terms of the applicable CERC regulations.

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

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

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from energy trading are recognised as per the agreement with the customer. In case of the energy trading agreements, where the group is entitled only for a fixed margin and the associated risk and rewards are with the third parties, revenue is recognised only to the extent of assured margin.

Highways Sector

In case of entities involved in construction and maintenance of Roads, revenue are recognised in line with the Appendix C to Ind AS 115 – Service Concession Arrangements. Toll revenue is recognised on an accrual basis which coincides with the collection of toll from the users of highways.

Revenue share paid / payable to concessionaire grantors:

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

Airport Sector

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

Land & Space- rentals pertains to granting right to use land and space primarily for catering to the need of passengers, air traffic services and air transport services.

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

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

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

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

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

In case of companies covered under service concession agreements, revenue are recognised in line with the Appendix C to Ind AS 115 - Service Concession Arrangements.

Revenue share paid / payable to concessionaire grantors:

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

For Construction business entities

Revenue from construction/project related activity is recognised as follows:

1. Cost plus contracts: Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

2. Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the 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.

   Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Group expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Group recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

   Revenue for the periods upto June 30, 2017 includes excise duty collected from customers. Revenue from July 1, 2017 onwards is exclusive of goods and service tax (GST) which subsumed excise duty. Revenue also includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

   Significant judgments are used in:

1. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

2. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

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 Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other operating income / other income in the statement of profit and

Notes to the consolidated financial statements for the year ended March 31, 2019

loss depending upon the nature of operations of the entity in which such revenue is recognised.

Dividends

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

Others

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

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

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

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

g. Service Concession Arrangements

The Group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the construction service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are not separately identifiable.

The intangible asset is amortised over the shorter of the estimated period of future economic benefits which the intangible assets are expected to generate or the concession period, from the date they are available for use.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

The Group recognises a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor. In case of annuity based carriageways, the Group recognises financial asset.

h. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

i. 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 consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group'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 consolidated 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 income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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 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 Group 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 Group 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.

j. Non-current assets held for sale

The Group 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 Group treats sale of the asset to be highly probable when:

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2019

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 consolidated balance sheet.

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

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

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

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

Or

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

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

k. 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.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and is stated at cost less accumulated impairment loss.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as and when incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group 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.

On Transition to Ind AS, the Group has availed the optional exemption on "Long term Foreign currency Monetary items" and has accordingly continued with the policy to adjust the exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset recognised in the financial statements for the year ended March 31, 2016 (as per previous GAAP) to the cost of the tangible asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs ('MCA') circular dated August 09, 2012, exchange differences adjusted to the cost of tangible fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

l. Depreciation on Property, plant and equipment

Energy sector

In case of domestic entities, the depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except on case of plant and machinery in case of gas based power plants and power generating units dedicated for generation of power under CERC tariff regulations where the useful life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act.

Notes to the consolidated financial statements for the year ended March 31, 2019

Airport sector

Depreciation on the property plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management (except in case of airport assets which are prescribed by AERA as mentioned below), which coincides with the lives prescribed under Schedule II of the Companies Act, 2013. 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.

On June 12, 2014, the Airport Economic Regulatory Authority (”the Authority”) has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, inter alia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, for such asset that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to the provisions of Part B of Schedule II of the Companies Act, 2013, the Authority has issued Order no. 35/2017-18 on January 12, 2018 which is further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which is effective from April 01, 2018 (“AERA Order”).

Accordingly, the management has adopted useful. life in respect of airport assets as prescribed in the aforesaid order with effect from April 01, 2018.

In order to align the useful life of Furniture and Fixtures, Trolleys, boundary wall and cost of resurfacing the Runway to the useful life specified in the AERA Order.

Other entities

For domestic entities other than aforesaid entities, the depreciation on the Property plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has estimated the useful life of assets individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

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.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the Group shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Group for similar assets.

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.

Useful life of Property, plant and equipment, other than disclosed above

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
Buildings	7 - 30 years
Office equipment	5 years
Furniture and fixtures	3-10 years
Vehicles and Aircrafts	5 - 25 years
Computers	3-6 years

Notes to the consolidated financial statements for the year ended March 31, 2019

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

The Group, 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.

m. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life / residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

n. Intangible assets

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

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

o. Amortisation of intangible assets

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 effect 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 consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortization of mining properties is based on using unit-of-production method from the date of commencement of commercial production of the respective area of interest over the lesser of the life of the mine or the terms of the coal contracts of work or mining business license.

Technical know-how is amortised over five years from the date of issuance of certificate from a competent authority.

Intangible assets representing upfront fees and other payments made to concessionaires of the respective airports, pursuant to the terms and conditions of concession agreements are amortized on a straight line method over the initial and extended periods of concession agreements, as applicable.

Carriageways related to toll based road projects are amortized based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of MCA notification dated April 17, 2012 and in terms of the amendments to the Schedule II of the Act vide MCA notification dated March 31, 2014 pursuant to the exemption provided as per D22 (i) of Ind AS 101.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing power plant concessionaire rights, carriageways and airport concessionaire rights are amortized over the concession period, ranging from 23 to 40 years, 17.5 to 25 years and 25 to 30 years respectively, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

Software is amortised based on the useful life of six years on a straight line basis as estimated by the management.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Gains or losses arising from de-recognition 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.

p. Exploration and evaluation expenditure / mining properties under construction and production

Exploration and evaluation expenditure

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

i. Such costs are expected to be either recouped in full through successful exploration and development of the area of interest or alternatively by its sale, or

ii. When exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically available reserves and active and significant operations in relation to the area are continuing or are planned for future.

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

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

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

Expenditure on mines under construction

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

Producing mines

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

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

q. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. 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.

r. 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

Notes to the consolidated financial statements for the year ended March 31, 2019

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.

Group as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group 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 Group 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 consolidated statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

Operating lease payments are recognised as an expense in the consolidated 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.

Group as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

s. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- 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.

Cost of inventories 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.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of

Notes to the consolidated financial statements for the year ended March 31, 2019

changed economic circumstances, the write-down, if any, in the past period is reversed to that extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

t. Impairment of non-financial assets, investments in joint ventures and associates

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, investment properties, intangible assets and investments in associates and joint ventures 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 case of an individual asset, at the higher of the net selling price and the value in use; and

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

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

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

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated 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. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

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 consolidated statement of profit and loss.

u. Provisions and contingent liabilities

Provisions are recognised when the Group 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 Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated 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 Group 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 Group 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 Group 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 Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

Notes to the consolidated financial statements for the year ended March 31, 2019

Decommissioning liability:

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

v. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Group has no obligation, other than the contribution payable. The Group 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 Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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

The Group presents the leave as a current liability in the consolidated 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 consolidated 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 Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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.

w. Financial instruments

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

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

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 joint ventures and associates

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

The Group 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 – Financial instruments.

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

De-recognition of financial assets

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

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

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

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

(b) Financial liabilities and equity instruments

Notes to the consolidated financial statements for the year ended March 31, 2019

Classification as debt or equity

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

b. De-recognition

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

Put Option Liability

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies to non-controlling interests are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The financial liability for such put option is accounted for under IND AS 109.

The amount that may become payable under the option on exercise is initially recognised at fair value under other financial liabilities with a corresponding charge directly to equity. All subsequent changes in the carrying amount of the financial liability are recognised in the profit or loss attributable to the parent. The entity recognises both the non-controlling interest and the financial liability under the NCI put. It continues to measure non-controlling interests at proportionate share of net assets.

If the put option is exercised, the entity accounts for an increase in its ownership interest. At the same time, the entity derecognises the financial liability and recognises an offsetting credit in the same component of equity reduced on initial recognition. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

x. Derivative financial instruments

The Group uses derivative financial instruments, such as call spread options, interest rate swap etc. forward currency contracts to hedge its

Notes to the consolidated financial statements for the year ended March 31, 2019

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.

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

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

a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;

c) Hedges of a net investment in a foreign operation.

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

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

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

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

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

y. Convertible preference shares/ debentures

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

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

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

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

z. Cash and cash equivalents

Cash and cash equivalent in the consolidated 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.

Notes to the consolidated financial statements for the year ended March 31, 2019

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 Group's cash management.

aa. 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.

bb. Foreign currencies

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.
- 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 Group 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.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated statement of profit and loss.

cc. Exceptional items

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the consolidated financial statements.

dd. 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.

ee. Corporate social responsibility ('CSR') expenditure

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

Notes to the consolidated financial statements for the year ended March 31, 2019

2.5. The entities consolidated in the consolidated financial statements are listed below:

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities*				Share in total comprehensive income*			
								March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
				March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	As % of consolidated net assets	₹ in crore	As % of consolidated net assets	₹ in crore	As % of total comprehensive income	₹ in crore	As % of total comprehensive income	₹ in crore
Parent															
1	GMR Infrastructure Limited (GIL)	India	Holding Company					35.28%	11,701.15	40.95%	17,113.85	48.77%	(5,349.90)	37.09%	(3,165.07)
Subsidiaries															
Indian															
2	GMR Energy Trading Limited (GETL)	India	Subsidiary	81.00%	81.00%	81.00%	81.00%	0.18%	59.64	0.16%	65.51	0.05%	(5.87)	-0.03%	2.48
3	GMR Power Corporation Limited (GPCL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%	0.82%	273.09	0.65%	272.17	-0.01%	0.92	-0.32%	27.54
4	GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.17)	0.00%	(0.14)	0.00%	(0.03)	0.00%	(0.02)
5	GMR Londa Hydropower Private Limited (GLHPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.22%	(73.64)	-0.03%	(10.73)	0.57%	(62.91)	0.07%	(5.73)
6	GMR Kakinada Energy Private Limited (GKEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.12)	0.00%	(0.09)	0.00%	(0.03)	0.00%	(0.02)
7	SJK Powergen Limited (SJK)	India	Subsidiary	70.00%	70.00%	70.00%	70.00%	-0.97%	(322.91)	-0.49%	(206.27)	1.06%	(116.64)	0.05%	(4.56)
8	GMR Genco Assets Limited (GGEAL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.75)	-0.01%	(5.51)	0.00%	(0.31)	0.01%	(0.83)
9	GMR Generation Assets Limited (GGAL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.48%	160.53	2.40%	1,004.56	7.69%	(844.03)	61.40%	(5,239.50)
10	GMR Power Infra Limited (GPIL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.01%	(4.87)	-0.01%	(3.52)	0.01%	(1.35)	0.02%	(1.29)
11	GMR Highways Limited (GMRHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	3.30%	1,092.96	2.69%	1,123.58	0.28%	(30.62)	0.80%	(68.04)
12	GMR Tambaram Tindivanam Expressways Limited (GTTEL)	India	Subsidiary	86.77%	86.77%	100.00%	100.00%	0.71%	233.87	0.52%	217.47	-0.15%	16.40	-0.18%	15.39
13	GMR Tuni Anakapalli Expressways Limited (GTAEL)	India	Subsidiary	86.77%	86.77%	100.00%	100.00%	0.38%	126.22	0.27%	113.56	-0.12%	12.66	-0.15%	13.13
14	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.46%	(151.85)	-0.21%	(87.33)	0.49%	(53.63)	0.60%	(50.82)
15	GMR Pochanpalli Expressways Limited (GPEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.66%	218.44	0.52%	218.23	-0.05%	5.76	-0.13%	11.05
16	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	-1.36%	(452.33)	-0.81%	(339.53)	1.03%	(112.80)	2.29%	(194.99)
17	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	0.20%	66.93	0.17%	72.92	0.05%	(5.32)	0.00%	(0.13)
18	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.42%	140.74	0.31%	131.24	-0.16%	17.38	0.00%	(0.12)
19	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary[2]	59.31%	63.00%	63.00%	63.00%	5.02%	1,665.81	2.69%	1,122.42	-6.83%	749.05	-7.24%	617.62
20	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%	0.01%	2.52	0.01%	2.43	0.00%	0.09	0.00%	0.09
21	GMR Hyderabad Air Cargo and Logistics Private Limited (formerly known as Hyderabad Menzies Air Cargo Private Limited) (GHACLPL)	India	Subsidiary[2,3]	59.31%	32.13%	100.00%	51.00%	0.32%	105.53	0.24%	99.62	-0.08%	8.58	-0.30%	25.45
22	Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	0.04%	13.22	0.03%	13.22	0.00%	-	0.00%	0.01
23	Asia Pacific Flight Training Academy Limited (APFT)	India	NA[4,7]	-	63.00%	-	100.00%	-	NA	-0.01%	(4.79)	-0.02%	2.12	0.01%	(0.76)
24	GMR Aerostructure Services Limited (GASL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.23%	(76.72)	-0.06%	(23.40)	0.49%	(53.32)	0.27%	(23.38)
25	GMR Logistics Park Private Limited (GLPPL)	India	Subsidiary[5]	59.31%	NA	100.00%	NA	0.00%	(0.05)	NA	NA	0.00%	(0.06)	NA	NA
26	GMR Hyderabad Aerotropolis Limited (HAPL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	0.14%	46.94	0.12%	50.83	0.04%	(3.89)	0.04%	(3.04)
27	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	0.16%	51.70	0.13%	55.44	0.03%	(3.74)	0.05%	(4.08)
28	GMR Aerospace Engineering Limited (GAEL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	1.01%	334.41	0.76%	316.42	0.00%	(0.50)	0.07%	(6.00)

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities*				Share in total comprehensive income*			
								March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
				March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	As % of consolidated net assets	₹ in crore	As % of consolidated net assets	₹ in crore	As % of total comprehensive income	₹ in crore	As % of total comprehensive income	₹ in crore
29	GMR Aero Technic Limited (GATL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	-0.74%	(245.57)	-0.62%	(258.65)	0.05%	(5.44)	0.68%	(57.79)
30	GMR Airport Developers Limited (GADL)	India	Subsidiary[2]	94.14%	100.00%	100.00%	100.00%	0.15%	50.01	0.13%	52.29	-0.04%	3.87	-0.10%	8.59
31	GMR Hospitality and Retail Limited (GHRL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	0.06%	21.10	-0.03%	(12.04)	-0.04%	3.96	-0.06%	4.84
32	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	India	Subsidiary[2]	59.31%	63.00%	100.00%	100.00%	0.00%	0.03	0.00%	0.03	0.00%	-	0.00%	-
33	Delhi International Airport Limited (DIAL)	India	Subsidiary[2]	60.25%	64.00%	64.00%	64.00%	8.20%	2,718.04	6.86%	2,868.12	1.11%	(121.89)	-0.60%	51.10
34	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary[2]	60.25%	64.00%	100.00%	100.00%	0.00%	(0.06)	0.00%	(0.06)	0.00%	-	0.00%	-
35	Delhi Airport Parking Services Private Limited (DAPSL)	India	Subsidiary[2]	67.81%	72.04%	90.00%	90.00%	0.28%	91.32	0.23%	97.70	-0.19%	20.62	-0.35%	29.76
36	GMR Airports Limited (GAL)	India	Subsidiary[2]	94.14%	100.00%	94.14%	100.00%	6.72%	2,230.15	5.52%	2,305.35	0.69%	(75.20)	-2.53%	215.50
37	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.40%	134.29	0.33%	138.01	0.03%	(3.72)	0.07%	(6.08)
38	GMR Krishnagiri SIR Limited (GKSIR)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.35%	115.03	0.28%	118.37	0.02%	(2.71)	0.02%	(1.94)
39	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.73	0.02%	7.19	0.00%	(0.14)	0.00%	(0.06)
40	Aklima Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.81	0.01%	4.25	0.00%	(0.08)	0.00%	(0.04)
41	Amartya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.82	0.02%	7.86	0.00%	(0.06)	0.00%	(0.21)
42	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.90	0.01%	6.21	0.00%	0.03	0.00%	(0.05)
43	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.01%	1.69	0.01%	5.72	0.00%	(0.02)	0.00%	(0.04)
44	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.40	0.01%	5.83	0.00%	(0.01)	0.00%	(0.05)
45	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.01%	2.52	0.03%	12.63	0.00%	(0.11)	0.00%	(0.11)
46	Eila Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.78	0.02%	8.54	0.00%	(0.01)	0.00%	(0.14)
47	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.56	0.02%	6.70	0.00%	(0.02)	0.00%	(0.05)
48	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.85	0.02%	7.16	0.00%	(0.02)	0.00%	(0.06)
49	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.12	0.02%	9.68	0.00%	(0.06)	0.00%	(0.07)
50	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.79	0.02%	6.48	0.00%	(0.03)	0.00%	(0.11)
51	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.80	0.02%	6.55	0.00%	(0.01)	0.00%	(0.06)
52	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.47	0.02%	6.43	0.00%	(0.01)	0.00%	(0.04)
53	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.03	0.01%	5.05	0.00%	(0.03)	0.00%	(0.10)
54	Padmapriya Properties Private Limited (PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.61	0.00%	0.45	0.00%	0.16	0.00%	(0.03)
55	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.78	0.02%	6.56	0.00%	(0.01)	0.00%	(0.02)
56	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.73	0.02%	7.53	0.00%	(0.02)	0.00%	(0.07)
57	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.66	0.02%	7.88	0.00%	(0.11)	0.00%	(0.12)
58	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.84	0.02%	7.35	0.00%	(0.01)	0.00%	(0.05)
59	Sreepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.84	0.02%	6.36	0.00%	(0.08)	0.00%	(0.07)
60	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.76	0.04%	16.93	0.00%	(0.02)	0.00%	(0.14)
61	Asteria Real Estates Private Limited (AREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.18)	0.01%	5.09	0.00%	(0.07)	0.00%	(0.08)
62	Lantana Properies Private Limited (Lantana)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.69)	0.02%	9.58	0.00%	(0.07)	0.00%	(0.17)

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Name of the entity	Country of incorpo-ration	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities*				Share in total comprehensive income*			
								March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
				March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	As % of conso-lidated net assets	₹ in crore	As % of conso-lidated net assets	₹ in crore	As % of total compre-hensive income	₹ in crore	As % of total compre-hensive income	₹ in crore
63	Namitha Real Estates Private Limited (NREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(1.59)	0.00%	(1.36)	0.00%	(0.23)	0.00%	(0.12)
64	Honey Flower Estates Private Limited (HFEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.11%	37.90	0.09%	37.14	-0.01%	0.76	-0.03%	2.86
65	GMR SEZ & Port Holdings Limited (GSPHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.59%	195.39	0.55%	228.05	0.30%	(32.66)	0.24%	(20.82)
66	East Godavari Power Distribution Company Private Limited (EGPDCPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	-
67	Suzone Properties Private Limited (SUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.01%	(2.43)	0.01%	4.59	0.00%	(0.47)	0.01%	(0.79)
68	GMR Utilities Private Limited (GUPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
69	Lilliam Properties Private Limited (LPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.01%	(1.80)	0.01%	2.53	0.00%	(0.29)	0.01%	(0.51)
70	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.04%	(13.62)	-0.02%	(6.39)	0.07%	(7.23)	0.08%	(6.47)
71	Dhruvi Securities Private Limited (DSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	1.01%	334.47	0.81%	338.40	0.03%	(3.38)	0.05%	(4.61)
72	Kakinada SEZ Limited (KSL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%	0.25%	81.57	0.19%	79.74	-0.02%	1.83	0.05%	(4.46)
73	GMR Business Process and Services Private Limited (GBPSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.04%	(11.92)	-0.02%	(8.98)	0.03%	(2.94)	0.02%	(2.04)
74	Raxa Security Services Limited (RSSL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.17%	56.33	0.12%	50.43	-0.05%	5.90	-0.01%	0.49
75	GMR Infra Services Limited (GISL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.69%	1,888.33	0.00%	0.04	1.57%	(171.71)	0.00%	-
76	Kakinada Gateway Port Limted (KGPL)	India	Subsidiary	51.00%	51.00%	100.00%	100.00%	0.46%	154.01	0.00%	0.01	0.00%	-	0.00%	-
77	GMR Goa International Airport Limited (GIAL)	India	Subsidiary[2]	94.13%	99.99%	99.99%	99.99%	0.35%	116.50	0.26%	108.71	0.02%	(2.21)	0.05%	(4.02)
78	GMR Infra Developers Limited (GIDL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.21%	2,060.03	0.00%	0.05	0.00%	(0.02)	0.00%	-
	Foreign														
79	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.40%	(131.92)	-0.17%	(71.59)	0.59%	(64.98)	0.87%	(74.12)
80	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.73%	243.46	0.63%	262.41	0.39%	(43.05)	0.05%	(4.06)
81	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	NA[6,7]	NA	100.00%	NA	100.00%	0.00%	NA	0.03%	10.83	0.06%	(6.25)	0.02%	(1.43)
82	PT Duta Sarana Internusa (PTDSI)	Indonesia	NA[6,7]	NA	100.00%	NA	100.00%	0.00%	NA	0.00%	-	0.00%	NA	0.00%	-
83	PT Barasentosa Lestari (PTBSL)	Indonesia	NA[6,7]	NA	100.00%	NA	100.00%	0.00%	NA	0.00%	-	0.00%	NA	0.00%	-
84	PT Unsoco (PT)	Indonesia	NA[6,7]	NA	100.00%	NA	100.00%	0.00%	NA	0.00%	0.58	0.00%	-	0.00%	-
85	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	-4.86%	(1,611.34)	-2.69%	(1,125.44)	4.43%	(486.19)	2.33%	(198.77)
86	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	4.52%	1,498.05	2.23%	933.26	-8.06%	884.47	0.07%	(6.17)
87	GMR Coal Resources Pte Limited (GCRPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.58%	(193.58)	-0.29%	(120.64)	1.07%	(117.58)	0.09%	(7.85)
88	GADL International Limited (GADLIL)	Isle of Man	Subsidiary[2]	94.14%	100.00%	100.00%	100.00%	-0.05%	(16.47)	-0.04%	(16.46)	0.00%	(0.01)	-0.10%	8.75
89	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary[2]	94.14%	100.00%	100.00%	100.00%	0.00%	(0.04)	0.00%	0.05	0.00%	(0.16)	0.00%	(0.21)
90	GMR Male International Airport Private Limited (GMIAL)	Maldives	Subsidiary	76.87%	76.87%	76.87%	76.87%	2.02%	668.92	1.52%	633.87	-0.18%	20.09	0.60%	(51.52)
91	GMR Airports International B.V. (GAIBV)	Netherlands	Subsidiary[5]	94.14%	NA	100.00%	NA	-0.07%	(21.61)	0.00%	-	0.26%	(28.57)	0.00%	-
92	GMR Airports (Mauritius) Limited (GAML)	Mauritius	Subsidiary[2]	94.14%	100.00%	100.00%	100.00%	0.01%	3.24	0.01%	3.34	0.00%	(0.17)	0.00%	(0.29)
93	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	2.30%	762.59	5.35%	2,236.47	0.63%	(69.63)	-4.08%	348.49
94	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.06%	(21.25)	-0.05%	(22.33)	0.51%	(55.71)	-0.05%	4.30
95	GMR Infrastructure Overseas Limited, Malta (GIOL)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.13%	41.46	1.75%	732.35	6.30%	(691.14)	-1.22%	103.77

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Name of the entity	Country of incorpo-ration	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities*				Share in total comprehensive income*			
								March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
				March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	As % of conso-lidated net assets	₹ in crore	As % of conso-lidated net assets	₹ in crore	As % of total compre-hensive income	₹ in crore	As % of total compre-hensive income	₹ in crore
96	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.35	0.01%	3.98	-0.02%	2.28	0.04%	(3.38)
97	GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	3.08%	1,020.81	2.29%	955.93	-0.04%	4.15	0.01%	(0.55)
98	GMR Energy (Global) Limited (GEGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.21)	0.00%	(0.12)	0.59%	(65.03)	0.00%	(0.18)
99	Indo Tausch Trading DMCC (Indo Tausch)	United Arab Emirates	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.94	0.00%	1.25	0.00%	(0.31)	0.00%	(0.27)
100	GMR Infrastructure (Overseas) Limited (GI(O)L)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	-4.18%	(1,386.49)	4.06%	1,695.73	15.92%	(1,745.80)	0.00%	0.17
Joint ventures (investment as per equity method)															
101	GMR Energy Limited (GEL)	India	Joint Venture[1,9]	69.58%	51.73%	69.58%	51.73%	9.31%	3,087.96	7.53%	3,145.66	11.40%	(1,250.13)	1.49%	(127.39)
102	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Joint Venture[10]	12.57%	13.35%	20.86%	20.86%	0.38%	124.45	0.30%	125.27	0.01%	(0.82)	-0.20%	17.10
103	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	India	Joint Venture[2]	29.06%	30.87%	49.00%	49.00%	0.05%	18.21	0.03%	14.48	-0.03%	3.73	-0.05%	4.03
104	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture[2]	30.12%	32.00%	50.00%	50.00%	0.06%	20.57	0.05%	20.28	-0.04%	4.04	-0.07%	5.63
105	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Joint Venture[2]	15.66%	16.64%	26.00%	26.00%	0.19%	63.98	0.13%	53.30	-0.12%	12.81	-0.13%	10.99
106	WAISL Limited (formerly known as Wipro Airport IT Services Limited) (WAISL)	India	Joint Venture[2]	15.66%	16.64%	26.00%	26.00%	0.01%	4.78	0.00%	1.43	-0.03%	3.35	0.02%	(2.03)
107	GMR Mining & Energy Private Limited (GMEL)	India	Joint Venture	40.00%	40.00%	40.00%	40.00%	0.00%	(0.74)	0.00%	(0.73)	0.00%	(0.02)	0.00%	(0.01)
108	Delhi Duty Free Services Private Limited (DDFS)	India	Joint Venture[2]	46.10%	48.97%	66.93%	66.93%	0.91%	300.16	0.61%	256.52	-0.84%	91.82	-0.80%	68.23
Foreign															
109	GMR Megawide Cebu Airport Corporation (GMCAC)	Philippines	Joint Venture[2]	37.66%	40.00%	40.00%	40.00%	1.41%	466.60	0.93%	390.25	-0.45%	48.99	-0.68%	58.04
110	Limak GMR Joint Venture (CJV)	Turkey	Joint Venture	50.00%	50.00%	50.00%	50.00%	0.00%	(0.23)	0.00%	(0.78)	0.00%	0.54	0.00%	(0.25)
111	Megawide GISPL Construction Joint Venture (MGCJV)	Philippines	Jointly Controlled Operations	50.00%	50.00%	50.00%	50.00%	0.08%	27.38	0.08%	32.20	-0.25%	27.08	-0.25%	21.18
112	Megawide GMR Construction JV, Inc. (MGCJV Inc.)	Philippines	Joint Venture[5]	45.00%	NA	45.00%	NA	0.06%	20.55	0.00%	-	0.03%	9.59	0.00%	-
113	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Joint Venture[8]	30.00%	30.00%	30.00%	30.00%	10.38%	3,443.26	7.54%	3,151.65	-1.84%	202.35	-2.71%	231.48
114	Heraklion Crete International Airport SA (Crete)	Greece	Joint Venture[5]	9.41%	NA	10.00%	NA	0.01%	4.04	0.00%	NA	0.00%	-	0.00%	NA
Associates															
115	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	India	Associate[2]	15.66%	16.64%	26.00%	26.00%	0.17%	57.99	0.12%	52.24	-0.05%	5.75	-0.06%	4.93
116	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Associate[2]	24.10%	25.60%	40.00%	40.00%	0.02%	5.96	0.01%	4.42	-0.01%	1.55	-0.01%	0.71
117	TIM Delhi Airport Advertising Private Limited (TIM)	India	Associate[2]	30.06%	31.94%	49.90%	49.90%	0.12%	39.47	0.09%	36.90	-0.12%	13.18	-0.16%	13.48
118	GMR Chhattisgarh Energy Limited (GCEL)	India	Associate	47.62%	47.62%	47.62%	47.62%	0.00%	-	3.55%	1,485.25	13.54%	(1,485.25)	6.38%	(544.14)
119	GMR Rajahmundry Energy Limited (GREL)	India	Associate	45.00%	45.00%	45.00%	45.00%	-1.86%	(615.34)	-1.71%	(715.28)	-0.29%	32.00	6.54%	(557.86)
120	DIGI Yatra Foundation (DIGI)	India	Associate[5]	22.29%	NA	37.00%	NA	0.00%	-	0.00%	NA	0.00%	-	0.00%	NA
	Sub Total							**100.00%**	**33,164.38**	**100.00%**	**41,794.78**	**100.00%**	**(10,969.00)**	**100.00%**	**(8,533.27)**
	Add/ Less: Non controlling interests in all subsidiaries								(2,061.95)		(1,826.47)		(237.63)		(256.95)
	Consolidation adjustments/eliminations**								(29,860.54)		(34,323.50)		7,786.34		7,308.00
	Total								**1,241.89**		**5,644.81**		**(3,420.29)**		**(1,482.22)**

Notes to the consolidated financial statements for the year ended March 31, 2019

*The figures have been considered from the respective standalone financial statements before consolidation adjustments / eliminations.

** Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

The reporting dates of the subsidiaries, joint ventures and associates coincide with that of the parent Company except in case of foreign subsidiaries (refer Sl. No 79 to 100) and foreign joint ventures (refer Sl. No 109 to 114) whose financial statements for the year ended on and as at December 31, 2018 were considered for the purpose of consolidated financial statements of the Group.

The financial statements of other subsidiaries / joint ventures / associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2019.

Notes:

1 During the year ended March 31, 2019, the Group has accounted for the put option to acquire additional 17.85% stake from investors in regard to GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights as at March 31, 2019.

2 Change in holding % of GAL on account of CCPS settlement during the year. Refer note 45 (xii) for additional details.

3 Additional stake acquired in subsidiary during the year.

4 Disposed during the year ended March 31, 2019.

5 Incorporated during the year ended March 31, 2019.

6 Ceased to be a subsidiary and became joint venture with effect from August 31, 2018.

7 The amounts disclosed with respect to net profit / (loss) in the table above comprises of the net profit / (loss) from the operations of such entities till the date of disposal and net profit / (loss) from such disposal.

8 The amounts for net assets / (liabilities) and net profit / (loss) of PTGEMS and its joint ventures have been presented on a consolidated basis.

9 The amounts for net assets / (liabilities) and net profit / (loss) of GEL and its subsidiaries and joint ventures have been presented on a consolidated basis.

10 During the year ended March 31, 2018, GEL has entered into a share subscription-cum-shareholders' agreement with DIAL whereby DIAL has subscribed for 20.86% equity shares of GBHHPL.

11 The joint ventures consolidated with GEL are listed below:

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2019	March 31, 2018
1	GMR Vemagiri Power Generation Limited (GVPGL)	India	Joint Venture	69.58%	51.73%
2	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Joint Venture	69.61%	51.73%
3	GMR Warora Energy Limited (GWEL)	India	Joint Venture	69.58%	51.73%
4	GMR Gujarat Solar Power Limited (GGSPL)	India	Joint Venture	69.58%	51.73%
5	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Joint Venture	69.58%	51.73%
6	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	India	Joint Venture	34.79%	NA
7	GMR Maharashtra Energy Limited (GMAEL)	India	Joint Venture	69.58%	51.73%
8	GMR Rajam Solar Power Private Limited (GRSPPL)	India	Joint Venture	69.58%	51.73%
9	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Joint Venture	69.58%	51.73%
10	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Joint Venture	69.58%	51.73%
11	GMR Consulting Services Limited (GCSL)	India	Joint Venture	69.58%	51.73%
12	GMR Kamalanga Energy Limited (GKEL)	India	Joint Venture	60.83%	45.22%
13	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Joint Venture	67.63%	54.29%
14	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture	12.10%	9.00%
15	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Joint Venture	71.10%	54.14%
16	Karnali Transmission Company Private Limited (KTCPL)	Nepal	Joint Venture	71.10%	54.14%
17	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	Joint Venture	71.10%	54.14%
18	GMR Lion Energy Limited (GLEL)	Mauritius	Joint Venture	71.10%	54.14%
19	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Joint Venture	51.90%	39.52%
20	Himtal Hydro Power Company Private Limited (HHPPL)	Nepal	Disposed during the year	NA	42.42%

Notes to the consolidated financial statements for the year ended March 31, 2019

12 The joint ventures consolidated with PTGEMS are listed below:

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2019	March 31, 2018
1	PT Roundhill Capital Indonesia (RCI)	Indonesia	Joint Venture	29.70%	29.70%
2	PT Borneo Indobara (BIB)	Indonesia	Joint Venture	29.43%	29.43%
3	PT Kuansing Inti Makmur (KIM)	Indonesia	Joint Venture	30.00%	30.00%
4	PT Karya Cemerlang Persada (KCP)	Indonesia	Joint Venture	30.00%	30.00%
5	PT Bungo Bara Utama (BBU)	Indonesia	Joint Venture	30.00%	30.00%
6	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Joint Venture	30.00%	30.00%
7	PT Berkat Nusantara Permai (BNP)	Indonesia	Joint Venture	30.00%	30.00%
8	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Joint Venture	30.00%	30.00%
9	PT Trisula Kencana Sakti (TKS)	Indonesia	Joint Venture	21.00%	21.00%
10	PT Era Mitra Selaras (EMS)	Indonesia	Joint Venture	30.00%	30.00%
11	PT Wahana Rimba Lestari (WRL)	Indonesia	Joint Venture	30.00%	30.00%
12	PT Berkat Satria Abadi (BSA)	Indonesia	Joint Venture	30.00%	30.00%
13	GEMS Trading Resources Pte Limited (GEMSCR)	Singapore	Joint Venture	30.00%	30.00%
14	PT Karya Mining Solution (KMS)	Indonesia	Joint Venture	30.00%	30.00%
15	PT Kuansing Inti Sejahtera (KIS)	Indonesia	Joint Venture	30.00%	30.00%
16	PT Bungo Bara Makmur (BBM)	Indonesia	Joint Venture	30.00%	30.00%
17	PT GEMS Energy Indonesia (PTGEI)	Indonesia	Joint Venture	30.00%	30.00%
18	Shanghai Jingguang Energy Co Ltd (SJECL)	China	Disposed during the year	NA	30.00%
19	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	Joint Venture	30.00%	NA
20	PT Unsoco (Unsoco)	Indonesia	Joint Venture	30.00%	NA
21	PT Barasentosa Lestari (PTBSL)	Indonesia	Joint Venture	30.00%	NA
22	PT Duta Sarana Internusa (PTDSI)	Indonesia	Joint Venture	30.00%	NA

13 The joint ventures consolidated with GMCAC are listed below:

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2019	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2019	March 31, 2018
1	Mactan Travel Retail Group Co. (MTRGC)	Philippines	Joint Venture	23.54%	NA
2	SSP-Mactan Cebu Corporation (SMCC)	Philippines	Joint Venture	23.54%	NA

Notes to the consolidated financial statements for the year ended March 31, 2019

3. Property, plant and equipment

(₹ in crore)

Particulars	Freehold land	Leasehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, Culverts, Bunders etc.	Plant and machinery	Leasehold improvements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Total
Gross block											
At Cost/Deemed Cost											
As at April 01, 2017	**38.06**	**0.12**	**2,100.28**	**5,563.17**	**322.65**	**2,492.66**	**152.83**	**76.91**	**1,098.97**	**231.09**	**12,076.74**
Additions	-	-	9.30	105.33	0.32	108.71	9.57	31.12	41.76	13.59	319.70
Additions on inclusion of subsidiary companies	-	-	-	-	-	1.18	0.54	0.55	0.35	-	2.62
Disposals	-	-	-	(15.95)	-	(73.71)	(0.07)	(5.75)	(2.43)	(0.59)	(98.50)
Exchange differences	-	-	(9.21)	(19.87)	-	(9.39)	-	(0.03)	(3.65)	-	(42.15)
Reclassifications	-	-	-	6.59	-	(0.72)	-	(0.01)	(5.86)	-	-
Transferred to assets held for sale	-	-	-	-	-	(32.92)	-	-	-	-	(32.92)
Other adjustments	-	(0.12)	(0.77)	(12.56)	-	(3.03)	-	(0.35)	(0.69)	-	(17.52)
As at March 31, 2018	**38.06**	**-**	**2,099.60**	**5,626.71**	**322.97**	**2,482.78**	**162.87**	**102.44**	**1,128.45**	**244.09**	**12,207.97**
Additions	0.11	-	187.24	323.43	0.01	359.21	16.15	58.01	133.58	8.77	1,086.51
Disposals	-	-	-	-	-	(0.54)	(2.36)	(0.39)	(0.53)	(1.62)	(5.44)
Exchange differences	-	-	6.56	14.09	-	6.74	-	-	2.67	-	30.06
Other adjustments	-	-	3.00	(0.88)	-	(1.68)	(0.54)	(0.18)	(0.15)	-	(0.43)
As at March 31, 2019	**38.17**	**-**	**2,296.40**	**5,963.35**	**322.98**	**2,846.51**	**176.12**	**159.88**	**1,264.02**	**251.24**	**13,318.67**
Accumulated Depreciation											
As at April 01, 2017	**-**	**-**	**220.60**	**583.46**	**26.56**	**601.61**	**25.06**	**28.32**	**412.55**	**38.97**	**1,937.13**
Reclassification	-	-	-	0.08	-	(0.01)	-	-	(0.07)	-	-
Additions on inclusion of subsidiary companies	-	-	-	-	-	0.51	0.28	0.19	0.10	-	1.08
Charge for the year	-	-	110.80	281.89	13.31	303.81	9.35	16.34	207.15	16.12	958.77
Disposals	-	-	-	(15.94)	-	(60.11)	(0.03)	(4.69)	(0.32)	(0.52)	(81.61)
Transferred to assets held for sale	-	-	-	-	-	(29.75)	-	-	-	-	(29.75)
As at March 31, 2018	**-**	**-**	**331.40**	**849.49**	**39.87**	**816.06**	**34.66**	**40.16**	**619.41**	**54.57**	**2,785.62**
Charge for the year	-	-	117.54	264.69	13.35	281.03	13.93	24.38	146.79	16.99	878.70
Disposals	-	-	-	-	-	(0.20)	(0.91)	(0.37)	(0.46)	(1.62)	(3.56)
Adjustment on account of changes in useful life in PPE due to AERA Order	-	-	-	17.30	-	8.16	-	-	18.77	-	44.23
Other adjustments	-	-	-	-	-	(0.44)	(0.13)	(0.04)	-	-	(0.61)
As at March 31, 2019	**-**	**-**	**448.94**	**1,131.48**	**53.22**	**1,104.61**	**47.55**	**64.13**	**784.51**	**69.94**	**3,704.38**
Net Block											
As at March 31, 2018	**38.06**	**-**	**1,768.20**	**4,777.22**	**283.10**	**1,666.72**	**128.21**	**62.28**	**509.04**	**189.52**	**9,422.35**
As at March 31, 2019	**38.17**	**-**	**1,847.46**	**4,832.00**	**269.76**	**1,741.90**	**128.57**	**95.75**	**479.51**	**181.30**	**9,614.42**

Notes:

1. The Group during the year ended March 31, 2017 had adopted Ind AS under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendment rules issued thereafter. The Group had availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment has been carried forward at the amount as determined under the previous GAAP as at April 01, 2015.

Notes to the consolidated financial statements for the year ended March 31, 2019

2. Buildings (including roads) with gross block of ₹ 5,819.87 crore (March 31, 2018: ₹ 5,485.42 crore), runways, taxiways, aprons, bridges, culverts, bunders etc. are on leasehold land.

3. **Foreign exchange differences in gross block**:

    a. Foreign exchange gain of ₹ 0.02 crore (March 31, 2018 : loss of ₹ 0.01 crore) on account of translating the financial statement items of foreign entities using the exchange rate at the balance sheet date.

    b. The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, Foreign exchange loss of ₹ 30.06 crore (March 31, 2018: gain of ₹ 42.15 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets have been adjusted against property, plant and equipment.

4. Also, refer note 36 with regard to asset transferred to held for sale.

5. Depreciation for the year of ₹0.38 crore (March 31, 2018 : ₹6.75 crore) relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in Note 4.

6. The property, plant and equipment of the Group has been pledged for the borrowing taken by the Group. Also refer note 18 and note 23.

7. Other Adjustments includes reversal of outstanding liabilities of GHIAL and DIAL amounting to ₹ 2.99 Crore (March 31, 2018: ₹17.52 crores) pertaining to project construction which are no longer payable now. It also includes capitalisation of interest of GHIAL amounting to ₹5.11 crore (March 31, 2018: NIL).

8. On account of change in useful life of asset as per Airport Economic Regulatory Authority order no. 35/2017-18 dated January 12, 2018 and amended on April 09, 2018 in the matter of determination of useful life of airport assets, effective from April 01, 2018, additional depreciation of ₹ 44.23 crore has been charged in the retained earnings.

9. Also refer note 45(i).

Notes to the consolidated financial statements for the year ended March 31, 2019

4. Capital work in progress

(₹ in crore)

	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Capital expenditure incurred on tangible assets	830.82	543.97
Employee benefit expenses	29.23	9.49
Interest cost	55.44	24.01
Other expenses	158.13	98.26
(i)	**1,073.62**	**675.73**
Less: Other income		
Interest income on bank deposits	1.93	0.49
Net gain on sale of current investments	14.33	13.60
Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2018 : ₹ Nil)]	0.58	0.58
(ii)	**16.84**	**14.67**
Total (iii) = (i) - (ii)	**1,056.78**	**661.06**
Less: Apportioned over the cost of tangible assets	199.75	73.22
(iv)	**199.75**	**73.22**
Total - (v) = (iii) - (iv)	**857.03**	**587.84**

Notes :

1. The Group during the year ended March 31, 2017 had adopted Ind AS under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendment rules issued thereafter. The Group had availed the exemption available under Ind AS 101, wherein the carrying value of capital work in progress has been carried forward at the amount as determined under the previous GAAP as at April 01, 2015

5 Investment property under construction

(₹ in crore)

Particulars	Investment property under construction	Total
Cost		
As at 01 April 2017	**2,521.81**	**2,521.81**
Acquisitions during the year	1.01	1.01
Expenses capitalised during the year	284.16	284.16
Disposals	(0.36)	(0.36)
As at March 31, 2018	**2,806.62**	**2,806.62**
Acquisitions during the year	0.25	0.25
Expenses capitalised during the year	336.37	336.37
Disposals	(0.56)	(0.56)
As at March 31, 2019	**3,142.68**	**3,142.68**
Accumulated depreciation		
As at April 01, 2017	**1.13**	**1.13**
Charge for the year	0.88	0.88
Disposals	-	-
As at March 31, 2018	**2.01**	**2.01**
Charge for the year	0.88	0.88
Disposals	-	-
As at March 31, 2019	**2.89**	**2.89**
Net block		
As at March 31, 2018	**2,804.61**	**2,804.61**
As at March 31, 2019	**3,139.79**	**3,139.79**

Notes to the consolidated financial statements for the year ended March 31, 2019

Notes :

(a) Information regarding income and expenditure of Investment property (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Rental income derived from investment property	7.36	7.94
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(3.33)	(4.85)
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	(2.90)	(2.60)
Profit / (loss) arising from investment properties before depreciation	**1.13**	**0.49**
Less: Depreciation for the year	(0.88)	(0.88)
Profit / (loss) arising from investment properties	**0.25**	**(0.39)**

(b) Investment property under construction as at March 31, 2019 represents 10,862 acres (March 31, 2018 : 10,826 acres) of land held by the Group consisting of 8,240 acres (March 31, 2018 : 8,240 acres) of land held by KSL for the purpose of SEZ and industrial in Kakinada, 1,323 acres (March 31, 2018 : 1,284 acres) of land held by GKSIR for the purpose of SEZ at Krishnagiri and 1,299 acres (March 31, 2018 : 1,302 acres) of land held by various other entities.

(c) State Industries Promotion Corporation of Tamil Nadu (SIPCOT) has issued notification / notice for acquisition of 592 acres (March 31, 2018 : 592 acres) of land for industrial purpose. The management of the Group does not foresee any financial loss arising out of such notification / notice.

(d) Investment property of the Group has been pledged for the borrowing taken by the Group. Refer note 18 and note 23.

(e) Fair value hierarchy disclosures for investment properties have been provided in Note 52.

6. Goodwill on Consolidation (₹ in crore)

Particulars	
Cost	
As at April 01, 2017	459.96
Disposals	(1.40)
As at March 31, 2018	**458.56**
Disposals	-
As at March 31, 2019	**458.56**
Accumulated impairment	
As at April 01, 2017	-
Charge for the year	-
As at March 31, 2018	-
Charge for the year	-
As at March 31, 2019	-
Net book value	
As at April 01, 2017	**459.96**
As at March 31, 2018	**458.56**
As at March 31, 2019	**458.56**

7. Other intangible assets

(₹ in crore)

Particulars	Airport concessionaire rights	Capitalised software	Carriage-ways	Technical know-how	Power Plant concessionaire rights	Right to Cargo facility	Total
Gross block							
At Cost/Deemed cost							
As at April 01, 2017	**430.47**	**19.92**	**2,736.72**	**8.98**	**14.82**	**18.93**	**3,229.84**
Additions	-	0.78	1.86	-	-	2.95	5.59
Other adjustments (refer note 7(3))	-	-	(9.60)	-	-	(0.85)	(10.45)
As at March 31, 2018	**430.47**	**20.70**	**2,728.98**	**8.98**	**14.82**	**21.03**	**3,224.98**
Additions	-	4.61	3.71	-	-	5.66	13.98

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	Airport concessionaire rights	Capitalised software	Carriage-ways	Technical know-how	Power Plant concessionaire rights	Right to Cargo facility	Total
Disposals	-	-	-	-	-	(0.35)	(0.35)
As at March 31, 2019	**430.47**	**25.31**	**2,732.69**	**8.98**	**14.82**	**26.34**	**3,238.61**
Accumulated amortisation and impairment							
As at April 01, 2017	**28.70**	**10.71**	**501.81**	**8.98**	**4.38**	**4.31**	**558.89**
Charge for the year	8.20	2.36	81.62	-	0.92	3.08	96.18
Impairment reversed during the year (refer note 7(2))	-	-	(385.70)	-	-	-	(385.70)
Other adjustments (refer note 7(3))	-	-	(1.52)	-	-	(0.82)	(2.34)
As at March 31, 2018	**36.90**	**13.07**	**196.21**	**8.98**	**5.30**	**6.57**	**267.03**
Charge for the year	8.20	2.67	89.04	-	0.92	3.93	104.76
Disposals	-	-	-	-		(0.23)	(0.23)
As at March 31, 2019	**45.10**	**15.74**	**285.25**	**8.98**	**6.22**	**10.27**	**371.56**
Net Block							
As at March 31, 2018	**393.57**	**7.63**	**2,532.77**	**-**	**9.52**	**14.46**	**2,957.95**
As at March 31, 2019	**385.37**	**9.57**	**2,447.44**	**-**	**8.60**	**16.07**	**2,867.05**

Notes:

1. The Group during the year ended March 31, 2017 had adopted Ind AS under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendment rules issued thereafter. The Group had availed the exemption available under Ind AS 101, wherein the carrying value of other intangible assets has been carried forward at the amount as determined under the previous GAAP as at April 01, 2015.
2. Based on an internal assessment and valuation carried out by an external expert during the year ended March 31, 2017, the management of the Group had made a provision for impairment of ₹ 385.70 crore towards the carrying value of carriageways of GHVEPL and reversed the provision in the year ended March 31, 2018.
3. Other adjustments includes reversal of retention money of GHVEPL amounting to ₹ 9.60 crore as at pertaining to project construction which are no longer payable now and reversal of depreciation thereon amounting to ₹ 1.52 crore under depreciation charge for the year ended March 31, 2018.

8A. Interest in Joint ventures

(a) Details of joint ventures :

Name of the Entity	Country of incorporation / Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018		
a) **Material Joint Ventures :** GMR Megawide Cebu Airport Corporation (GMCAC) [8, 3]	Philippines	37.66%	40.00%	40.00%	40.00%	Operates the Mactan Cebu International Airport.	Equity Method
Delhi Duty Free Services Private Limited (DDFS)[3]	India	46.10%	48.97%	66.93%	66.93%	Operates Duty free shop at Indira Gandhi International Airport, New Delhi.	Equity Method
GMR Energy Limited (GEL) and its components [4]	India	69.58%	51.73%	51.73%	51.73%	Owns a barge mounted gas based power plant. Owns / operates / constructs thermal, solar and hydro power plants through its subsidiaries and joint ventures.	Equity Method

Notes to the consolidated financial statements for the year ended March 31, 2019

Name of the Entity	Country of incorpora-tion / Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018		
PT Golden Energy Mines TBK (PTGEMS) and its components [8]	Indonesia	30.00%	30.00%	30.00%	30.00%	Coal mining and trading operations in Indonesia .	Equity Method
b) Others : Delhi Aviation Services Private Limited (DASPL) [3]	India	30.12%	32.00%	50.00%	50.00%	Manages the operation of bridge mounted equipment and supply potable water at Indira Gandhi International Airport, New Delhi.	Equity Method
Delhi Aviation Fuel Facility Private Limited (DAFFPL) [3]	India	15.66%	16.64%	26.00%	26.00%	Operates aircraft refuelling facility at Indira Gandhi International Airport, New Delhi.	Equity Method
WAISL Limited (formerly known as Wipro Airport IT Services Limited) (WAISL) [3]	India	15.66%	16.64%	26.00%	26.00%	Provides IT infrastructure services at Indira Gandhi International Airport, New Delhi.	Equity Method
Laqshya Hyderabad Airport Media Private Limited (Laqshya)[3]	India	29.06%	30.87%	49.00%	49.00%	Provides media services for display of advertisement at Hyderabad Airport.	Equity Method
GMR Bajoli Holi Hydropower Private Limited (GBHHPL) [3, 6]	India	12.57%	13.35%	20.86%	20.86%	180 MW hydro based power project under construction	Equity Method
Limak GMR Joint Venture (Limak) [8]	Turkey	50.00%	50.00%	50.00%	50.00%	Joint venture formed for construction of ISG airport, Turkey.	Equity Method
GMR Mining & Energy Private Limited (GMEL) [7]	India	40.0%	40.00%	40.00%	40.00%	Engaged in mining.	Equity Method
Megawide GMR Construction JV, Inc. (MGCJV Inc.) [5, 8]	Philippines	45.00%	NA	45.00%	NA	Joint ventures formed for construction of Clark Airport, Phillipines.	Equity Method
Heraklion Crete International Airport S.A. (Crete) [5, 8]	Greece	9.41%	NA	10.00%	NA	Develop, construct, operate and management of the New Heraklion Airport.	Equity Method

Notes :

1. Aggregate amount of unquoted investment in joint ventures - ₹ 4,113,19 crore (March 31, 2018 : ₹ 4,005.69 crore).
2. Aggregate amount of quoted investment in joint ventures - ₹ 3,443.26 crore (March 31, 2018 : ₹ 3,151.65 crore). ; Market value of quoted investments in joint ventures : December 31, 2018 : ₹ 2,139.71 crore (IDR 441,176.50) (December 31, 2017 : ₹2,280.88 crore (IDR 485,294.15)) based on last trading. The trading of shares is suspended since January, 2018. Also refer Note 8B(m)(iii).

3 Change in holding % of GAL on account of CCPS settlement during the year. Refer note 45(xii) for additional details.

4 During the year ended March 31, 2019, the Group has accounted for the obligation to acquire additional 17.85% stake from investors of GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights as at March 31, 2019. Also refer note 8B(m)(i) and 20(2).

5 Incorporated during the year ended March 31, 2019.

6 Shareholding excludes the shares held by GEL in GBHHPL.

7 Shareholding excludes the shares held by GCEL in GMEL.

8 The reporting dates of the joint ventures entities coincide with the parent Company except in case of GMCAC, PTGEMS and its components, Limak, MGCJV Inc. and Crete whose financial statements for the year ended on and as at December 31, 2017 and December 31, 2018, as applicable were considered for the purpose of consolidated financial statements of the Group as these are the entities incorporated outside India and their financials are prepared as per calendar year i.e. January to December.

Notes to the consolidated financial statements for the year ended March 31, 2019

(b) Summarised financial information for material joint ventures

(₹ in crore)

Particulars	GEL and its components**		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Current assets										
Cash & cash equivalents	15.66	33.19	20.01	28.25	253.94	197.10	549.12	1,134.29	838.73	1,392.83
Current tax assets	-	-	-	-	-	-	3.47	4.18	3.47	4.18
Other assets	1,012.45	1,079.47	269.11	191.54	130.71	73.83	1,733.07	1,549.32	3,145.34	2,894.16
Total current assets	**1,028.11**	**1,112.66**	**289.12**	**219.79**	**384.65**	**270.93**	**2,285.66**	**2,687.79**	**3,987.54**	**4,291.17**
Non-current assets										
Non-current tax assets	16.85	22.69	0.71	-	-	-	-	-	17.56	22.69
Deferred tax assets	247.24	-	11.67	15.70	-	-	42.00	30.24	300.91	45.94
Other non-current assets	6,012.73	6,283.62	297.16	273.10	4,247.65	3,683.53	2,563.89	1,108.21	13,121.43	11,348.46
Total non-current assets	**6,276.82**	**6,306.31**	**309.54**	**288.80**	**4,247.65**	**3,683.53**	**2,605.89**	**1,138.45**	**13,439.90**	**11,417.09**
Current liabilities										
Financial liabilities (excluding trade payable)	2,180.54	1,704.56	111.88	56.42	12.36	33.56	477.43	514.70	2,782.21	2,309.24
Current tax liabilities	27.76	1.48	2.25	2.57	-	-	33.62	276.21	63.63	280.26
Other liabilities (including trade payable)	389.16	390.70	109.05	113.59	127.86	239.26	1,220.92	806.76	1,846.99	1,550.31
Total current liabilities	**2,597.46**	**2,096.74**	**223.18**	**172.58**	**140.22**	**272.82**	**1,731.97**	**1,597.67**	**4,692.83**	**4,139.81**
Non-current liabilities										
Financial liabilities (excluding trade payable)	2,972.22	3,712.60	41.64	68.44	3,209.80	2,622.14	756.93	257.73	6,980.59	6,660.91
Deferred tax liabilities	0.50	0.26	-	-	45.62	21.85	164.38	49.07	210.50	71.18
Other liabilities (including trade payable)	177.15	159.07	4.94	3.87	70.17	62.02	34.70	28.19	286.96	253.15
Total non-current liabilities	**3,149.87**	**3,871.93**	**46.58**	**72.31**	**3,325.59**	**2,706.01**	**956.01**	**334.99**	**7,478.05**	**6,985.24**
Less : Non-controlling interest	**(14.02)**	**(19.21)**	**-**	**-**	**-**	**-**	**(8.45)**	**(8.66)**	**(22.47)**	**(27.87)**
Net assets	**1,543.58**	**1,431.09**	**328.89**	**263.70**	**1,166.49**	**975.63**	**2,195.12**	**1,884.92**	**5,234.09**	**4,555.34**

** Refer Note 8A(a)(4)

Notes to the consolidated financial statements for the year ended March 31, 2019

(c) Reconciliation of carrying amounts of material joint ventures

(₹ in crore)

Particulars	GEL and its components**		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Opening net assets	1,431.09	1,677.34	263.70	227.76	975.63	889.32	1,884.92	1,819.73	4,555.34	4,614.15
Profit / (loss) for the year	(4.20)	(245.07)	152.17	124.09	122.07	144.83	674.86	777.68	944.90	801.53
Other Comprehensive income	2.35	(1.18)	(0.18)	(8.71)	0.41	0.28	(0.36)	(6.09)	2.22	(15.70)
Additional issues of shares during the year	-	-	-	-	35.42	-	-	-	35.42	-
Dividends paid	-	-	(72.00)	(66.00)	-	-	(512.45)	(592.13)	(584.45)	(658.13)
Dividend distribution tax	-	-	(14.80)	(13.44)	-	-	-	-	(14.80)	(13.44)
Foreign currency translation difference account	-	-	-	-	32.96	(58.80)	148.15	(114.27)	181.11	(173.07)
Other Adjustment	114.34	-	-	-	-	-	-	-	114.34	-
Closing net assets	**1,543.58**	**1,431.09**	**328.89**	**263.70**	**1,166.49**	**975.63**	**2,195.12**	**1,884.92**	**5,234.08**	**4,555.34**
Proportion of the group's ownership**	69.58%	51.73%	66.93%	66.93%	40.00%	40.00%	30.00%	30.00%		
Group's share	1,074.02	740.30	220.13	176.49	466.60	390.25	658.54	565.48	2,419.29	1,872.52
Adjustments to the equity values										
a) Fair valuation of Investments	2,862.53	2,405.36	-	-	-	-	-	-	2,862.53	2,405.36
b) Goodwill	-	-	80.03	80.03	-	-	2,784.72	2,586.17	2,864.75	2,666.20
c) Additional Impairment Charge shown under exceptional item (refer note 8B(m)(ii))	(1,242.72)	-	-	-	-	-	-		(1,242.72)	-
d) Acquisition of 17.85% stake	400.25	-	-	-	-	-	-		400.25	-
e) Other adjustments	(6.12)	-	-	-	-	-	-	-	(6.12)	-
Carrying amount of the investment	**3,087.96**	**3,145.66**	**300.16**	**256.52**	**466.60**	**390.25**	**3,443.26**	**3,151.65**	**7,297.98**	**6,944.08**

** Refer Note 8A(a)(4)

(d) Summarised statement of profit & loss for material joint ventures

(₹ in crore)

Particulars	GEL and its components		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Revenue from operations	1,932.42	1,810.86	1,358.30	1,118.09	388.61	298.55	7,140.50	5,017.04	10,819.83	8,244.54
Interest income	57.95	48.10	43.10	16.43	3.06	0.70	53.48	48.44	157.59	113.67
Depreciation and amortisation expenses	172.34	180.47	24.91	20.09	5.49	3.21	54.57	29.62	257.31	233.39
Finance Cost	659.17	638.42	9.32	11.12	72.26	27.68	35.96	29.53	776.71	706.75
Other expenses (net of other income)	1,270.13	1,288.97	1,129.58	917.03	169.43	120.84	6,173.23	3,897.43	8,742.37	6,224.27
Tax expenses / (income)	(221.31)	(3.83)	85.42	62.19	22.42	2.69	243.21	315.46	129.74	376.51
Profit / (loss) from continuing operations	96.54	(73.96)	152.17	124.09	122.07	144.83	687.01	793.44	1,057.79	988.40
Profit / (loss) from discontinued operations	13.50	(171.11)	-	-	-	-	-	-	13.50	(171.11)
Profit / (loss) for the year	110.04	(245.07)	152.17	124.09	122.07	144.83	687.01	793.44	1,071.29	817.29
Less : Non controlling interest	0.07	-	-	-	-	-	(12.15)	(15.76)	(12.08)	(15.76)
Profit / (loss) for the year attributable to parent	110.11	(245.07)	152.17	124.09	122.07	144.83	674.86	777.68	1,059.21	801.53
Other comprehensive income	2.35	(1.26)	(0.18)	(8.71)	0.41	0.28	(0.42)	(6.53)	2.16	(16.22)
Less : Non controlling interest	-	0.08	-	-	-	-	(0.06)	(0.44)	(0.06)	(0.52)
Other comprehensive income attributable to parent	2.35	(1.18)	(0.18)	(8.71)	0.41	0.28	(0.36)	(6.09)	2.22	(15.70)
Total comprehensive income to parent	112.46	(246.25)	151.99	115.38	122.48	145.11	674.50	771.59	1,061.43	785.83
Less : DDT paid	-	-	(14.80)	(13.44)	-	-	-	-	(14.80)	(13.44)
Total comprehensive income to parent net of DDT	112.46	(246.25)	137.19	101.94	122.48	145.11	674.50	771.59	1,046.63	772.39
Less : Profit on sale of Himtal attributable to recovery of Goodwill	(114.31)	-	-	-	-	-	-	-	(114.31)	-
Total comprehensive income to parent net of DDT and other adjustments	(1.85)	(246.25)	137.19	101.94	122.48	145.11	674.50	771.59	932.32	772.39
Group share of profit / (loss) for the year	(1.29)	(127.39)	91.82	68.23	48.99	58.04	202.35	231.48	341.87	230.36
Additional (Loss) / profit shown under exceptional item	(1,242.72)	-	-	-	-	-	-	-	(1,242.72)	-
Dividend received by Group from joint ventures	-	-	48.18	44.17	-	-	153.73	177.64	201.91	221.81

Notes to the consolidated financial statements for the year ended March 31, 2019

(e) Financial information in respect of oher joint ventures

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Aggregate carrying amount of investments in individually immaterial joint ventures	258.47	213.26
Aggregate amount of group's share of :		
- Profit / (loss) for the year from continuing operations	34.59	38.22
- Other comprehensive income for the year	(0.03)	(0.01)
- Total comprehensive income for the year	34.56	38.21
- Less : DDT paid	(1.21)	(2.76)
- Total comprehensive income for the year (net of DDT)	33.35	35.45

(f) Contingent liabilities in respect of joint ventures (Group's share)

a) Contingent liabilities (Group's share)

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Contingent Liabilities		
Corporate guarantees	1,015.87	760.76
Bank guarantees outstanding / Letter of credit outstanding	278.95	229.31
Disputed entry tax liabilities	102.67	83.24
Claims against the Group not acknowledged as debts	1,425.01	1,059.11
Disputed arrears of electricity charges	61.25	45.54
Matters relating to income tax under dispute	61.10	45.43
Matters relating to indirect taxes duty under dispute	60.37	31.11
Disputed demand for deposit of fund setup by water resource department	36.50	27.13
Total	**3,041.72**	**2,281.63**

b) Notes

i) The management of the Group believes that the ultimate outcome of the above matters will not have any material adverse effect on the Group’s consolidated financial position and result of operations.

ii) Refer Note 49(b) with regard to corporate guarantee provided by the Group on behalf of joint ventures.

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

iv) GKEL had appointed SEPCO Electric Power Construction Corporation (SEPCO) as the engineering, procurement and construction contractor for the power project pursuant to an international competitive bidding process. Subsequently GKEL and SEPCO have initiated arbitration proceedings towards settlement of disputed dues / claims of both the parties. GKEL invoked the bank guarantees of its EPC contractors amounting to Rs. 579.30 crores on November 12, 2014 for liquidated damages, non-payment of debit notes issued by the GKEL and outstanding liabilities to sub-contractors of EPC contractor. The EPC contractors have filed a claim approximately of ₹ 1,967.00 crores (group's share is ₹ 1196.46 crores) in Singapore International Arbitration Counsel. GKEL has also filed its reply to the statement of claims and have filed counter claims approximating of ₹1,660.03 crores (Group's share is ₹ 1,009.74 crores). Based on internal assessments and an external legal opinion, the management of the Group believes that the claim of the EPC contractor is not tenable and the said litigation will not have any impact on the consolidated financial statements of the Group.

Notes to the consolidated financial statements for the year ended March 31, 2019

v) GKEL has entered into a Bulk Power Transmission Agreement ('BPTA') with Power Grid Corporation of India Limited ('PGCIL') for availing Long Term Access ('LTA') for inter-state transmission of 800MW of power from its three units of generating station on long term basis. During the earlier year, one of the unit was subsequently connected with the Odisha State Transmission System thereby resulting in the reduction in connectivity upto 647 MW. PGCIL failed to make necessary corrections in the LTA/BPTA on account of reduction in connectivity and allocation remain unchanged to GKEL despite repeated requests to modify the same thus making GKEL liable for relinquishment charges. GKEL filed petition before CERC seeking relief on relinquishment charges which was rejected by CERC. Further GKEL filed petition before APTEL against the impunged CERC order. GKEL till date has not received any demand for monthly payments on the relinquished capacity nor any waiver towards relinquishment charges. The management of the Group is of the opinion that the grant of LTA is beyond the generation capacity of the plant and requirement of reduction of LTA was not on GKEL's own accord but was forced due to reasons attributable to implementing agencies. GKEL is hopeful of getting relief as requested in his petition before APTEL and does not forsee any financial implication that requires any adjustments to the consolidated financial statements of the Group.

vi) GKEL has entered into a BPTA with PGCIL for availing Long Term Open Access ('LTOA') for inter-state transmission of 220MW of power to western region from its fourth unit of generating station on long term basis in future and had provided bank guarantees of ₹ 11.00 crores. However, in absence of long term or medium term PPA for the generation of 4th Unit it has surrendered the transmission facility under force majeure conditions. GKEL filed petition before CERC seeking relief on relinquishment charges which was rejected by CERC. The management of the Group is of the opinion that the requirement of reduction of LTOA was not on GKEL's own accord but was due to force majeure conditions. GKEL is hopeful of getting relief as requested in his petition before CERC and does not forsee any financial implication that requires any adjustments to the consolidated financial statements of the Group.

vii) GKEL and GWEL has been made a party to various litigation in relation to land acquired and other matters for their power project. The compensation award has already been deposited with the Government and the possession of all these lands have already been handed over to GKEL/GWEL. In all these matters there are no adverse interim orders as at March 31, 2019. The management of the Group believes that the claims filed against GKEL/GWEL are not tenable and does not have any adverse impact on the consolidated financial statements.

viii) State of Himachal Pradesh has filed claim against GBHHPL in District court of Himachal Pradesh seeking 1% additional free power from GBHHPL based on New Hydro Power Policy, 2008.

ix) In case of GBHHPL, petition have been filed with Hon'ble Supreme Court challenging the grant of environmental clearance and approval granted for diversion of Forest land for shifting of project site from right to left bank of river Ravi.

Notes to the consolidated financial statements for the year ended March 31, 2019

8B. Interest in Associates

(a) Details of Associates :

Name of the Entity		Country of incorporation / Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018		
a)	**Material associates :** GMR Chhattisgarh Energy Limited (GCEL)	India	47.62%	47.62%	47.62%	47.62%	Owns and operates 1,370 MW coal based thermal power plant in Raipur district of Chattisgarh.	Equity Method
	GMR Rajahmundry Energy Limited (GREL)	India	45.00%	45.00%	45.00%	45.00%	Owns and operates 768 MW combined cycle gas based power plant at Rajahmundry, Andhra Pradesh.	Equity Method
b)	**Immaterial associates :** TIM Delhi Airport Advertising Private Limited (TIMDAA) [2]	India	30.06%	31.94%	49.90%	49.90%	Provides advertisement services at Indira Gandhi International Airport, New Delhi.	Equity Method
	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM) [2]	India	15.66%	16.64%	26.00%	26.00%	Provides Cargo services at Indira Gandhi International Airport, New Delhi.	Equity Method
	Travel Food Services (Delhi Terminal 3) Private Limited (TFS) [2]	India	24.10%	25.60%	40.00%	40.00%	Provides food & beverages services at Indira Gandhi International Airport, New Delhi.	Equity Method
	DIGI Yatra Foundation (Digi) [3]	India	22.29%	NA	37.00%	NA	Central platform for identity management of passengers. Is a Joint Venture of private airport operators and Airport Authority of India.	Equity Method

Notes :

1. Aggregate amount of unquoted investment in associates - ₹ 103.49 crore (March 31, 2018 : ₹ 1,578.80 crore).
2. Change in holding % of GAL on account of CCPS settlement during the year. Refer note 45(xii) for additional details.
3. Incorporated during the year ended March 31, 2019.

(b) Summarised financial information for material associates (₹ in crore)

Particulars	GCEL		GREL		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current assets						
Cash and cash equivalents	15.93	9.62	58.21	1.79	74.14	11.41
Current tax assets	-	-	0.42	0.34	0.42	0.34
Other assets	206.64	206.35	56.46	52.91	263.10	259.26
Total current assets	**222.57**	**215.97**	**115.09**	**55.04**	**337.66**	**271.01**
Non current assets						
Non-current tax assets	0.68	0.31	-	-	0.68	0.31
Deferred tax assets	-	-	-	-	-	-
Other non-current assets	9,720.21	10,080.64	2,168.53	2,271.16	11,888.74	12,351.80
Total non-current assets	**9,720.89**	**10,080.95**	**2,168.53**	**2,271.16**	**11,889.42**	**12,352.11**

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	GCEL		GREL		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current liabilities						
Financial liabilities (excluding trade payable)	3,008.75	1,936.41	493.57	552.31	3,502.32	2,488.72
Current tax liabilities	-	-	0.31	0.31	0.31	0.31
Other liabilities (including trade payable)	171.79	159.89	64.56	63.37	236.35	223.26
Total current liabilities	**3,180.54**	**2,096.30**	**558.44**	**615.99**	**3,738.98**	**2,712.29**
Non current liabilities						
Financial liabilities (excluding trade payable)	4,686.12	5,036.15	2,135.35	2,343.33	6,821.47	7,379.48
Deferred tax liabilities	-	-	0.45	0.45	0.45	0.45
Other liabilities (including trade payable)	40.72	45.51	12.31	11.41	53.03	56.92
Total non-current liabilities	**4,726.84**	**5,081.66**	**2,148.11**	**2,355.19**	**6,874.95**	**7,436.85**
Net assets	**2,036.08**	**3,118.96**	**(422.93)**	**(644.98)**	**1,613.15**	**2,473.98**

(c) Reconciliation of carrying amounts of material associates

(₹ in crore)

Particulars	GCEL		GREL		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening net assets	3,118.96	4,261.64	(644.98)	594.70	2,473.98	4,856.34
Profit /(loss) for the year	(1,083.04)	(1,142.80)	221.98	(1,267.19)	(861.06)	(2,409.99)
Other Comprehensive income	0.16	0.12	0.07	27.51	0.23	27.63
Closing net assets	**2,036.08**	**3,118.96**	**(422.93)**	**(644.98)**	**1,613.15**	**2,473.98**
Proportion of the group's ownership	47.62%	47.62%	45.00%	45.00%		
Group's share	969.58	1,485.25	(190.32)	(290.24)	779.26	1,195.01
Adjustments to the equity values						
a) Additional impairment charge (Refer Note 8B(m)(ii) and (v))	(969.58)	-	(425.04)	(425.04)	(1,394.62)	(425.04)
b) Amount shown under provisions (note 21) *	-	-	615.36	715.28	615.36	715.28
Carrying amount of the investment	**-**	**1,485.25**	**-**	**-**	**-**	**1,485.25**

* The Group continues to recognise the liability beyond its investment value on account of its constructive obligation in GREL towards guarantee given to the lenders.

(d) Summarised Statement of Profit & Loss for material associates

(₹ in crore)

Particulars	GCEL		GREL		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue from operations	800.88	368.30	-	-	800.88	368.30
Interest income	7.43	7.94	0.67	0.58	8.10	8.52
Depreciation and amortisation expenses	361.40	366.28	98.83	178.50	460.23	544.78
Finance Cost	795.30	777.36	68.40	274.32	863.70	1,051.68
Other expenses (net of other income)	734.73	375.93	11.82	828.63	746.55	1,204.56
Tax expenses / (income)	(0.08)	(0.53)	-	(13.68)	(0.08)	(14.21)
Exceptional /Prior period items	-	-	400.36	-	400.36	-
Profit / (loss) for the year	(1,083.04)	(1,142.80)	221.98	(1,267.19)	(861.06)	(2,409.99)
Other comprehensive income	0.16	0.12	0.07	27.51	0.23	27.63
Total comprehensive income	(1,082.88)	(1,142.68)	222.05	(1,239.68)	(860.83)	(2,382.36)
Total comprehensive income to parent net of DDT	(1,082.88)	(1,142.68)	222.05	(1,239.68)	(860.83)	(2,382.36)
Group share of profit / (loss) for the year	(515.67)	(544.14)	99.92	(557.86)	(415.75)	(1,102.00)
Impairment Loss shown under exceptional item	-	-	-	(385.70)	-	(385.70)
Additional loans given which has been impaired	-	-	(67.92)	-	(67.92)	-
Net Group share of profit / (loss) for the year	(515.67)	(544.14)	32.00	(172.16)	(483.67)	(716.30)
Additional (Loss) / profit shown under exceptional item	(969.58)	-	-	(385.70)	(969.58)	(385.70)

Notes to the consolidated financial statements for the year ended March 31, 2019

(e) Financial information in respect of other associates (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Aggregate carrying amount of investments in individually immaterial associates	103.49	93.55
Aggregate amount of group's share of :		
- Profit / (loss) for the year from continuing operations	22.70	21.46
- Other comprehensive income for the year	0.04	(0.07)
- Total comprehensive income for the year	22.74	21.39
- Less : DDT paid	(2.18)	(2.26)
- Total comprehensive income for the year (net of DDT)	20.56	19.13

(f) Carrying amount of investments in joint ventures, associates and others (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Material joint ventures (refer note - 8A)	7,297.98	6,944.08
Material associates (refer note - 8B)	-	1,485.25
Other joint ventures (refer note - 8A)	258.47	213.26
Other associates (refer note - 8B)	103.49	93.55
Other non-current investments (refer note - 8C)	105.13	95.43
Total	**7,765.07**	**8,831.57**

(g) Share in profits / (loss) of joint ventures / associates (net) (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Material joint ventures	341.87	230.36
Material associates	(483.67)	(716.30)
Other joint ventures	33.35	35.45
Other associates	20.56	19.13
Total	**(87.89)**	**(431.36)**

(h) Share of exceptional items (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Material joint ventures and associates (refer note - 8B(m)(ii) and 8B(m)(v))	(2,212.30)	(385.70)
Total	**(2,212.30)**	**(385.70)**

(i) Contingent liabilities in respect of associates (Group's share) (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Bank guarantees outstanding	1,021.24	1,015.29
Claims against the Group not acknowledged as debts	31.08	1.49
Matters relating to income tax under dispute	0.02	0.13
Matters relating to indirect taxes duty under dispute	0.02	0.02
Total	**1,052.36**	**1,016.93**

Notes:

i) Refer note 49(b) with regard to corporate guarantee provided by the Group on behalf of associates.

ii) The environmental clearance for Talabira – 1 Coal Mine vested to the Group from Hindalco Industries Limited ('prior allotee') in terms of the Vesting Order received from the Nominated Authority, Ministry of Coal, GOI has been challenged at the National Green Tribunal, Eastern Bench, Kolkata. The said dispute is continuing from the time of Hindalco industries Limited and is pending as on the date. However, the management of the Group is of the opinion that both the disputes raised do not have any legal validity and accordingly no adjustments are required to be made in these consolidated financial statements for the year ended March 31, 2019.

iii) Also refer note 8B(m)(v).

Notes to the consolidated financial statements for the year ended March 31, 2019

(j) Capital Commitments in respect of joint ventures and associates

i) Capital commitments in respect of joint ventures

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	394.43	681.96

ii) Capital commitments in respect of associates

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	18.28	19.51

(k) Other Commitments of / towards joint ventures and associates

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

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

iii) One of the overseas entities in power sector and the Government of Indonesia (Government) have entered into coal sale agreement for a defined period pursuant to which the entity is required to pay to the Government, amount equivalent to a specified percentage of proceeds from sale of the coal by the entity. Further, based on a regulation of the Government, all Companies holding mining rights have an obligation to pay an exploitation fee equivalent to certain percentage, ranging from 3% - 5% of sales, net of selling expenses and in certain cases, it is required to pay fixed payment (deadrent) to the Government based on total area of land in accordance with the rates stipulated therein.

iv) One of the overseas entities in power sector (as the buyer) and its joint ventures (as the seller) in power sector have entered into a coal sale agreement for sale and purchase of coal, whereby the buyer entity and seller entity have committed to, respectively, take delivery and to deliver, minimum specified percentage of the annual tonnage as specified in the agreement for each delivery year, based on the agreed pricing mechanism. The buyer entity is also committed to use the coal for the agreed use, provided that it shall not sell any coal to any person domiciled or incorporated in the country in which the seller entity operates.

v) One of the overseas entities in power sector has entered into a Cooperation Agreement with a third party whereby the entity is required to pay Land management fee from USD 1/ton up to USD 4.75/ton based on the provision stated in the agreement.

vi) One of the overseas entities in power sector has entered into a Road Maintenance Agreement with third parties whereby the entity is required to maintain the road during the road usage period.

vii) Certain entities in the power sector have entered into long term assured parts supply and maintenance agreements with sub-contractors whereby these entities have committed to pay fixed charges in addition to variable charges based on operating performance as defined in the agreements. The entities have also committed to pay incentives on attainment of certain parameters by the sub-contractors.

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

ix) One of the entities in airports sector has entered into a tripartite Master Service Agreement ('MSA') with the service provider and the holding company of the service provider, whereby this entity is committed to pay annually to the service provider if the receivable of the service provider falls short of subsistence level (as defined in the said MSA). This agreement was amended vide addendum number 17, dated April 05, 2018 to include Antariksh Softech Private Limited. Also in case of delay in payment of dues from customers to the service provider, this entity would fund the deficit on a temporary basis till the time the service provider collects the dues from aforementioned customers.

x) In respect of Group's investments in certain jointly controlled entities, other joint venture partners have the first right of refusal in case any of the joint venture partners intend to sell its stake subject to other terms and conditions of respective joint venture agreements.

xi) In respect of Group's investments in jointly controlled entities, the Group cannot transfer / dispose its holding for a period as specified in the respective joint venture agreements.

xii) Shares of the certain joint ventures have been pledged as security towards loan facilities sanctioned to the Group. Refer note 18 and 23.

xiii) The Group has committed to provide continued financial support to some of the joint ventures and associates, to ensure that these entities are

Notes to the consolidated financial statements for the year ended March 31, 2019

able to meet their debts and liabilities as they fall due and they continue as going concerns.

xiv) Certain entities in power sector have made a commitment towards expenditure on corporate social responsibility activities amounting to ₹ 73.91 crores (March 31, 2018 : 54.52 crores).

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

xvi) Certain joint ventures and associates of the Group have restrictions on their ability to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group resulting from borrowing arrangements, regulatory requirements or contractual arrangements entered by the Group.

(l) Trade and other receivables in respect of joint ventures and associates

i) GWEL a subsidiary of GEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly as at March 31, 2019, GWEL has raised claim of ₹ 414.09 crore (Group's share is ₹ 288.12 crore) towards reimbursement of transmission charges from March 17, 2014 till March 31, 2019. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ₹ 414.09 crore (Group's share is ₹ 288.12 crore) relating to the period from March 17, 2014 to March 31, 2019 (including ₹ 103.05 crore (Group's share is ₹ 71.70 crore) for the year ended March 31, 2019) in the consolidated statement of profit and loss.

(m) Others

i) The Group entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited (‘Investors’) whereby the investors have acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of 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 GMR Generation Assets Limited (‘GGAL’) (formerly ‘GMR Renewable Energy Limited’) towards discharge of the purchase consideration.

Pursuant to the aforesaid transaction, GEL and its underlying entities ceased to be subsidiaries of the Company and have been considered as joint ventures as per the requirements of Ind AS -28.

ii) The Group has investments of ₹ 3,087.96 crore in GEL, a joint venture of the Group as at March 31, 2019. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector. GEL and some of its underlying subsidiaries / joint ventures as further detailed in notes (iv), (vii) and (viii) below have been incurring losses. Based on the valuation assessment by an external expert during the year ended March 31, 2019 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 11.30% to 18.00% across various entities, the management has accounted for an impairment loss of ₹ 1,242.72 crore in the value of Group’s investment in GEL and its subsidiaries/joint ventures which has been disclosed as an exceptional item in the consolidated financial statement of the Group for the year ended March 31, 2019.

iii) The Group has investments of ₹ 3,443.26 crore in PTGEMS, a joint venture of the Group as at March 31, 2019. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Group is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GCRPL with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. The

Notes to the consolidated financial statements for the year ended March 31, 2019

Group has not significantly commenced the offtake of the coal under the CSA. Though the shares of PTGEMS are listed on the overseas exchanges, the management is of the view that the quoted prices are not reflective of the underlying value of the mines as in the past few years the shares have been very thinly traded. Based on profitable mining operations, ramp up of production volumes and other assumptions around off take at a discounted price and trading thereof in valuation assessment carried out by an external expert during the year ended March 31, 2019, the management of the Group believes that the carrying value of aforesaid investments in PTGEMS as at March 31, 2019 is appropriate.

iv) In view of lower supplies / availability of natural gas to the power generating companies in India, GEL, GVPGL and 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 by using Regasified Liquefied Natural Gas ('RLNG') as natural gas. These entities have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply.

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 for 55% stake in equity share capital of GREL and the Group had 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 31, 2018.

Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders, GREL ceased to be a subsidiary of the Group and the Group has accounted its investments in GREL under the Equity Method as per the requirements of Ind AS - 28.

During the year ended March 31, 2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders have decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. Additionally, based on the resolution plan the Group has accounted for waiver/reduction of accrued interest/penal interest amounting to ₹ 596.79 crore (Group share is ₹ 268.56 crore) during the year ended March 31, 2019.

During the year ended March 31, 2018, pursuant to the appeal filed by APDISCOMs, the Hon'ble Supreme Court held that RLNG is not natural gas and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG.

GVPGL had also filed petition claiming losses of ₹ 447.00 crore pertaining to capacity charges pertaining to period 2006 to 2009 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings.During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the present dispute. The matter is pending to be heard before the CERC.

Presently, the management of the Company is actively identifying the customers for the barge mount plant held by GEL.
The management of the Group 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 of the Group carried out a valuation assessment of GVPGL and GREL during the year ended March 31, 2019 which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff, tying up of PPA, realization of claims for losses incurred in earlier periods from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Group 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 the investment of ₹ 771.00 crore of GEL and GVPGL as at March 31, 2019 is appropriate. The Group has provided for its investment in full in GREL and the management is confident that no further impairment would arise post the implementation of the resolution plan with the lenders for the guarantees amounting to ₹ 2,571.71 crore provided to the lenders against the remaining debt.

v) "GCEL is engaged in development and operation of 2*685 MW, coal based power project and 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.

During the year ended March 31, 2018, GCEL has been successful in its bid under the Tolling Linkage initiative of the Government of India and has won a Power Purchase Agreement for supply of power to the extent of 500MW to Gujarat Urja Vikas Nigam Limited ('GUVNL') for which power was supplied by GCEL upto November 30, 2018. GCEL has also entered into a PPA with GUVNL for 1,000MW for a period of six months for which generation has commenced and will be continuing till June 30, 2019. 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 ₹ 4,228.51 crore as at March 31, 2019.

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 ('SDR') Scheme 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 had 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. Consequent to the SDR as stated above, GCEL ceased to be a subsidiary of the Group and has been considered as an associate as per the requirement of Ind AS -28.

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 ₹ 954.68 crore and pledge of deposits of ₹ 59.68 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."

GCEL has experienced certain delays and incurred cost overruns in the completion of the project including receipt of additional claims from the EPC contractors. The claims of the key EPC contractor of USD 14.36 crore, Doosan Power Systems India Private Limited ('DPS') was under arbitration in the Singapore International Arbitration Centre (SIAC). During the year ended March 31 2019, Final Settlement Agreement has been entered into between the Company, GGAL and GCEL with DPS wherein all the parties have agreed to withdraw respective claims arising out of the EPC Agreements. As per the settlement agreement, the final liability payable to DPS is settled at ₹ 573.52 crore.

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 Delhi High court subsequent to balance sheet date, on April 15, 2019 has passed an order rejecting the writ petitions filed by GCEL. GCEL is in the process of filing a Special Leave Petition at the Supreme Court against the order of the Delhi High Court. Based on the legal opinion, the management is of the opinion that no adjustments will be required to the accompanying consolidated financial statements of the Group in connection with the surrender of mines.

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 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 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 had requested the CERC to continue the interim protection granted by CERC till the last date of hearing, which has been accepted by the CERC. The CERC has passed the order in case of 92/MP /2015 dated March 08, 2019 wherein CERC has held that relinquishment charges are payable in certain circumstances using the methodology for such computation as specified in the Order. The CERC further ordered PGCIL to assess the transmission capacity which is likely to be stranded due to relinquishment of LTA. GCEL based on an legal opinion 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.

The Consortium of lenders are in the process of identifying investors for GCEL so as to revive the operational and financial position of GCEL. As informed by the lenders vide consortium meeting dated November 28, 2018 and March 15, 2019, the process is in final stages with one bidder being identified as H1 Qualified interested bidder for which negotiations are in progress. GCEL expects the entire process of change in control to be completed in due course and is not in receipt of any further information from the lenders on outcome of the bidding process and the final approved bid values.

The management has accounted for an impairment loss of ₹ 969.58 crore in the value of Group's investment in GCEL which has been disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2019 and has completely provided for the investment in GCEL. Further the Group has accounted ₹ 515.67 crore as its share of loss of associates and joint venture during the year ended March 31, 2019. The management of the Group is of the view that the no consequential liability would arise, on account of aforesaid matters in view of bidding process and negotiations being in the final stages.

vi) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of GEL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('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

Notes to the consolidated financial statements for the year ended March 31, 2019

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 year ended March 31, 2018, 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 the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2019, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at March 31, 2019 is appropriate.

vii) 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 ₹ 426.71 crore as at March 31, 2019 which has resulted in substantial erosion of GWEL's net worth. GWEL had claimed compensation for coal cost pass through and various "change in law" events from its customers under the Power Purchase Agreements ('PPA') and have filed petitions with the regulatory authorities for settlement of such claims in favour of GWEL. GWEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 690.08 crore and the payment from the customers against the claims including interest on such claims is substantially pending receipt. Based on certain favourable interim regulatory orders, the management is confident of realisation of the outstanding receivables. Though the net worth of GWEL is substantially eroded, GWEL has made profits during the year ended March 31, 2019 and the management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the outstanding receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2019, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2019 is appropriate.

viii) 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 ₹ 1,760.92 crore as at March 31, 2019 which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. Further, GKEL has trade receivables, other receivables and unbilled revenue (including claims) of ₹ 1,072.16 crore as at March 31, 2019, for coal cost pass through and various "change in law" events from its customers under the PPAs and have filed petitions with the regulatory authorities for settlement of such claims in favour of GKEL. The payment from the customers against the claims is substantially pending receipt. Based on certain favourable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favourable outcome towards the outstanding receivables of GKEL. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2019, the management is of the view that the carrying value of the net assets in GKEL by GEL as at March 31, 2019 is appropriate.

ix) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Group has evaluated the same for provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

x) GWEL, a joint venture of the Group is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations in 2013-14, under Section 80-IA of the Income Tax Act, 1961, with regard to income from generation of electrical energy. The management based on internal assessment, and based on certain favourable interim regulatory orders mentioned in the Note (vii) believes that there is a certainty with convincing evidence of availability of such future taxable income which ensure a reasonable rate of return to GWEL. Accordingly, during the current year, GWEL has recognised deferred tax asset of ₹ 247.24 crores (Group's share is ₹ 172.03 crores) on entire unabsorbed depreciation and carried forward losses as at March 31, 2019.

xi) Also refer Note 20(2).

8C. Financial Assets - Non-current investments (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Investments carried at fair value through consolidated statement of profit or loss		
In equity shares of other companies	0.56	0.56
Investments at amortised cost		
Investment in Debentures[1]	100.00	93.64
In other securities	4.57	1.23
	105.13	**95.43**
Aggregate book value of quoted investments	**-**	**-**
Aggregate market value of quoted investments	**-**	**-**
Aggregate value of unquoted investments	**105.13**	**95.43**

1. During the year ended March 31, 2011, GSPHPL had invested ₹ 100.00 crore in Kakinada Infrastructure Holding Private Limited (KIHPL), a shareholder in KSPL, through cumulative optionally convertible debentures with coupon rate of 0.10% p.a. GSPHPL is entitled to exercise the option of conversion of the aforesaid debentures into equity shares of KIHPL at a mutually agreed valuation at any time not exceeding 36 months

Notes to the consolidated financial statements for the year ended March 31, 2019

from the date of execution of the debenture agreement (March 18, 2011). This period had been extended by 18 months with effect from March 18, 2014. During the year ended March 31, 2016, this period has been further extended by 36 months from September 18, 2015. During the year ended March 31, 2019 this period has been further extended for 12 months. In the event GSPHPL does not exercise the option to convert the debentures into shares within the said period, the debentures shall be compulsorily converted by KIHPL into equity shares on expiry of the aforementioned period. The investment in KIHPL of ₹ 100.00 crore has been carried at amortised cost as per Ind AS 109.

9. Trade receivables

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Trade Receivables from external parties	109.22	81.63	1,328.20	1,438.47
Receivables from joint ventures and associates (Note 49)	-	-	112.65	255.61
Receivables from other related parties (Note 49)	-	-	6.52	75.57
Total	**109.22**	**81.63**	**1,447.37**	**1,769.65**
Break-up for security details:				
Unsecured, considered good	109.22	81.63	1,447.37	1,769.65
Unsecured, credit impaired	25.18	10.35	9.40	23.11
	134.40	**91.98**	**1,456.77**	**1,792.76**
Less: Allowance for doubtful receivables including allowance for expected credit loss	(25.18)	(10.35)	(9.40)	(23.11)
Total	**109.22**	**81.63**	**1,447.37**	**1,769.65**

(i) Refer Note 49 for trade or other receivables due from directors or other officers of the Group either severally or jointly with any other person and trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Trade receivables are non-interest bearing, except receivables of GHIAL amounting to ₹ 129.47 crore (March 31, 2018: ₹88.61 crore) which is at 18%.

(iii) Includes retention money deducted by customer to ensure performance of the Group'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.

10. Loans

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Security Deposit				
Unsecured, considered good				
Security deposit includes deposits with related parties (refer note below)	0.11	0.11	5.30	31.09
Security deposit with others	24.18	26.81	11.73	7.70
Unsecured- credit impaired	0.20	0.20	-	-
	24.49	27.12	17.03	38.79
Provision for doubtful deposits	(0.20)	(0.20)	-	-
Total (A)	**24.29**	**26.92**	**17.03**	**38.79**
Other loans				
Unsecured, considered good				
Loan to related parties (refer note below)	211.58	81.52	82.72	437.61
Loan to employees	1.75	0.58	5.20	2.38
Loan to others	39.21	36.22	4.83	3.10
	252.54	**118.32**	**92.75**	**443.09**

Notes to the consolidated financial statements for the year ended March 31, 2019

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Unsecured- credit impaired				
Loan to others	100.00	0.59	-	
Loan to associates/ joint ventures	270.17	214.82	-	-
	370.17	215.41	-	-
Provision for doubtful loans	(370.17)	(215.41)	-	-
Total (B)	**252.54**	**118.32**	**92.75**	**443.09**
Total (A+B)	**276.83**	**145.24**	**109.78**	**481.88**
Security deposit includes deposits with related parties:				
GMR Family Fund Trust ('GFFT')	-	-	4.28	31.09
GREPL	-	-	1.02	-
Others	0.11	0.11	-	-
	0.11	**0.11**	**5.30**	**31.09**
Loan to related parties considered good include:				
GMR Enterprises Private Limited ('GEPL')	-	-	2.40	373.40
GMR Holding Overseas Limited ('GHOL')	-	-	3.38	-
GFFT	-	-	4.61	-
Laqshya	-	2.65	-	-
MGCJV	-	10.04	-	-
PTDSI	173.36	-	-	-
PTBSL	-	-	27.91	-
GKEL	1.44	1.44	1.97	14.42
GVPGL	-	1.59	1.34	9.76
GBHPL	-	16.30	3.15	3.15
GMCAC	-	17.85	-	-
GREL	-	-	0.36	0.36
GWEL	-	1.44	17.73	14.84
GEL	-	-	1.48	1.68
GCHEPL	2.48	3.66	0.10	2.54
GGSPPL	-	-	0.24	-
GBHHPL	-	-	-	2.55
TIMDAA	-	0.75	-	-
WAISL	-	-	11.25	8.09
AAI	-	-	6.80	6.80
GMEL	-	-	-	0.02
GBEPL	34.30	25.80	-	-
	211.58	**81.52**	**82.72**	**437.61**
Loan to associates / joint ventures- credit impaired:				
GKEL	212.00	212.00	-	-
WAISL	2.82	2.82	-	-
GVPGL	16.30	-	-	-
GBHHPL	39.06	-	-	-
	270.18	**214.82**	**-**	**-**

1. Loans are non-derivative financial instruments which generate a fixed or variable interest income for the Group. The carrying value may be afftected by the changes in the credit risk of the counter parties.

Notes to the consolidated financial statements for the year ended March 31, 2019

11. Other financial assets

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 15)	454.00	401.60	-	-
Total (A)	**454.00**	**401.60**	**-**	**-**
Derivative instruments at fair value through OCI				
Derivatives designated as hedge				
Cross currency swap (refer note 51)	239.23	71.69	-	-
Call spread option (refer note 51)	94.88	-	-	-
Total (B)	**334.11**	**71.69**	**-**	**-**
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedge				
Interest rate swap	-	-	1.73	-
Call spread option (refer note 51)	99.75	19.80	-	-
Total (C)	**99.75**	**19.80**	**1.73**	**-**
Unsecured, considered good unless stated otherwise				
Receivable against service concession arrangements	960.82	1,172.95	216.02	113.11
Unbilled revenue (refer note 49)	37.56	54.03	526.37	474.90
Interest accrued on fixed deposits	0.00	-	42.81	32.00
Interest accrued on long term investments including loans to group Companies (refer note 49)	17.07	-	8.72	11.99
Non trade receivable (refer note 49)	134.70	-	276.54	101.09
Receivable on account of proposed sale of stake in subsidiary (refer note 45 (xii))	-	-	3,613.08	-
Total (D)	**1,150.15**	**1,226.98**	**4,683.54**	**733.09**
Total (A+B+C+D)	**2,038.01**	**1,720.07**	**4,685.27**	**733.09**

12. Other assets

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Capital advances				
Unsecured, considered good				
Capital advances to related parties (refer note below)	279.59	72.90	-	-
Capital advances to others	1,318.67	160.11	-	-
Total (A)	**1,598.26**	**233.01**	**-**	**-**
Advances other than capital advances				
Unsecured, considered good				
Advances other than capital (refer not 49)	7.55	8.03	127.13	170.92
Passenger service fee (Security Component) [Refer note 45(iv)]	25.65	24.74	-	-
Unsecured, considered doubtful	0.04	0.04	-	-
	33.24	32.81	127.13	170.92
Provision for doubtful advances	(0.04)	(0.04)	-	-
Total (B)	**33.20**	**32.77**	**127.13**	**170.92**
Other advances				
Prepaid expenses[1]	102.88	8.93	43.30	44.29
Deposit/ balances with statutory/ government authorities	56.97	65.34	53.28	31.27
Other receivable	-	-	10.81	6.78
Total (C)	**159.85**	**74.27**	**107.39**	**82.34**
Total (A+B+C)	**1,791.31**	**340.05**	**234.52**	**253.26**
Capital advances includes advances to related parties:				
GEPL	50.00	50.00	-	-
Polygon Enterprises Private Limited ('Polygon')	22.90	22.90	-	-
Megawide Construction Corporation ('MCC')	206.69	-	-	-
Total	**279.59**	**72.90**	**-**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2019

1. The above amount includes upfront fees paid on rupee term loan facility amounting to ₹ 4,200 crore entered by GHIAL with a bank which is pending disbursement as at reporting date.

13. Inventories

Particulars	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Raw materials (valued at lower of cost and net realizable value) (refer note 28)	45.07	38.60
Traded Goods (refer note 29)*	15.10	16.92
Consumables, Stores and Spares	52.40	48.67
Total inventories (valued at lower of cost and net realisable value)	**112.57**	**104.19**

* Includes goods in transit of ₹ 2.58 Crore (March 31, 2018: ₹ 4.09 Crore)

14. Financial Assets - Current investments

Particulars	March 31,2019 ₹ in crore	March 31, 2018 ₹ in crore
Investments carried at fair value through consolidated statement of profit or loss (unquoted)		
Investment in domestic mutual funds	1,032.81	3,172.68
Investment in overseas funds by foreign subsidiaries	161.12	225.88
Investments carried at amortised cost		
Investment in commercial papers	1,064.83	594.88
Investments in domestic other funds	91.58	45.87
	2,350.34	**4,039.31**

Notes:

1. Aggregate market value of current quoted investments - ₹ Nil (March 31, 2018: ₹ Nil)
2. Aggregate carrying amount of current unquoted investments ₹ 2,350.34 crore (March 31, 2018: ₹ 4,039.31 crore)
3. Aggregate provision for diminution in the value of current investments ₹ Nil (March 31, 2018: ₹ Nil)

15. Cash and cash equivalents

Particulars		Non-current		Current	
		March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Balances with banks					
- on current accounts[2,3,5,7]		0.28	0.28	239.83	709.69
- Deposits with original maturity of less than three months		-	-	670.28	928.01
Cheques / drafts on hand		-	-	1.74	5.66
Cash on hand / credit card collection		-	-	6.81	3.80
	(A)	**0.28**	**0.28**	**918.66**	**1,647.16**
Bank balances other than cash and cash equivalents					
- Deposits with remaining maturity for less than 12 months[7]		-	-	695.44	275.19
- Restricted balances with banks[1,4,6]		453.72	401.32	15.55	56.72
	(B)	**453.72**	**401.32**	**710.99**	**331.91**
Amount disclosed under other financial assets (refer note 11)		(454.00)	(401.60)	-	-
	(C)	**(454.00)**	**(401.60)**	**-**	**-**
Total	**(A+B+C)**	**-**	**-**	**1,629.65**	**1,979.07**

Notes:

1. Includes fixed deposits in GICL of ₹ 139.93 crore (March 31, 2018: ₹ 184.59 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that in spite of 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. Accordingly, the amount of deposit has been considered as non current.

Notes to the consolidated financial statements for the year ended March 31, 2019

2. Includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts.
3. Includes unclaimed dividend of ₹ 0.27 crore (March 31, 2018 : ₹ 0.27 crore) and ₹ 0.01 crore (March 31, 2018: ₹ 0.01 crore) towards DSRA maintained by the Company with ICICI.
4. Restricted deposits includes margin money deposit and deposits with banks that are pledged by the Group with the Government and other authorities and with lenders against long-term and short-term borrowings / hedging of FCCB interest / towards bank guarantee and letter of credit facilities availed by the Group.
5. 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 Group and earn interest at the respective short-term deposit rates.
6. Refer notes 18 and 23 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.
7. Includes Marketing Fund in DIAL of ₹ 58.29 crore (March 31, 2018: ₹ 50.55 crore). Refer note 45.
8. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Balances with banks:		
- On current accounts	239.83	709.69
Deposits with original maturity of less than three months	670.28	928.01
Cheques / drafts on hand	1.74	5.66
Cash on hand / credit card collection	6.81	3.80
Cash at bank and short term deposits attributable to entities held for sale (refer note 36)	0.59	3.39
Less: Bank overdraft*	(6.23)	(0.97)
Cash and cash equivalents for consolidated statement of cash flow	**913.02**	**1,649.58**

*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 Group has considered only such bank overdrafts which fluctuates from being positive to overdrawn often.

16. Equity

Particulars	Equity Shares		Preference Shares	
	In Numbers	(₹ in crore)	In Numbers	(₹ in crore)
Authorised share capital:				
At April 01, 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**
Increase / (decrease) during the year	-	-	-	-
At March 31, 2019	**13,500,000,000**	**1,350.00**	**6,000,000**	**600.00**

a. Issued equity capital
Equity shares of ₹ 1 each issued, subscribed and fully paid

	In Numbers	(₹ in crore)
At April 01, 2017	**6,035,945,275**	**603.59**
Changes during the year	-	-
At March 31, 2018	**6,035,945,275**	**603.59**
Changes during the year	-	-
At March 31, 2019	**6,035,945,275**	**603.59**

b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a 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.

Notes to the consolidated financial statements for the year ended March 31, 2019

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

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

Name of the shareholder	March 31, 2019		March 31, 2018	
	No. of shares held	(₹ in crore)	No. of shares held	(₹ in crore)
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company Equity shares of ₹ 1 each, fully paid up	31,321,815	3.13	31,321,815	3.13
GMR Enterprises Private Limited ('GEPL'), the holding company Equity shares of ₹ 1 each, fully paid up	2,962,422,625	296.24	2,878,245,098	287.82
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company Equity shares of ₹ 1 each, fully paid up	17,999,800	1.80	17,999,800	1.80
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company Equity shares of ₹ 1 each, fully paid up	805,635,166	80.56	805,635,166	80.56
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company Equity shares of ₹ 1 each, fully paid up	-	-	1,00,000	0.01

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

Name of the shareholder	March 31, 2019		March 31, 2018	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of ₹ 1 each fully paid				
GEPL	2,962,422,625	49.08%	2,878,245,098	47.69%
GBC	805,635,166	13.35%	805,635,166	13.35%
DVI Fund Mauritius Limited	505,584,900	8.38%	-	0.00%

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

e) 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.

f) Shares reserved for issue under options

For details of shares reserved for issue on conversion of foreign currency convertible bonds ('FCCB'), please refer note 18 related to terms of conversion/ redemption of FCCB.

Notes to the consolidated financial statements for the year ended March 31, 2019

17. Other Equity

(₹ in crore)

Equity component of preference shares (refer note 45(xii))		
Balance as at April 1, 2017		507.09
Less: Amount transferred to surplus in the consolidated statement of profit and loss.		(133.94)
Balance as at March 31, 2018		373.15
Less: Converted to equity shares during the year (refer note 45(xii))		(373.15)
Balance as at March 31, 2019	**(A)**	**-**
Equity component of optionally convertible debentures ('OCD's') (refer note 18)		
Balance as at April 1, 2017		-
Balance as at March 31, 2018		-
Add: Equity component recognised on issuance of OCD's		45.92
Balance as at March 31, 2019	**(B)**	**45.92**
Treasury shares (refer note 48(i))		
Balance as at April 1, 2017		(101.54)
Balance as at March 31, 2018		(101.54)
Balance as at March 31, 2019	**(C)**	**(101.54)**
Securities premium (refer note 17(h))		
Balance as at April 01, 2017		11,115.80
Balance as at March 31, 2018		11,115.80
Less: amount transferred to retained earning during the year (refer note 45(xii))		(1,104.82)
Balance as at March 31, 2019	**(D)**	**10,010.98**
Debenture redemption reserve (refer note 17(c))		
Balance as at April 01, 2017		181.32
Balance as at March 31, 2018		181.32
Add: amount transferred from the surplus balance in the consolidated statement of profit and loss		38.44
Less: amount transferred to the surplus balance in the consolidated statement of profit and loss		(32.34)
Balance as at March 31, 2019	**(E)**	**187.42**
Capital reserve on consolidation (refer note 17 (f))		
Balance as at April 01, 2017		(162.07)
Balance as at March 31, 2018		(162.07)
Less: Minority share on account of dilution in stake in subsidiary (refer note 45(xii))		(0.20)
Balance as at March 31, 2019	**(F)**	**(162.27)**
Capital reserve on acquisition (refer note 17(a))		
Balance as at April 01, 2017		3.41
Balance as at March 31, 2018		3.41
Balance as at March 31, 2019	**(G)**	**3.41**
Capital reserve on government grant (refer note 17(d))		
Balance as at April 01, 2017		67.41
Balance as at March 31, 2018		67.41
Less: Minority share on account of dilution in stake in subsidiairy (refer note 45(xii))		(3.96)
Balance as at March 31, 2019	**(H)**	**63.45**
Capital reserve on forfeiture (Refer note 17 (e))		
Balance as at April 01, 2017		141.75
Balance as at March 31, 2018		141.75
Balance as at March 31, 2019	**(I)**	**141.75**

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Foreign currency monetary translation difference account (FCMTR) (refer note 17(g))		
Balance as at April 01, 2017		33.43
Add: Exchange differences on FCCB recognised during the year		7.80
Less: FCMTR amortisation during the year		(0.83)
Balance as at March 31, 2018		40.40
Less: Exchange differences on FCCB recognised during the year		(114.50)
Add: FCMTR amortisation during the year		5.79
Balance as at March 31, 2019	**(J)**	**(68.31)**
Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act (refer note 17(b))		
Balance as at April 01, 2017		26.64
Add: Amount transferred from surplus / (deficit) in the consolidated statement of profit and loss		43.82
Balance as at March 31, 2018		70.46
Less: Minority share on account of dilution in stake in subsidiairy		(3.87)
Balance as at March 31, 2019	**(K)**	**66.59**
Surplus in the consolidated statement of profit and loss		
Balance as at April 01, 2017		(7,125.31)
Profit/ (Loss) for the period		(1,363.86)
Add: Amount transferred from equity component of preference shares		133.94
Less: Special Reserve u/s 45-IC of RBI Act (refer note 17(b))		(43.82)
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(3.10)
Less: Preference share dividend declared by a subsidiary		(3.77)
Less: Dividend distribution tax on preference share dividend declared by subsidiaries		(0.77)
Less: Dividend distribution tax on equity share dividend declared by subsidiaries		(44.14)
Balance as at March 31, 2018		**(8,450.83)**
Profit/ (Loss) for the period		(3,580.58)
Add: Amount transferred to the surplus balance in the consolidated statement of profit and loss from debenture redemption reserve		32.34
Less: Amount transferred from the surplus balance in the consolidated statement of profit and loss to debenture redemption reserve		(38.44)
Less: Adjustment due to application of Ind AS 115 'Revenue from contracts with customers'		(10.56)
Add: Adjustment on account of change in useful life of PPE due to AERA order		(27.46)
Less: Purchase of CCPS A of GAL held by non controlling shareholders (refer note 45(xii))		(2,251.21)
Less: Put option Obligation for purchase of minority shareholding of GAL		(996.20)
Add: Sale of shares shown as receivable under current financial assets (refer note 45(xii))		3,613.08
Less: Adjustment on account of dilution of stake in APFT		(0.83)
Add: Acquisition of additional stake in subsidiary company		25.19
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(2.35)
Less: Dividend distribution tax on dividend declared by subsidiaries		(24.85)
Balance as at March 31, 2019	**(L)**	**(11,712.70)**
Components of Other Comprehensive Income ('OCI')		
Foreign currency translation difference account (FCTR) (refer note 17(i))		
Balance as at April 01, 2017		61.54
Movement during the year		(134.68)
Non controlling interest		2.22
Balance as at March 31, 2018		(70.92)
Movement during the year		163.30
Non controlling interest		(8.14)
Balance as at March 31, 2019	**(M)**	**84.24**
Cash flow hedge reserve (refer note 17(j))		
Balance as at April 01, 2017		(10.78)

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Add: movement during the year		27.09
Non controlling interest		(9.90)
Balance as at March 31, 2018		6.41
Add: movement during the year		12.68
Add: Minority share on account of dilution in stake in subsidiairy		3.53
Non controlling interest		(5.20)
Balance as at March 31, 2019	**(N)**	**17.42**
Total other equity (A+B+C+D+E+F+G+H+I+J+K+L+M+N)		
Balance as at March 31, 2018		**3,214.75**
Balance as at March 31, 2019		**(1,423.64)**

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

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

c) Certain entities in the Group have issued redeemable non-convertible debentures ('NCD'). 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.

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

e) 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 Re.1 each on a preferential basis under chapter VII of the SEBI ICDR Regulations and provisions of all other applicable laws and regulations and accordingly the Company received an advance of ₹ 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 has been forfeited in accordance with the SEBI ICDR Regulations during the year ended March 31, 2016. The said amount has been credited to Capital Reserve account during the year ended March 31, 2016.

f) The Group has paid an additional consideration of ₹ 197.09 crore for acquisition of RSSL which has been adjusted against the positive capital reserve arising on consolidation of the entity as at April 01, 2015.

g) The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, exchange gain of ₹ 108.71 crore (March 31, 2018: exchange loss ₹ 6.97 crore), net of amortisation, on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset.

Notes to the consolidated financial statements for the year ended March 31, 2019

h) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

i) Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to consolidated profit or loss when the net investment is disposed-off.

j) The Group uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Group uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the consolidated statement of profit or loss when the hedged item affects profit or loss.

18. Long-term borrowings

(₹ in crore)

Particulars	Non - current		Current Maturities	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Debentures / Bonds				
Foreign currency convertible bonds (unsecured)	2,032.81	1,920.62	-	-
Foreign currency senior notes (secured)	7,941.58	7,488.47	-	-
Non convertible debentures (secured)	812.95	1,032.70	264.88	215.92
Non convertible debentures (unsecured)	1,176.06	-	873.94	-
Optionally convertible debentures (secured)	-	-	120.86	-
Term loans				
From banks				
Indian rupee term loans (secured)	6,221.86	6,202.78	684.37	604.80
Foreign currency loans (secured)	1,543.33	2,206.93	1,223.80	671.51
From financial institutions				
Indian rupee term loans (secured)	1,118.46	1,377.11	329.30	412.74
Indian rupee term loans (unsecured)	260.00	-	-	-
From others				
Indian rupee term loans (secured)	140.78	-	50.18	0.06
Loans from related parties (unsecured)	95.70	4.56	3.09	-
Liability component of compound financial instrument				
Convertible preference shares (unsecured)	5.23	4.73	-	-
Other loans				
Finance lease obligation (secured)	-	-	0.66	0.66
Negative grant (unsecured)	-	-	66.41	66.41
From the State Government of Telangana ('GoT') (unsecured)	315.05	315.05	-	-
	21,663.81	**20,552.95**	**3,617.49**	**1,972.10**
The above amount includes				
Secured borrowings	17,778.96	18,307.99	2,674.05	1,905.69
Unsecured borrowings	3,884.85	2,244.96	943.45	66.41
Amount disclosed under the head 'Other current financial liabilities' (Refer note 20)				
- current maturities of long term borrowings	-	-	(3,616.83)	(1,971.44)
- current maturities of finance lease obligations	-	-	(0.66)	(0.66)
Net amount	**21,663.81**	**20,552.95**	**-**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2019

A. Terms of security

The aforementioned borrowings of various entities of the Group are secured by way of charge on various movable and immovable assets of the group including but not limited to, present and future, leasehold rights of land, freehold land, buildings, intangibles, movable plant and machinery, other property, plant and equipment, investments, inventories, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, intellectual property, uncalled capital transaction accounts, rights under project documents of respective entities and all book debts, operating cash flows, current assets, receivables, Trust and Retention account('TRA'), commissions, revenues of whatsoever nature and wherever arising, all insurance contracts, accounts including Debt Service Reserve Accounts and bank accounts, bank guarantees, letter of credits, guarantee, performance bond, corporate guarantees given by the Group, non disposable undertaking with respect to shares held in certain companies, pledge of shares of subsidiaries / associates / joint ventures held by their respective holding companies (including holding company of the Group). Further, out of the above, borrowings of ₹ 940.82 crore (March 31, 2018: ₹ 733.28 crore) have been secured against some of the personal assets of certain directors and assets held / corporate guarantee given by the holding company / fellow subsidiaries.

B. Terms of repayment (₹ in crore)

Particulars	Interest rates range (p.a)	Amount outstanding as at March 31, 2019	Repayable within		
			1 year	1 to 5 years	>5 years
Debentures / Bonds					
Foreign currency convertible bonds (unsecured)	7.50%	2,074.65	-	-	2,074.65
Foreign currency senior notes (secured)	4.25% - 6.125%	8,031.32	-	1,996.85	6,034.47
Non convertible debentures (secured)	8.55% - 13.35%	1,080.27	265.59	391.63	423.05
Non convertible debentures (unsecured)	15%	2,050.00	873.94	1,176.06	-
Optionally convertible debentures (secured)	0%	129.24	129.24	-	-
Term loans					
From banks					
Indian rupee term loans (secured)	9% - 13.70%	7,100.31	712.73	3,545.95	2,841.63
Foreign currency loans (secured)	6 month USD Libor + 5.25% / 3 month USD Libor + 2.25%	2,770.14	1,223.80	1,546.34	-
From financial institutions					
Indian rupee term loans (secured)	9.50% - 14.05%	1,452.62	330.24	975.08	147.30
Indian rupee term loans (unsecured)	9.75% - 11.25%	260.00	-	75.00	185.00
From others					
Indian rupee term loans (secured)	0%	229.68	57.42	172.26	-
Loans from related parties (unsecured)	12.25%	98.79	3.09	95.70	-
Liability component of compound financial instrument					
Convertible preference shares (unsecured)	6%	5.23	-	-	5.23
Other loans					
Finance lease obligation (secured)	10%	0.66	0.66	-	-
Negative grant (unsecured)	NA	66.41	66.41	-	-
From the State Government of Telangana ('GoT') (unsecured)	0%	315.05	-	63.01	252.04
		25,664.37	**3,663.12**	**10,037.88**	**11,963.37**

Note:

i) Reconciliation with carrying amount

(₹ in crore)

Total Amount repayable as per repayment terms	25,664.37
Less: Impact of recognition of borrowing at amortised cost using effective interest method	383.07
Net Carrying Value	**25,281.30**

Notes to the consolidated financial statements for the year ended March 31, 2019

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

S No.	Nature	Particulars	March 31, 2019 ₹ in crore	Period of delay (No. of Days)	March 31, 2018 ₹ in crore	Period of delay (No. of Days)
1	Payment of principal	Indian rupee term loan from banks and financial institutions	59.21	0-90	2.92	0-90
2	Payment of principal/ premium	Non convertible debentures	59.24	0-30	-	-
3	Payment of interest	Interest on Foreign currency convertible bonds (FCCB's)*	159.15	0-120	-	-
		Interest on Indian rupee term loan from banks and financial institutions	56.06	0-90	45.35	0-90
		Total	**333.66**		**48.27**	

* The Company has a one time contractual option to delay payment of interest for a year.

C. Other notes

1. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company had issued 7.50% Unlisted FCCBs of USD 30.00 crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing date up to 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. As at March 31, 2019, The FCCB holders have not exercised the conversion option. The Company needs to take necessary steps in case the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited.
2. 6% Redeemable, Convertible, Non-Cumulative Preference Shares of ₹ 100 each fully paid up issued by GCORRPL, are redeemable at par on June 1, 2026. These preference shares can be redeemed at the option of GCORRPL at any time, as may be determined by the Board of Directors of GCORRPL with one month prior notice to the preference shareholders. These preference shares have been classified as financial liability by GCORRPL and are measured at amortised cost of ₹ 5.27 crore (March 31, 2018: ₹ 4.73 crore).
3. Against a secured Indian rupee term loan from bank taken by GACEPL, it has agreed to pay an additional interest of 0.60% p.a. on the loan from August, 2010 onwards if the claim submitted by GACEPL is awarded in favour of GACEPL during arbitration proceedings.
4. In case of certain secured Indian rupee term loans from a bank of the Company, the bank has a put option for full or part of the facility amount at the end of certain months from the date of first disbursement and every three months thereafter.
5. Negative grant of ₹ 66.41 crore (March 31, 2018: ₹ 66.41 crore) of GACEPL is interest free and recorded at amortised cost. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2019, an amount of ₹ 66.41 crore (March 31, 2018: ₹ 66.41 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of ₹ 108.34 crore till March 31, 2019 (March 31, 2018: ₹ 108.34 crore).
6. In case of certain loans from banks and financial institutions, the lenders have certain mandatory prepayment rights as per the terms of the agreements.

19 Trade payables

Particulars	Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Trade payables[1]	1,959.86	1,957.24
	1,959.86	**1,957.24**

1. Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing
- For explanations on the Group's credit risk management processes, refer note 52
- The dues to related parties are unsecured, refer note 49

Notes to the consolidated financial statements for the year ended March 31, 2019

20. Financial liabilities

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedge				
Foreign exchange forward contracts (refer note 51)	-	-	-	0.31
Financial liabilities at fair value through OCI				
Derivatives designated as hedge				
Call spread option (refer note 51)	-	18.83	-	-
Total (A)	**-**	**18.83**	**-**	**0.31**
Other financial liabilities at amortized cost				
Security deposit from concessionaires / customers	363.65	329.38	266.12	189.23
Security deposit from commercial property developers ('CPD')	13.02	7.48	-	116.75
Concession fee payable	192.54	212.01	84.08	22.15
Non-trade payable (including retention money)[1]	17.83	12.34	526.30	921.50
Liability towards non controlling interest / preference shareholders of subsidiaries / joint ventures (refer note 2 below and note 45 (xii))	-	-	2,186.38	-
Liability for voluntary retirement scheme	-	1.35	1.35	15.47
Interest / premium / processing fees payable on redemption of debenture/ loan	85.58	-	791.45	352.97
Current maturities of long term borrowings (refer note 18)	-	-	3,616.83	1,971.44
Current maturities of finance lease obligations (refer note 18)	-	-	0.66	0.66
Total (B)	**672.62**	**562.56**	**7,473.17**	**3,590.17**
Financial guarantees	49.57	62.17	15.76	6.10
Total (C)	**49.57**	**62.17**	**15.76**	**6.10**
Total (A+B+C)	**722.19**	**643.56**	**7,488.93**	**3,596.58**

1. 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. In July 2010, IDFC and Temasek ('PE investors') had made certain investments through preference shares in GMR Energy Limited (GEL). There were certain amendments to the original arrangement between the Company, GEL and the PE investors. As per the latest amended Subscription and Shareholder Agreement executed in May 2016, preference shares held by the PE investors were converted into equity shares of GEL. Post conversion, the PE investors held 17.85% of equity shares in GEL with an exit option within the timelines as defined in the aforesaid amended agreement. As the said timelines have expired during the current year and the PE investors have sort for an exit without any further extensions, the Group has recognized the financial liability of ₹ 1,192.43 crore in the consolidated financial statements with corresponding investment in joint ventures and associates. Further, the Company based on the valuation assessment carried by an external expert as at March 31, 2019 has made a provision for diminution in the value of such investment of ₹ 400.25 crore.

21. Provisions

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Provision for employee benefits				
Provision for gratuity (refer note 40)	12.54	12.68	6.39	9.33
Provision for compensated absences	-	-	84.57	62.52
Provision for other employee benefits	-	-	9.88	11.13
Total (A)	**12.54**	**12.68**	**100.84**	**82.98**

Notes to the consolidated financial statements for the year ended March 31, 2019

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Other provisions				
Provision for operation and maintenance (refer note 43)	103.35	164.89	256.31	190.59
Provision for rehabilitation and settlement (refer note 43)	-	-	42.86	-
Provision for asset retirement obligation / decommissioning liability (refer note 43)	-	-	-	7.70
Provision for power banking arrangment (refer note 43)	-	-	44.45	64.67
Provision against standard assets (refer note 43)	7.44	0.55	0.14	0.40
Provision for loss in an associate (refer note 8 b)	-	-	615.36	715.28
Total (B)	**110.79**	**165.44**	**959.12**	**978.64**
Total (A+B)	**123.33**	**178.12**	**1,059.96**	**1,061.62**

22. Other liabilities

Particulars	Non-current		Current	
	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Advance received from customers and CPD's	73.60	134.84	884.08	881.63
Deferred / unearned revenue	1,964.96	1,643.42	145.34	199.91
Statutory dues payable	-	-	161.12	116.58
Marketing fund liability (refer note 45(vii))	-	-	58.29	51.51
Government Grants	40.87	46.13	5.27	5.27
Other Liabilities	0.03	-	58.48	44.27
Total	**2,079.46**	**1,824.39**	**1,312.58**	**1,299.17**

23. Short-term borrowings

Particulars	Interest rates range (p.a)	March 31, 2019 ₹ in crore	March 31, 2018 ₹ in crore
Secured			
Cash credit and overdraft from banks	10.85%-14.25%	421.78	205.73
Indian rupee short term loans from banks	12.60%	1,502.35	7.97
Non convertible debentures	19%	200.00	-
Unsecured			
Indian rupee short term loans from financial institutions	9.75%	-	185.00
Indian rupee short term loans from related parties	9.75%-12.25%	87.48	143.67
Foreign currency loan from related parties	0%	65.48	-
Indian rupee short term loans from others	11%-13%	21.50	-
		2,298.59	**542.37**
The above amount includes			
Secured borrowings		2,124.13	213.70
Unsecured borrowings		174.46	328.67
		2,298.59	**542.37**

Notes:

i) The aforementioned borrowings are secured against by way of first charge on the current assets including book debts, current assets, fixed assets, equipments, bank accounts including, without limitation, the TRA / Escrow account, lien/ pledge of various fixed deposits placed by certain entities of the Group, operating cash flows, receivables, revenues whatsoever in nature, present and future, pledge over certain shares of certain entities of the group and unconditional and irrevocable corporate guarantee by the certain entities of the Group.

ii) Indian rupee short term loans from others of ₹ 12.69 crore including interest of ₹ 1.19 crore (March 31, 2018: ₹ Nil) is overdue for payment for a period upto 45 days.

Notes to the consolidated financial statements for the year ended March 31, 2019

24. Sales / income from operations (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Sale of products		
Power segment:		
Income from sale of electrical energy	2.41	3.56
	2.41	**3.56**
Traded goods		
Power segment:		
Income from sale of electrical energy	350.99	1,267.86
Income from coal trading	239.68	261.70
	590.67	**1,529.56**
Airport segment:		
Non-aeronautical		
Sale of duty free goods	158.18	118.86
	158.18	**118.86**
Sale of services		
Airport segment:		
Aeronautical	1,898.19	2,510.83
Non-aeronautical	2,900.79	2,458.51
Improvements to concession assets	5.66	2.95
	4,804.64	**4,972.29**
Roads segment:		
Annuity income from expressways		
Operation and maintenance income (SCA) (Annuity)	72.73	130.69
Construction income	22.06	23.94
Toll income from expressways	349.54	311.44
	444.33	**466.07**
EPC segment:		
Construction revenue	904.85	931.12
	904.85	**931.12**
Others segment:		
Income from hospitality services	67.35	63.00
Income from management and other services	129.60	140.73
	196.95	**203.73**
Sales / income from operations	**7,102.03**	**8,225.19**

25. Other operating income (₹ in crore)

	March 31, 2019	March 31, 2018
Income from commercial property development	195.86	187.44
Income from management and other services	78.58	116.56
Net gain on sale or fair valuation of investments	7.44	14.28
Others	15.81	13.02
	297.69	**331.30**

26. Finance income (₹ in crore)

	March 31, 2019	March 31, 2018
Treated as operating income		
Interest income on:		
Bank deposits and others	38.99	41.09
Receivables from service concession arrangements	126.17	123.63
	165.16	**164.72**

Notes to the consolidated financial statements for the year ended March 31, 2019

Notes to revenue from contracts with customers

a) Timing of rendering of services:

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Income from sale of electrical energy (refer note 24 (e))	353.40	-	353.40
Income from coal trading	239.68	-	239.68
Sale of duty free goods	158.18	-	158.18
Non-aeronautical	534.07	2,366.72	2,900.79
Aeronautical	1,674.11	224.08	1,898.19
Improvements to concession assets	-	5.66	5.66
Operation and maintenance income (SCA) (Annuity)	-	72.73	72.73
Construction income	-	926.91	926.91
Toll income from expressways	349.54	-	349.54
Income from Hospitality Service	67.35	-	67.35
Income from Management and other services	39.07	169.11	208.18
Income from Commercial property Development	-	195.86	195.86
Net gain on sale or fair valuation of investments	-	7.44	7.44
Other Operating revenue	8.15	7.66	15.81
Bank deposits and others	-	38.99	38.99
Interest income from service concession arrangements	-	126.17	126.17
Total	**3,423.56**	**4,141.32**	**7,564.88**

* The Group recognises revenue from these sources over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the group.

b) Reconciliation of revenue recognised in the statement of profit and loss with contracted price

(₹ in crore)

Particulars	March 31, 2019
Revenue as per contracted price	9,145.75
Significant financing component	5.90
Adjustment to revenue where the Group is acting as an agent	(1,586.77)
Revenue from contract with customer	**7,564.88**

c) Contract Balances

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Receivables		
- Non Current (Gross)	134.40	91.98
- Current (Gross)	1,456.77	1,792.76
- Provision for impairment loss (non current)	(25.18)	(10.35)
- Provision for impairment loss (current)	(9.40)	(23.11)
Contract assets		
Unbilled revenue		
- Non Current	37.56	54.03
- Current	526.37	474.90
Contract Liabilities		
Deferred / unearned revenue		
- Non Current	1,964.96	1,643.42
- Current	145.34	199.91
Advance received from customers and CPD's		
- Non Current	73.60	134.84
- Current	884.08	881.63

d) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to ₹ Nil

e) Revenue recognised during the year from opening balance of contract liabilities amounts to ₹ 144.53 crore.

f) ' Refer note 2.2 for impact of Ind AS 115 on statement of profit and loss, balance sheet and equity.

Notes to the consolidated financial statements for the year ended March 31, 2019

27. Other Income (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Interest income on bank deposits and others	371.38	169.47
Provisions no longer required, written back	59.32	4.48
Net gain on sale or fair valuation of investments	177.28	208.56
Gain on account of foreign exchange fluctuations (net)	-	70.00
Gain on fair valuation of derivative instrument	1.78	16.81
Profit on sale of fixed assets (net)	0.02	-
Lease rentals	29.20	16.55
Income from Government grant	5.26	4.11
Income from duty credit scripts	55.11	30.27
Miscellaneous income	20.49	32.79
	719.84	**553.04**

28. Cost of materials consumed (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	38.60	66.52
Add: Purchases	354.63	360.41
	393.23	426.93
Less: Inventory at the end of the year (refer note 13)	(45.07)	(38.60)
	348.16	**388.33**

29. Purchase of traded goods (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Purchase of electrical energy	310.57	1,228.43
Purchase of coal for trading	235.84	251.85
Purchase of duty free items	59.67	47.84
Purchase of other goods for trading	-	2.08
	606.08	**1,530.20**

30. (Increase) / decrease in stock in trade (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Stock as at April 1, (refer note 13)	16.92	16.85
Less: Stock as at March 31, (refer note 13)	(15.10)	(16.92)
	1.82	**(0.07)**

31. Employee benefit expenses (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Salaries, wages and bonus	656.58	597.00
Contribution to provident and other funds (refer note 40)	54.51	43.24
Gratuity expenses (refer note 40)	9.91	13.45
Staff welfare expenses	38.88	36.66
	759.88	**690.35**

32. Other expenses (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Consumption of stores and spares	70.13	54.57
Electricity and water charges	155.23	167.48
Airport service charges / operator fees (refer note 49)	129.59	185.82
Repairs and maintenance	340.60	311.22

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Manpower hire charges	98.26	91.25
Legal and professional fees	205.55	242.03
Directors' sitting fees	1.67	1.41
Writeoff / provision towards carrying amount of investments	4.82	2.42
Provision / write off of doubtful advances and trade receivables	184.14	24.26
Exchange differences (net)	155.69	-
Donation (includes corporate social responsibility expenditure)	116.58	27.77
Fixed assets written off / loss on sale of fixed assets (net)	1.67	2.78
Logo fees	1.59	1.70
Expenses of commercial property development	33.18	49.32
Rent	77.18	70.06
Rates and taxes	80.02	47.71
Miscellaneous expenses	217.29	206.31
	1,873.19	**1,486.11**

33. Depreciation and amortisation expenses (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Depreciation on property, plant and equipment	878.32	931.34
Depreciation on investment property	0.88	0.88
Amortisation of intangible assets	104.76	96.18
	983.96	**1,028.40**

34. Finance costs (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Interest on debts and borrowings	2,284.41	2,074.32
Interest on cross currency swap (refer note 51)	77.19	31.36
Bank charges	127.99	57.01
Call spread option premium	194.56	153.65
	2,684.15	**2,316.34**

35. Earnings per share ('EPS')

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

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

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

Particulars	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the parent:		
Continuing operations (₹ in crore)	(3,693.69)	(1,345.04)
Discontinued operations (₹ in crore)	113.11	(18.82)
Profit attributable to equity holders of the parent for basic / diluted earnings per share (₹ in crore)	**(3,580.58)**	**(1,363.86)**
Weighted average number of equity shares for basic EPS	6,01,79,45,475	6,01,79,45,475
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution	6,01,79,45,475	6,01,79,45,475

Notes to the consolidated financial statements for the year ended March 31, 2019

Earnings per share for continuing operations - Basic and Diluted (₹)	(6.14)	(2.24)
Earnings per share for discontinued operations - Basic and Diluted (₹)	0.19	(0.03)
Earnings per share for continuing and discontinued operations - Basic and Diluted (₹)	(5.95)	(2.27)

Notes:

1 Considering that the Company has incurred losses during the year ended March 31, 2019 and March 31, 2018, 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.

2. 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 48(i).

Particulars	March 31, 2019	March 31, 2018
Total number of Equity shares	6,03,59,45,275	6,03,59,45,275
Treasurary shares held by GIL	1,79,99,800	1,79,99,800
Weighted Average Number of Shares	**6,01,79,45,475**	**6,01,79,45,475**

36. Discontinued operations

a) 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 year ended March 31, 2018, Maldives Inland Revenue Authority ('MIRA') has issued tax audit reports and notice of tax assessments demanding business profit tax amounting to USD 1.44 crore, USD 0.29 crore as the additional withholding tax excluding fines and penalties. During the year ended March 31, 2019, MIRA has issued additional demands of USD 0.21 crore and USD 0.13 crore on account of fines on business profit tax and withholding taxes respectively. However, management of the Group is of the view that the notice issued by MIRA is not tenable.

On 23rd May 2019, the Attorney General's office has issued statement on this matter to MIRA stating that in the event of the Maldives parties deducting any sum from this award in respect of taxes, the amount payable under the award shall be increased to enable the GMIAL to receive the sum it would have received if the payment had not been liable to tax.

Accordingly, no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2019.

b) During the year ended March 31, 2018, the Group had entered in to a Memorandum of Understanding (MOU) with PT Golden Energy Mines ('PTGEMS') for the sale of entire stake in PT Dwikarya Sejati Utama ('PTDSU') for a consideration of USD 6.56 crore towards purchase of share and mandatory convertible bonds issued by PTDSU, subject to fulfillment of various conditions as specified in the said agreement. The transaction was completed on August 31, 2018. Pursuant to the aforesaid transaction, PTDSU ceased to be subsidiary of the Company. In addition to the shares and mandatorily convertible bonds, the Group had receivable on account of interest free loan amounting to USD 2.98 crore which is receivable in four annual installments starting from January 31, 2019 as per the MOU. The Group is confident of recovery of the same as and when it is due. Pursuant to the aforesaid transfer of equity shares and mandatorily convertible bonds, the Group has recognized profit of Rs 124.64 crore which has been disclosed as an exceptional item under discontinuing operations in the consolidated financial statements of for the year ended March 31, 2019.

c) During the year ended March 31, 2018, the Group had entered into an agreement for sale of 4 x 50 MW diesel based power plant for a sale consideration of ₹ 57.00 crore. On account of the aforesaid discontinuance of operations, an amount of ₹ 22.12 crore (March 31, 2018: ₹ 26.10 crore) has been disclosed under 'other income' from discontinued operations in the consolidated financial statements for the year ended March 31, 2019.

(d) Profit / (loss) from discontinued operations

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Income		
Revenue from operations:		
Income from mining activities	42.78	-
Other income	25.63	33.91
Total income	**68.41**	**33.91**

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Expenses		
Cost of mining activities	42.68	-
Employee benefit expenses	10.90	6.50
Other expenses	16.79	34.32
Depreciation and amortisation expenses	1.17	20.68
Finance costs	3.68	4.38
Total expenses	**75.22**	**65.88**
(Loss) / profit before exceptional items and tax from discontinued operations	**(6.80)**	**(31.96)**
Exceptional items		
Profit/ (loss) on sale/dilution of subsidiary (Refer note 36 (b))	124.64	-
Profit / (loss) from discontinued operations before tax expenses	**117.84**	**(31.96)**
Tax expenses of discontinued operations		
Current tax	7.32	-
Adjustments to tax relating to earlier periods	0.41	-
Deferred tax expense / (credit)	(0.01)	(0.02)
Profit / (loss) after tax from discontinued operations	**110.12**	**(31.94)**

(e) Assets held for sale

The Group has following non-current assets/disposal groups recognized as held for sale as at March 31, 2019:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
EDWPCPL	Power segment
GKUAEL	Road segment
GOSEHHHPL	Road segment

The Group has following non-current assets / disposal groups recognized as held for sale as at March 31, 2018:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
GPCL	Power segment
PTDSU	Power segment
EDWPCPL	Power segment
GKUAEL	Road segment
GOSEHHHPL	Road segment

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

(₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Group of assets classified as held for sale		
Property, plant and equipment	0.05	10.82
Intangible assets (including goodwill)	-	256.89
Intangible assets under development	-	534.35
Investment in GOSEHHHPL	25.33	30.15
Investment in EDWPCPL	0.01	0.01
Other assets including claims recoverable	3.52	110.55
Total	**28.91**	**942.77**
Liabilities associated with group of assets classified as held for sale		
Trade payables		
Borrowings	-	271.36

Notes to the consolidated financial statements for the year ended March 31, 2019

Other liabilities	47.30	247.82
Provisions	7.96	10.30
Liabilities for current tax (net)	4.82	1.32
Total	**60.08**	**530.80**
Other Comprehensive Income		
Exchange difference on translation of Foreign Operations	15.88	0.37

(f) Borrowings include:

a) Secured foreign currency loan from a bank of ₹ Nil (March 31, 2018: ₹ 235.22 crore) of PTBSL was secured by a charge over insurance, inventory, plant and machinery, receivables of PTBSL and further secured by corporate guarantee from the Company. The loan carried an interest rate of LIBOR plus 6.07% p.a. and was repayable in 10 half yearly instalments commencing after 42 months from the first utilization date.

b) Unsecured foreign currency loan from others of ₹ Nil (March 31, 2018: ₹ 36.14 crore) of GMIAL carried an interest rate of 14% p.a. and was repayable in a single instalment on maturity. The same has been repaid during the year.

37. (a) Deferred Tax

Deferred tax (liability) / asset comprises mainly of the following: (₹ in crore)

S. No.	Particulars	March 31, 2019		March 31, 2018	
		Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
	Deferred tax liability:				
1	Depreciation	-	1,103.74	-	1,133.83
2	Carry forward losses / unabsorbed depreciation	845.22	-	662.31	-
3	Intangibles (Airport Concession rights)	62.79	-	66.71	-
4	Others	45.13	177.92	74.58	69.83
	Sub- total (A)	**953.14**	**1,281.66**	**803.60**	**1,203.66**
	Deferred tax liability (net)		328.52		400.06
	Deferred tax asset :				
1	Depreciation	0.26	3.32	0.19	7.33
2	Carry forward losses / unabsorbed depreciation	65.94	-	1.08	-
3	MAT credit entitlement	514.38	-	382.12	-
4	Others	19.32	3.52	17.11	4.24
	Sub- total (B)	**599.90**	**6.84**	**400.50**	**11.57**
	Deferred tax asset (net)	593.06		388.93	
	Total (A+B)	**1,553.04**	**1,288.50**	**1,204.10**	**1,215.23**
	Deferred tax asset / (Deferred tax liability) (net)	264.54		(11.13)	
	Charge / (credit) for the year	-	(275.67)	-	(131.12)
	Reconciliation to the consolidated statements of profit and loss from continuing and discontinued operations				
	Charge / (credit) during the year as above	-	(275.67)	-	(131.12)
	Tax Income/(Expense) during the period recognized in OCI on :-	-	-	-	-
	(a) Cash flow hedge	-	(14.73)	-	(6.77)
	(b) Foreign currency translation reserve	-	(4.84)	-	(2.84)
	Equity component of OCD issued charged directly to Equity	-	(16.14)	-	-
	Charge/(credit) during the year	**-**	**(311.38)**	**-**	**(140.73)**

i. In case of certain entities, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability. The Group has recognised deferred tax asset on unabsorbed depreciation and carried forward losses in such entities as at March 31, 2019 and March 31, 2018 only to the extent of deferred tax liability as at March 31, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2019

ii. In case of certain entities, as the timing differences are originating and reversing within the tax holiday period if so availed by the entity under the provisions of section 80-IA of the IT Act, deferred tax has not been recognised by these companies.

iii. As at March 31, 2019 aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹ 576.56 crore (March 31, 2018 : ₹ 654.54 crore). No liability has been recognised in respect of such difference as the Group is in a position to control the timing of reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future.

iv. GHIAL has recognized, MAT credit entitlement of ₹ 405.41 crore (March 31, 2018: ₹ 269.10 crore), as GHIAL based on estimates expects to adjust this amount after expiry of the tax holiday period (i.e. AY 2022-23) u/s 80IA of the Income Tax Act, 1961. Management is confident that in view of the anticipated tariff orders for the control periods which will be effective from financial year 2019-20, the Company's normal tax liability will be more than the MAT payable after considering the deduction under section 80IA of the Income Tax, Act, 1961.

37. (b) Income Tax

The domestic subsidiaries of the Group are subject to income tax in India on the basis of their standalone financial statements. As per the Income Tax Act, these entities are liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for 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.

Income tax expenses in the consolidated statement of profit and loss consist of the following: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Tax expenses of continuing operations		
(a) Current tax	223.52	195.35
(b) Adjustments of tax relating to earlier periods	0.44	(9.15)
(c) MAT credit entitlement	(132.11)	(110.36)
(d) Deferred tax expense / (credit)	(179.27)	(30.35)
Tax expenses of discontinued operations		
(a) Current tax	7.32	-
(b) Adjustments of tax relating to earlier periods	0.41	-
(c) Deferred tax expense / (credit)	(0.01)	(0.02)
Total taxes	**(79.70)**	**45.47**
OCI Section		
Deferred tax related to items recognized in OCI during the year		
Remeasurement gains / (losses) on defined benefit plans	(0.35)	0.24
Cashflow hedge reserve	14.73	6.53
Income tax charged to OCI	**14.38**	**6.77**
Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:		
(Loss) / Profit before taxes from continuing operations	(3,553.83)	(1,037.16)
(Loss) / Profit before taxes from discontinuing operations	117.84	(31.96)
Share of (Loss) / profit of associates and joint ventures (net)	(87.89)	(431.36)
(Loss) / Profit before taxes and share of profit/ (loss) of associates and joint ventures from continuing and discontinued operations	(3,348.10)	(637.76)
Applicable tax rates in India	24.94%	24.04%
Computed tax charge based on applicable tax rates of respective countries	**(835.02)**	**(153.31)**
1. Adjustments to taxable profits for companies with taxable profits		
(a) Income exempt from tax	(279.66)	(218.36)
(b) Items not deductible	104.88	89.44
(c) Adjustments on which deferred tax is not created / reversal of earlier years	885.43	295.80
(d) Adjustments to current tax in respect of prior periods	(3.19)	(9.15)
(e) Others	47.88	41.06
Tax expense as reported	**(79.70)**	**45.47**

Certain entities of the Group have incurred losses during the relevant period, which has resulted in reduction of profit / increase of losses in the consolidated financial statements. However, the tax liability has been discharged by the respective entities on a standalone basis. Further, in view of absence of reasonable certainty, the Group has not recognised deferred tax asset in such companies.

Notes to the consolidated financial statements for the year ended March 31, 2019

38. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated 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.

Revisions to accounting estimates are recognized 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, other non-current assets including Goodwill, determination of useful life of assets, estimating provisions, recoverability of deferred tax assets, commitments and contingencies, fair value measurement of financial assets and liabilities, fair value measurement of put options given by the Group, applicability of service concession arrangements, recognition of revenue on long term contracts, treatment of certain investments as joint ventures/associates and estimation of payables to Government / statutory bodies.

a) 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 Group based its assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

i. Taxes

Deferred tax assets including MAT Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management 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 37 for further disclosures.

ii. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 51 and 52 for further disclosures.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, 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.

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the consolidated financial statements.

In respect of financial guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 42 for further disclosure.

iv. Revenue recognition from Engineering, procurement and construction (EPC)

Revenue from EPC contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, the Group 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

Notes to the consolidated financial statements for the year ended March 31, 2019

total cost to be incurred along with identification of contractual obligations and the Group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations. 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.

v. 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 40.

vi. Impairment of non-current assets including property, plant and equipment, intangible assets, assets under construction/ development, investments in joint ventures, associates and goodwill

Determining whether property, plant and equipment, intangible assets, assets under construction/development, investments in joint ventures, associates and goodwill are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow Model ('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 entities in the energy business, estimation of passenger traffic and rates, rates per acre/hectre for lease rentals from CPD, passenger penetration rates, and favorable outcomes of litigations etc. in the airport and expressway business, assumptions relating to realization per acre of land from monetization for SEZ business which are considered as reasonable by the management (refer note 3,4,5,6,7,8 and 9).

vii. Recognition of revenue for change in law and other claims

The recognition of revenue is based on the tariff rates/methodology prescribed under PPA/LOI with customers. Significant management judgement is required to determine the revenue to be recognized in cases where regulatory order in favour of the company is yet to be received or which is further challenged in higher judicial forums. The estimate of such revenue is based on similar existing other favourable orders/ contractual terms of the PPA with the customers.

viii. Provision for periodic major maintenance

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

The Group is contractually committed to carry out major maintenance whenever the roughness index exceeds the limit as indicated in the respective concession agreement.

The management, estimates provision w.r.t periodic major maintenance by using a model that incorporates a number of assumptions, including the life of the concession agreement, annual traffic growth and the expected cost of the periodic major maintenance which are considered as reasonable by the management. (Refer note 43)

b) Significant judgements

In the process of applying the Group's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognized in these consolidated financial statements.

i. Determination of applicability of Appendix C of Service Concession Arrangement ('SCA'), under Ind AS - 115 ' Revenue from contracts with customers' in case of airport entities

DIAL and GHIAL, subsidiaries of the Company, have entered into concession agreements with Airports Authority of India ('AAI') and the Ministry of Civil Aviation ('MoCA') respectively, both being Government / statutory bodies. The concession agreements give DIAL and GHIAL

Notes to the consolidated financial statements for the year ended March 31, 2019

exclusive rights to operate, maintain, develop, modernize and manage the respective airports on a revenue sharing model. Under the agreement, the Government / statutory bodies have granted exclusive right and authority to undertake some of their functions, being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of the respective airports and to perform services and activities at the airport constituting 'Aeronautical services' (regulated services) and 'Non-aeronautical services' (non-regulated services). Aeronautical services are regulated while there is no control over determination of prices for Non-aeronautical services. Charges for Non-aeronautical services are determined at the sole discretion of DIAL and GHIAL. The management of the Group conducted detailed analysis to determine applicability of SCA. The concession agreements of these entities, have significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from DIAL and GHIAL, the Government / statutory body and users / passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. The airport premises is being used both for providing regulated services (Aeronautical services) and for providing non-regulated services (Non-aeronautical services). Based on DIAL and GHIAL's proportion of regulated and non-regulated activities, the management has determined that over the concession period, the unregulated business activities drive the economics of the arrangement and contributes substantially to the profits of DIAL and GHIAL and accordingly, the management has concluded that SCA does not apply in its entirety to DIAL and GHIAL.

ii. Determination of control and accounting thereof

As detailed in the accounting policy, consolidation principles under Ind AS necessitates assessment of control of the subsidiaries independent of the majority shareholding. Accordingly certain entities like GKEL and DDFS, where though the Group have majority shareholding, they have been accounted as joint ventures on account of certain participative rights granted to other partners / investors under the shareholding agreements. Similarly, as detailed in note 8b(13)(i), consequent to investment made by Tenaga in GEL with certain participative rights in the operations of GEL, GEL and its underlying subsidiaries have also been accounted as joint ventures w.e.f November 04, 2016 under Ind AS. Further, as detailed in note 8b(12)(iv) and 8b(13)(v) GREL and GCEL have been accounted as associates on account of the SDR and the conversion of loans into equity share capital by the consortium of lenders.

Under Ind AS, joint ventures are accounted under the equity method as per the Ind AS-28 against the proportionate line by line consolidation under previous GAAP.

Refer note 8A and 8B for further disclosure.

iii. Other significant judgements

a) Refer note 45(xi) as regards the revenue share payable by DIAL and GHIAL to the grantor.

b) Refer note 45(ii) and 45(v) as regards the revenue accounting of GHIAL and DIAL.

c) Refer note 45(xii) as regards the accounting of CCPS issued by GAL.

d) Refer 46(i) and 46(ii) as regard the recovery of claims in GACEPL and GHVEPL.

39. Interest in material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below

1 Details of material partly-owned subsidiaries

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)		Proportion of equity interest held by non-controlling interests (Direct)	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
DIAL*	India	39.75%	36.00%	36.00%	36.00%
GHIAL*	India	40.69%	37.00%	37.00%	37.00%
GPCL	India	49.00%	49.00%	49.00%	49.00%
GMIAL	Republic of Maldives	23.13%	23.13%	23.13%	23.13%
GAL*	India	5.86%	-	5.86%	-

* Refer note 45(xii) for details.

Notes to the consolidated financial statements for the year ended March 31, 2019

2 Accumulated balances of material non-controlling interest

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
DIAL	988.55	1,032.51
GHIAL	663.89	415.30
GPCL	133.81	133.36
GMIAL	154.72	146.62
GAL	130.69	-

3 Profit / (loss) allocated to material non-controlling interest

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
DIAL	(36.18)	18.40
GHIAL	287.45	228.52
GPCL	0.44	13.50
GMIAL	4.65	(11.92)
GAL	(7.29)	-

4. Summarised financial position

The summarised financial position of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations:

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL		GAL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Non current assets										
Property, plant and equipments	6,484.51	6,806.21	2,009.60	1,571.25	0.25	0.03	-	-	4.59	-
Capital work in progress	245.90	194.44	365.10	292.06	-	-	-	-	-	-
Intangible assets	387.29	395.30	2.81	1.41	-	-	-	-	-	-
Investments	289.37	289.37	626.23	525.33	0.54	0.54	-	-	4,217.72	-
Financial assets	331.14	3.67	346.45	91.62	0.06	22.45	-	-	13.16	-
Other non current assets (including non current tax assets)	1,014.28	56.28	547.07	87.63	14.83	11.62	-	-	60.78	-
Deferred tax assets	-	-	405.41	269.10	-	-	-	-	72.19	-
Total	**8,752.49**	**7,745.27**	**4,302.67**	**2,838.40**	**15.68**	**34.64**	**-**	**-**	**4,368.44**	**-**
Current assets										
Inventories	7.33	6.39	5.95	6.08	-	-	-	-	-	-
Financial assets	2,930.40	3,700.57	1,085.19	1,645.23	856.06	846.59	674.02	692.07	164.59	-
Other current assets	37.64	40.18	23.22	19.99	6.61	11.69	-	-	7.80	-
Total	**2,975.37**	**3,747.14**	**1,114.36**	**1,671.30**	**862.67**	**858.28**	**674.02**	**692.07**	**172.39**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL		GAL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Non current liabilities										
Financial liabilities	5,902.16	5,572.14	2,940.46	2,800.78	-	-	-	-	1,261.71	-
Other non current liabilities	1,962.10	1,681.25	59.65	73.44	0.19	-	-	-	6.67	-
Deferred tax liabilities	101.60	224.87	153.18	122.93	-	-	-	-	-	-
Total	**7,965.86**	**7,478.26**	**3,153.29**	**2,997.15**	**0.19**	**-**	**-**	**-**	**1,268.38**	**-**
Current liabilities										
Financial liabilities	690.21	866.83	503.84	328.83	40.44	45.90	5.11	58.19	997.68	-
Provisions	45.13	21.51	14.57	9.57	0.30	8.08	-	-	9.19	-
Other current liabilities (including liabilities for current tax)	308.62	257.73	79.52	51.73	564.33	566.78	-	-	35.44	-
Total	**1,043.96**	**1,146.07**	**597.93**	**390.13**	**605.07**	**620.76**	**5.11**	**58.19**	**1,042.31**	**-**
Total equity	**2,718.04**	**2,868.08**	**1,665.81**	**1,122.42**	**273.09**	**272.16**	**668.91**	**633.88**	**2,230.14**	**-**
Attributable to :										
Equity holders of parents	1,729.49	1,835.57	1,001.92	707.12	139.28	138.80	514.19	487.26	2,099.45	-
Non-controlling interests	988.55	1,032.51	663.89	415.30	133.81	133.36	154.72	146.62	130.69	-

5 **Summarised statement of profit and loss**

The summarised financial statement of profit and loss of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL		GAL*	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Revenue from operations	3,262.65	3,680.97	1,452.26	1,252.04	-	-	-	-	157.68	-
Other income	530.61	361.87	117.16	150.28	40.75	35.36	0.44	1.96	0.38	-
Revenue share paid / payable to concession-aire grantors	1,591.25	1,761.47	61.53	52.95	-	-	-	-	-	-
Employee benefits expense	186.48	165.24	100.85	72.41	1.27	1.63	6.10	5.24	9.97	-
Finance cost	629.59	579.15	198.17	198.27	1.15	2.93	2.28	3.67	169.18	-
Depreciation and amortisation	639.82	645.90	139.01	198.39	0.04	19.62	-	-	0.49	-
Other expenses	972.99	931.68	297.26	242.81	50.85	13.30	5.40	17.25	164.65	-

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL		GAL*	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Exceptional items	-	-	-	-	(13.47)	(26.16)	-	-	-	-
Profit before tax	**(226.87)**	**(40.60)**	**772.60**	**637.49**	**0.91**	**24.04**	**(13.34)**	**(24.20)**	**(186.23)**	**-**
Tax expense	(115.10)	(78.85)	39.85	34.79	-	(3.47)	-	-	(61.54)	-
Profit for the year	**(111.77)**	**38.25**	**732.75**	**602.70**	**0.91**	**27.51**	**(13.34)**	**(24.20)**	**(124.69)**	**-**
Other comprehensive income	(10.13)	12.85	16.30	14.92	0.01	0.03	33.43	(27.33)	0.32	-
Total comprehensive income	**(121.90)**	**51.10**	**749.05**	**617.62**	**0.92**	**27.54**	**20.09**	**(51.53)**	**(124.37)**	**-**
% of NCI	39.75%	36.00%	40.69%	37.00%	49.00%	49.00%	23.13%	23.13%	5.86%	-
Attributable to the non-controlling interests**	**(36.18)**	**18.40**	**287.45**	**228.52**	**0.44**	**13.50**	**4.65**	**(11.92)**	**(7.29)**	**-**
Dividend paid to non-controlling interests (including DDT)	-	(69.00)	(67.44)	(67.04)	-	-	-	-	-	-

*Consequent to CCPS Agreement as detailed in Note 45(xii), 5.86% of the shareholding were held by non-controlling interest w.e.f 5th October, 2018. The profit & loss statement disclosed above is for the period post change in holding percentage till the period ended March 31, 2019.

** Profit / (loss) attributable to non-controlling interest includes profits attributable to non-controlling interest of GAL post change in shareholding percentage on account of CCPS settlement till the period ended March 31, 2019.

6 **Summarised cash flow information :**

The summarised cash flow information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

(₹ in crore)

Particulars	DIAL		GHIAL		GPCL		GMIAL		GAL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	December 31, 2018	December 31, 2017	March 31, 2019	March 31, 2018
Cash flow from operating activities	1,046.13	966.53	860.50	890.87	(5.53)	(7.37)	(27.39)	(7.53)	203.91	-
Cash flow from investing activities	(636.40)	(468.66)	(604.31)	(708.39)	12.31	(2.80)	67.34	3.83	(1,905.44)	-
Cash flow from financing activities	(558.36)	(677.02)	(446.79)	101.48	(9.32)	12.61	(40.38)	-	1,701.49	-
Net increase/ (decrease) in cash & cash equivalents	**(148.63)**	**(179.15)**	**(190.60)**	**283.96**	**(2.54)**	**2.44**	**(0.43)**	**(3.70)**	**(0.04)**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2019

40. Gratuity and other post employment benefits plans

a) Defined contribution plan

Contributions to provident and other funds included in capital work-in-progress (note 4), intangible assets under development, investment properties under construction (note 5), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Contribution to provident fund	27.64	24.78
Contribution to superannuation fund	16.03	14.79
	43.67	**39.57**

b) Defined benefit plan

(A) Provident fund

The Company makes contribution towards provident fund which is administered by the trustees. The rules of the Company's provident fund administered by a trust, require that if the board of the trustees are unable to pay interest at the rate declared by the government under para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the company making interest shortfall a defined benefit plan. Accordingly, the Company has obtained actuarial valuation and based on the below provided assumption there is no deficiency at the balance sheet date. Hence the liability is restricted towards monthly contributions only.

Contributions to provident funds by DIAL and GAL included in capital work-in-progress (note 4) and employee benefits expenses (note 31) are as under:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Contribution to provident fund	11.09	8.64
	11.09	**8.64**

As per the requirements of Ind AS 19, benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans.

The details of the fund and plan asset position are as follows: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Plan assets at the year end, at fair value	148.09	111.59
Present value of benefit obligation at year end	148.09	111.59
Net (liability) / asset recognized in the balance sheet	-	-

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

Particulars	March 31, 2019	March 31, 2018
Discount Rate	7.55%	7.60%
Fund Rate	9.30%	9.30%
EPFO Rate	8.65% for first year and 8.60% thereafter	8.55%
Withdrawal Rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	Indian Assured Lives Mortality (2006-08) (modified)Ult *

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

(B) Gratuity Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic) for each completed year of service.

The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme.

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

Notes to the consolidated financial statements for the year ended March 31, 2019

Statement of profit and loss

Gratuity expense included in capital work-in-progress (note 4), intangible assets under development, investment property under construction (note 5), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

(i) Net employee benefit expenses: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Current service cost	8.69	7.61
Past service cost- Plan amendments	-	5.21
Net interest cost on defined benefit obligation	0.92	0.70
Net benefit expenses	9.61	13.52

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

Particulars	March 31, 2019	March 31, 2018
Actuarial loss / (gain) due to defined benefit obligations ('DBO') and assumptions changes	2.20	2.95
Return on plan assets less / (greater) than discount rate	0.50	(0.70)
Actuarial losses / (gains) due recognised in OCI	2.70	2.25

Balance Sheet (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Present value of defined benefit obligation	(70.63)	(60.89)
Fair value of plan assets	51.70	40.36
Plan asset / (liability)	(18.93)	(20.53)

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

Particulars	March 31, 2019	March 31, 2018
Opening defined benefit obligation	60.89	46.81
Transferred to / transfer from the Group	0.42	0.98
Interest cost	4.28	3.07
Current service cost	8.69	7.61
Past service cost- Plan amendments	-	5.21
Benefits paid	(5.72)	(5.73)
Actuarial (gains) / losses on obligation - assumptions	2.20	2.95
Effects of business combinations and disposals	(0.13)	(0.01)
Closing defined benefit obligation	70.63	60.89

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

Particulars	March 31, 2019	March 31, 2018
Opening fair value of plan assets	40.36	27.50
Transferred to / transfer from the Group	0.43	(1.01)
Interest income on plan assets	3.36	2.37
Contributions by employer	13.75	16.65
Benefits paid	(5.72)	(5.73)
Return on plan assets greater/ (lesser) than discount rate	(0.50)	0.70
Effects of business combinations and disposals	0.02	(0.12)
Closing fair value of plan assets	51.70	40.36

The Group expects to contribute ₹ 14.23 crore (March 31, 2018 : ₹ 15.14 crore) towards gratuity fund in next year.

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

Particulars	March 31, 2019	March 31, 2018
Investments with insurer managed funds	100.00%	100.00%

Expected benefit payments for the year ending: (₹ in crore)

Particulars	Amount
March 31, 2020	13.58
March 31, 2021	10.79
March 31, 2022	9.39
March 31, 2023	9.53
March 31, 2024	9.18
March 31, 2025 to March 31, 2029	51.41

Notes to the consolidated financial statements for the year ended March 31, 2019

The principal assumptions used in determining gratuity obligations:

Particulars	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	For Raxa		Other entities of the Group	
Discount rate (in %)	6.60%	6.80%	7.60%	7.60%
Salary Escalation (in %)	2.00%	2.00%	6.00%	6.00%
Attrition rate (in %)	40.00%	40.00%	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

Notes :

1. The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
2. Plan Characteristics and Associated Risks: The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:
   a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
   b. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
   c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2019 is as shown below:

Assumptions	Discount Rate		Future Salary Increases		Attrition Rate	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Sensitivity Level (%)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Impact on defined benefit obligation due to increase	(4.16)	(5.34)	4.25	5.63	0.42	0.34
Impact on defined benefit obligation due to decrease	4.76	6.01	(3.91)	(5.21)	(0.48)	(0.39)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(C) Other defined post employment benefit

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

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

Statement of profit and loss

Gratuity expense included in discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

(i) Net employee benefit expense: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Current service cost	0.24	0.15
Past service cost- Plan amendments	-	(0.01)
Interest cost on benefit obligation	0.06	0.14
Net benefit expenses	0.30	0.28

(ii) Amount recognised in Other Comprehensive Income: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Actuarial loss / (gain) due to DBO assumptions changes	0.18	0.61
Return on plan assets (greater)/less than discount rate	-	-
Actuarial (gains) / losses due recognised in OCI	0.18	0.61

Notes to the consolidated financial statements for the year ended March 31, 2019

Balance Sheet (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Present value of defined benefit obligation	-	(1.48)
Fair value of plan assets	-	-
Plan asset / (liability)	-	(1.48)

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

Particulars	March 31, 2019	March 31, 2018
Opening defined benefit obligation	1.48	1.99
Interest cost	0.06	0.14
Current service cost	0.24	0.15
Past service cost- Plan amendments	-	(0.01)
Benefits paid	(0.01)	(1.48)
Actuarial (gains) / losses on obligation	0.18	0.61
Forex gain	(0.07)	0.08
Effects of business combinations and disposals	(1.88)	
Closing defined benefit obligation	-	1.48

41. Commitments and contingencies

a) Capital commitments

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	13,968.01	1,843.17

b) Other commitments

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

ii. a) Entities in airports sector have entered into various agreements with Concessionaires for periods ranging from 25 years to 35 years extendable by another 20 to 30 years in certain cases on satisfaction of certain terms and conditions of respective Concession agreements from dates as defined in the respective agreements for development, rehabilitation, expansion, modernisation, operation and maintenance of various airports in and outside India. Pursuant to these agreements, these entities have committed to comply with various terms of the respective agreements which pertains to payment of fees (including revenue share), development / expansion of Airports in accordance with the timelines and milestones as defined in the respective agreements, achievement of COD as per the respective agreements, development, management, operation and maintenance of airports in accordance with the respective agreements, performance of various obligations under the respective financing agreements, non-transfer or change in ownership without the prior approval of respective airport concessionaires, compliance with the applicable laws and permits as defined in the respective agreements, transfer of airports on termination of agreements or in case of defaults as defined in the respective agreements.

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

iii. The Group through KGPL has entered into Concession agreement with Government of Andhra Pradesh for a period of 30 years extendable by another 10 years from achievement of date of COD / appointed date as defined in the Concession agreement, whereby KGPL has committed to comply with certain key terms and conditions pertaining to development of commercial port in accordance with the timelines and milestones as defined in the Concession agreement, COD as per the Concession agreement, construction, management, payment of fees (including revenue share), operation and maintenance of port in accordance with the Concession agreement, performance of the obligations under the financing agreements, non-transfer or change in ownership without the prior approval of the concessionaire and transfer of the port project on termination of relevant agreement or in case of defaults as defined in the Concession agreement.

Notes to the consolidated financial statements for the year ended March 31, 2019

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

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

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

vii. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, DIAL along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project has been commissioned with effect from April 01, 2017.

viii. In terms of Section 115JB of Income Tax Act, 1961, certain Ind AS adjustments at the Ind AS transition date are to be included in book profits equally over a period of five years starting from the year of first time adoption of Ind AS i.e. FY 2016-17. Pursuant to above, the Group had made Ind AS adjustments as on March 31, 2016 and included 1/5th of the same while computing book profit for FY 2016-17, FY 2017-18 and FY 2018-19 and paid MAT accordingly. The remaining amount will be adjusted in the two subsequent years while computing book profit for MAT.

ix. DIAL had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million, which is repayable in October 2026. Under this option, DIAL had purchased a call option for USD 522.60 million at a strike price of ₹ 66.85/USD and written a call option for USD 522.60 million at a strike price of ₹ 101.86/USD at October 31, 2026. As per terms of the agreements, DIAL is required to pay premium of ₹ 1,241.30 crore (starting from January 2017 to October 2026), which is payable on quarterly basis. DIAL has paid ₹ 266.49 crore (March 31, 2018: ₹ 140.73 crore) towards premium till March 31, 2019 and remaining balance of ₹ 974.81 crore is payable as at March 31, 2019 (March 31, 2018:₹ 1,100.57 crore).

x. DIAL had entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) of USD 80 million (out of USD 288.75 million), which is repayable in February 2022. Under this option, DIAL had purchased a call option for USD 80.00 million at a strike price of ₹ 68.00/USD and written a call option for USD 80 million at a strike price of ₹ 85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of ₹ 94.33 crore (starting from April 2017 to January 2022), payable on quarterly basis. DIAL has paid ₹ 37.39 crore towards premium till March 31, 2019 (March 31, 2018: ₹ 18.46 crore) and remaining balance of ₹ 56.94 crore is payable as at March 31, 2019 (March 31, 2018: ₹ 75.87 crore).

During the year ended March 31, 2018, DIAL had purchased a call option for remaining USD 208.75 million at a strike price of ₹ 63.80/USD and written a call option for USD 208.75 million at a strike price of ₹ 85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of ₹ 198.34 crore (starting from January 2018 to January 2022), payable on quarterly basis. DIAL has paid ₹ 49.76 crore towards premium till March 31, 2019 (March 31, 2018: ₹ 0.26 crore) and remaining balance of ₹ 148.58 crore is payable as at March 31, 2019 (March 31, 2018: ₹ 198.08 crore).

xi. GAL has entered into the concession agreement with State of Greece and TERNA for the purpose of design, construction, financing, operation, maintenance and exploitation of International Airport of Heraklion Crete. Per the agreement, GAL is required to invest EURO 70.2 million (₹ 545.26 crore).

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

xiii. Refer Note 42 for commitments relating to lease arrangements.

xiv. Refer Note 45(xii) for commitments arising out of convertible preference shares.

xv. Refer Note 18(C) (1) for commitments relating to FCCB.

xvi. Refer Note 8 with regards to other commitments of joint ventures and associates.

xvii. Refer Note 48(ii) for commitments relating to rehabilitation and resettlement.

c) **Contingent liabilities** (₹ in crore)

	Particulars	March 31, 2019	March 31, 2018
1	Corporate guarantees	7,119.65	6,386.85
2	Bank guarantees outstanding / Letter of credit outstanding	1,494.33	1,442.24
3	Bonds issued to custom authorities	112.00	112.00
4	Letter of comfort provided on behalf of joint ventures	1,301.62	994.10
5	Claims against the Group not acknowledged as debts	214.00	415.28
6	Matters relating to income tax under dispute [1]	436.48	412.54
7	Matters relating to indirect taxes duty under dispute	194.88	414.96

Notes to the consolidated financial statements for the year ended March 31, 2019

Others Contingent liabilities:

1 The above amounts do not include interest and penalty amounts which may be payable till the date of settlements, if any.

2 A search under section 132 of the IT Act was carried out at the premises of the Company and certain entities of the Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. Block assessments have been completed for some of the companies of the Group and they have received orders/demand from the Income Tax Authorities for earlier years. The management of the Group has filed the appeals with the income tax department against the disallowances made in the assessment orders and believes that these demands are not tenable as it has complied with all the applicable provisions of the IT Act with respect to its operations.

3 Refer Note 45(iv) with regard to contingent liability arising out of utilization of PSF(SC) Fund.

4 In respect of ongoing land acquisition process of KSL, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending settlement and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2019.

5 There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The financial impact on a prospective basis from the date of the SC order is not material and hence, no adjustments have been made to the financial statements. The Company will update its provision, on receiving further clarity on the subject.

6 GATL has received letter from specified officer stating to pay customs duty on components used in Maintenance Repair and Overhaul (MRO) services for aircraft sent from Special Economic Zone to Domestic Tariff Area. Management is confident that no liability in this regard would be payable based on the clarification obtained from Ministry of Commerce and Industry.

7 MSEDCL has raised a legal dispute on GETL at the Central Electricity Regulatory Commission seeking revocation of its trading licence on account of failure to supply power. The Group is confident that litigation filed at the CERC by MSEDCL will not hold good as the same is not in accordance with the terms of the LOI and there is no financial implication expected out of this matter.

8 During the year ended March 31, 2013, the Group had divested its 70% stake in GMR Energy Singapore Private Limited (GESPL) to FPM Power Holding Limited and has provided a guarantee of SGD 38.00 crore towards warranties as specified in the Share Purchase Agreement (SPA) and other SPA transaction documents for a period till September 30, 2014 and in respect of tax claims, if any, the guarantee period is upto March 31, 2018.GESPL was developing a 800MW combined cycle gas turbine power plant in Jurong Island, Singapore.

9 Refer note 36(a) with regard to contingent liability of the Group in case of tax demands in GMIAL.

10 Refer note 45(xii) for details of contingent liabilities on CCPS A issued by GAL.

11 Refer Note 8 (A) and 8 (B) with regards to contingent liabilities of the Group on behalf of joint ventures and associates.

12 Refer Note 45(xiv) with regards to contingent liabilities on Duty Credit Scrips in DIAL.

13 Refer Note 45(xiii) with regards to contingent liabilities as regards dispute with Silver Resort Hotel India Private Limited in DIAL.

14 Refer Note 45(xi) with regards to contingent liabilities as regards revenue sharing on notional Ind AS adjustments.

Notes to the consolidated financial statements for the year ended March 31, 2019

42. Leases

a. Finance Lease

Finance lease receivables – Group as lessor

The Group has entered into finance lease arrangements (as lessor) with customers in respect of certain assets for period of 5 years, with lease payments due in quarterly installments. Detail of finance lease receivables as given below:

(₹ in crore)

Particulars	Minimum Lease Payments	
	As at March 31, 2019	As at March 31, 2018
(i) Receivable not later than one year	0.50	0.50
(ii) Receivable later than one year and not later than five years	0.63	1.13
(iii) Receivable later than five years	-	-
Gross investment Lease – (i)+(ii)+(iii)=(iv)	1.13	1.63
Less: Unearned Finance income (v)	(0.18)	(0.34)
Present Value of Minimum Lease receivables [(iv)-(v)]	0.95	1.29

b. Operating Lease

Operating lease commitments – Group as lessee

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipment's and certain non-cancellable operating lease agreements towards land space and office premises and hiring office equipment's and IT equipment's. The lease rentals paid during the year (included in Note 4, Note 32 and Note 36) and the maximum obligation on the long term non - cancellable operating lease payable are as follows:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Payment		
Lease rentals under cancellable and non-cancellable leases	82.07	78.17

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Obligations on non-cancelable leases: *		
Not later than one year	14.56	11.45
Later than one year and not later than five years	47.28	35.33
Later than five years	745.16	753.86

* Includes obligation on account of land lease agreement with Government of Telengana which has leased the land to GHIAL for the concession period of GHIAL. The lease term neither constitutes a major part of the economic life nor the fair value of the land. Hence, all the significant risk and rewards of the ownership have not been transferred and accordingly the lease is classified as an operating lease.

Operating lease commitments – Group as lessor

The Group has sub-leased certain assets to various parties under operating leases having a term of 9 to 50 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiable.

The lease rentals received during the year (included in Note 25 and 27) and the future minimum rentals receivable under non-cancellable operating leases are as follows:

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Receivables on non-cancelable leases:	225.06	203.99
Not later than one year	48.64	53.47
Later than one year and not later than five years	163.39	116.37
Later than five years	506.43	383.57

Notes to the consolidated financial statements for the year ended March 31, 2019

43. Provisions (₹ in crore)

Particulars	Provisions for operations & Maintenance	Provision for rehabilitation and settlement	Provisions against standard assets	Provision for asset retirement obligations / decommissioning liability	Provision for power banking arrangement	Total
As at March 31, 2017	260.50	-	0.74	7.14	90.53	358.91
Provision made during the year	106.87	-	0.27	-	64.67	171.81
Notional interest on account of unwinding of financial liabilities	-	-	-	0.56	-	0.56
Amount used during the year	(11.89)	-	-	-	(90.53)	(102.42)
Amount reversed during the year	-	-	(0.06)	-	-	(0.06)
As at March 31, 2018	**355.48**	**-**	**0.95**	**7.70**	**64.67**	**428.80**
Provision made during the year	107.21	42.86	6.63	-	44.16	200.86
Notional interest on account of unwinding of financial liabilities	-	-	-	-	-	-
Amount used during the year	(49.79)	-	-	-	(64.38)	(114.17)
Amount reversed during the year	(53.24)	-	-	(7.70)	-	(60.94)
As at March 31, 2019	**359.66**	**42.86**	**7.58**	**-**	**44.45**	**454.55**
Balances as at March 31, 2018						
Current	190.59	-	0.40	7.70	64.67	263.36
Non-current	164.89	-	0.55	-	-	165.44
Balances as at March 31, 2019						
Current	256.31	42.86	0.14	-	44.45	343.76
Non-current	103.35	-	7.44	-	-	110.79

Notes:

Provisions for operations and Maintenance

During the current year, based on report by independent agency on road roughness index, the management has revised its assumption about the timing and quantum of the estimated overlay expenditure which has resulted in the reversal of excess provision of ₹ 53.24 crores. Also refer Note 38a(viii).

Provision for rehabilitation and settlement

The provisions for rehabilitation and resettlement liabilities represent the management's best estimate of the costs which will be incurred in the future to meet the Group's obligations towards rehabilitation and resettlement for the purpose of acqusition of land for development of Special Economic Zone.

Contingent provisions against standard assets

As required by regulation 10 of the prudential norms issued by Reserve bank of India ("RBI") and based on legal opinion obtained, provision is created @ 0.40% of DSPL and GAL's only interest bearing standard assets.

Provision for asset retirement obligations / decommissioning liability

Decommissioning Liability are recognised for those lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. Pursuant to the sale of power plant asset, built on such lease, the provision for asset retirement obligation is no longer required and has been reversed to statement of profit and loss.

Provision for power banking arrangement

GETL has entered into banking transactions for supply of power. As per the terms of the contract, GETL obtains power for sale to third party from the power generator("supplier") which is required to be returned by GETL to the supplier at a future date. GETL recognised revenue towards the said power sold to the third party at the time of supply of power by the supplier. GETL being a trader is required to enter into contract with another power generator for supplying the power to be returned at a future date to the original supplier. GETL has estimated a provision towards purchase of power to be made at a future date to close the open positions in banking arrangements based on the rates available with it in the Letter of Intent for supply of power at a future date.

Notes to the consolidated financial statements for the year ended March 31, 2019

44. Trade receivables

i. The Group has a receivable (including unbilled revenue) of ₹ 348.41 crore as at March 31, 2019 (March 31, 2018: ₹ 286.81 crore) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. During the year ended March 31, 2019, the Group has recognized receivable of ₹ 165.85 crore (including GST) towards interest agreed to be paid by Air India Limited. In view of payment and continuous reduction in the overdue quarter on quarter backed by continuing "Airport Enhancement and Financing Service Agreement" with International Air Transport Association ('IATA') for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Group considers its due from Air India as good and fully recoverable. As agreed in 13th OMDA Implementation Oversight Committee (OIOC) meeting, the Group has not paid revenue share on ₹ 135.76 crore recognised as interest income on delayed payment by Air India.

ii. As at March 31, 2019, GPCL has receivables from TAGENDCO aggregating to ₹ 114.12 crore (March 31, 2018: ₹ 114.12 crore). Based on an internal assessment and various discussions that the Group had with TAGENDCO, the management of the Group is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.

45. Matters related to certain airport sector entities:

i. DF Order

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

a) DIAL accrued DF amounting to ₹ 350.00 crore during the year 2012-2013 earmarked for construction of Air Traffic Control (ATC) tower, whose construction work has been completed in the current year. DF amounting to ₹ 350 crore (March 31, 2018: ₹ 350.00 crore) has been adjusted against the expenditure on construction of ATC tower.

The total expenditure incurred on construction of ATC tower is ₹ 398.62 crore which exceeds the earmarked DF of ₹ 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

As per the approval in DIAL Board Meeting held on May 11, 2017, the Company has written a letter to AAI for reimbursement of additional expense. However, AAI vide its letter dated November 29, 2018 has mentioned that there was no approval of additional cost incurred by DIAL on ATC and therefore the additional cost would not be met out of DF. Accordingly, during the year ended March 31, 2019, DIAL has capitalized the ATC tower at net cost of ₹ 48.69 crore after adjusting DF of ₹ 350 crore.

b) AERA has passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from ₹ 200 to ₹ 100 and from ₹ 1,300 to ₹ 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA issued order No.47/2015-16 dated January 25, 2016, restricting cut-off date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI six months' time after cutoff date (i.e April 30, 2016) to reconcile and arrive at the over recovery / under recovery of ADF. However, the same is pending finalization. The over / under recovery will be accounted on final reconciliation of ADF with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.

ii. In case of GHIAL, a subsidiary of the Company, AERA passed Aeronautical tariff order in respect of control period from April 1, 2011 to March 31, 2016. GHIAL filed an appeal, challenging the disallowance of pre-control period losses and other issues for determination of its tariff with the AERA Appellate Tribunal ('AERAAT') against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High court at Hyderabad which is yet to be heard. GHIAL filed an application with AERA for determination of Aeronautical tariff in respect of second control period from April 1, 2016 to March 31, 2021 including true up for shortfall of receipt vis a vis entitlement for the first control period.

On December 19, 2017, AERA also issued a Consultation paper inviting comments from all stakeholders in connection with determination of tariff of the Hyderabad airport for the second control period. However, as the aforesaid consultation paper does not address the existing issues arising out of the tariff order for the first control period, GHIAL filed a writ petition against the aforesaid consultation paper before the Hon'ble High court at Hyderabad on February 6, 2018. Pending disposal of the existing matters of the Tariff Order for the first control period, the Hon'ble High court issued a stay order dated February 7, 2018 in respect of further proceedings in determination of Tariff order for the second control period.

Pending determination of Aeronautical tariff, AERA vide its order dated March 25, 2019 has allowed to continue the Aeronautical tariff as prevailed on March 31, 2018 for a further period of 6 months w.e.f April 01, 2019 or till determination of tariff for the aforesaid period whichever is earlier.

iii. GATL has been incurring losses including cash losses and has incurred net loss of ₹ 5.44 crore for the year ended March 31, 2019 (March 31, 2018 : ₹ 57.79 crore) and has accumulated losses of ₹ 427.15 crore as at March 31, 2019 (March 31, 2018 : ₹ 421.71 crores). The management of the Group expects that there will be a significant increase in the operations of GATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GATL to meet the operational requirements as they arise and to

Notes to the consolidated financial statements for the year ended March 31, 2019

meet its liabilities as and when they fall due. Accordingly, the management of the Group believes that the carrying value of net assets of GATL as at March 31, 2019 is appropriate.

iv. The Ministry of Civil Aviation (MoCA) issued orders to DIAL and GHIAL, subsidiaries of the Company (collectively 'Airport Operations') requiring the Airport Operators to reverse the expenditure incurred, since inception towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of Passenger Service Fee (Security Component) ['PSF (SC)'] escrow account opened and maintained by the Airport Operators in a fiduciary capacity. Managements of the Airport Operators are of the view that such orders are contrary to and inconsistent with Standard Operating Procedure (SOPs), guidelines and clarification issued by the MoCA from time to time and challenged the said orders before Hon'ble High court of their respective jurisdictions by way of a writ petition. The Hon'ble Courts had stayed the MoCA order with an undertaking that, in the event the decision of the writ petitions goes against the Airport Operators, it shall reverse all the expenditure incurred from PSF (SC).

The Airport Operators had incurred ₹ 416.03 crore towards capital expenditure (including the construction cost and cost of land mentioned below and excluding related maintenance expense and interest thereon) till March 31, 2019 out of PSF (SC) escrow account as per SOPs, guidelines and clarification issued by the MoCA from time to time.

Further, in case of DIAL, MoCA had issued an order dated September 18, 2017 stating the approximate amount of reversal to be made by the Company towards capital expenditure and interest thereon amounting to ₹ 295.58 crore and ₹ 368.19 crore respectively, subject to the order of the Hon'ble High court of Delhi.

During the year ended March 31, 2019, pursuant to AERA order No. 30/ 2018-19 dated November 19, 2018 with respect to DIAL's entitlement to collect X-ray baggage charges from airlines, DIAL has remitted ₹ 119.66 crore to PSF (SC) account against the transfer of screening assets to DIAL from PSF (SC) with an undertaking to MoCA by DIAL that in case the matter pending before the Hon'ble High Court is decided in DIAL's favour, DIAL will not claim this amount back from MoCA.

Based on the internal assessments and pending final outcome of the aforesaid writ petitions, no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2019.

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

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, cost of residential quarters continue to be accounted in the PSF(SC) Fund and no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2019.

v. In case of DIAL, the AERA passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). DIAL had filed an appeal before AERAAT on certain disputed issues in the aforesaid Tariff order.

Subsequently, AERA also released the tariff order No. 40/2015-16 dated December 08, 2015 for second control period i.e. 2014 -2019. DIAL filed an appeal with AERAAT against some of the matters in the tariff order for the second control period. Subsequently, the Hon'ble Delhi High Court vide its Final Order dated January 22, 2016 ordered that the tariff determined by AERA for the First Control Period shall continue till the disposal of the appeals pending against the said tariff order by AERAAT.

Further, Ministry of Finance vide the notification dated May 26, 2017, directed the merger of Appellate Tribunal under the Airports Economic Regulatory Authority Act, 2008 ("AERA Act") i.e. AERAAT into Telecom Disputes Settlement and Appellate of Tribunal ('TDSAT').

The Hon'ble Supreme Court of India, on SLP filed by Air India, vide its judgement dated July 03, 2017, vacated the order of Honorable High Court of Delhi and directed TDSAT to dispose of the appeals of DIAL in the next two months.

As per the directions of Director General of Civil Aviation dated July 07, 2017, DIAL implemented the Tariff order No. 40/2015-16 dated December 08, 2015 with immediate effect i.e., from July 07, 2017

DIAL's appeal no. 10/2012 with respect to first control period has been concluded along with the appeal by certain airlines. TDSAT vide its order dated April 23, 2018 has passed the order, which provides clarity on the issues which were pending for last six years and has laid down the

Notes to the consolidated financial statements for the year ended March 31, 2019

principles to be followed by AERA in determination of tariff of the third control period starting from April 1, 2019. DIAL expects the uplift impact of the TDSAT order to be factored in the tariff determination by AERA for the next period i.e., 2019-2024. DIAL's appeal against the second control period shall be heard in due course.

Further, DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein Hon'ble Supreme Court of India has issued notices in the matter. The appeal before Hon'ble Supreme Court shall be further taken up in due course of time.

During the year ended March 31, 2019, AERA has issued tariff order with respect to Base Airport Charges for the second control period, which the airport operator is entitled to receive as minimum charges in accordance with Schedule 6 of State Support Agreement (SSA) read with Schedule 8 of the SSA. The order on the Base Airport Charges was issued on November 19, 2018 (except the order for X-ray baggage charges), and made applicable from December 1, 2018. The order for X- ray baggage charges has been issued on January 10, 2019 and is effective from February 1, 2019.

DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30,2019 or determination of tariff for third control period, whichever is earlier.

Basis the cash projections prepared by the management of DIAL for next one year, the management expects to have cash profit. Further, considering DIAL's business plans and the availability of sufficient cash reserve as at March 31, 2019, the management do not foresee any uncertainty in continuing its business/ operations and meeting its liabilities for the foreseeable future and accordingly, the financial statements of DIAL are continued to be prepared and consolidated on a going concern basis.

vi. DIAL has received advance development costs of ₹ 680.14 crore including ₹ 6.93 crore related to Phase II development (March 31, 2018: ₹ 660.06 crore including ₹ 6.93 crore related to Phase II development) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, DIAL has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2019, DIAL has incurred development expenditure of ₹ 552.38 crore (March 31, 2018: ₹ 519.19 crore) which has been adjusted against the aforesaid advance. Further, in case of Silver Resort Hotel India Private Limited, DIAL has transferred ₹ 32.61 crore as unspent advance development cost in its proportion refundable to Silver Resort Hotel India Private Limited to 'Advances from customer' basis the arbitration order (refer note 45(xiii)) and balance amount of ₹ 95.15 crore including ₹ 6.93 crore related to Phase II development (March 31, 2018: ₹ 140.87 crore including ₹ 6.93 crore related to Phase II development) is disclosed under other liabilities.

vii. DIAL is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and is to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by DIAL. As at March 31, 2019, DIAL has accounted ₹ 145.32 crore (March 31, 2018: ₹ 116.62 crore) towards such Marketing Fund and has incurred expenditure amounting to ₹ 88.10 crore (March 31, 2018: ₹ 65.11 crores) (net of income on temporary investments) till March 31, 2019 from the amount so collected. The balance amount of ₹ 57.22 crore (March 31, 2018: ₹ 51.51 crore) pending utilization as at March 31, 2019 is included under "Other current liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose.

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

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

ix. DIAL made an internal assessment on computation of Annual Fee payable to AAI and is of the view that the Annual Fee has been paid to AAI on Gross Receipts credited to the consolidated statement of profit and loss (with certain exclusions) instead of on the "Revenue" as defined under OMDA. The legal opinion obtained in this regard made it clear that there were excess payments of Annual Fee by DIAL by mistake from time to time to AAI. Accordingly, as per the decision taken by the Board of Directors of DIAL a claim for return of excess Annual Fee paid to the AAI was raised on 26.12.2016. AAI has not agreed to the claim and insisted DIAL to continue to pay Annual Fee 'on the same basis, which DIAL is paying under protest. Accordingly, the dispute arose under OMDA but same could not be resolved amicably leading to the initiation of arbitration proceedings, which have commenced from December, 2018. DIAL has submitted its statement of claim. AAI has also filed its statement of defense dated April 29, 2019.

x. The Comptroller and Auditor General of India ('CAG') had conducted the performance audit of Public Private Partnership ('PPP') project of AAI at

Notes to the consolidated financial statements for the year ended March 31, 2019

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

xi. In case of DIAL and GHIAL, as per the Operations, Management and Development Agreement ('OMDA') / Concession Agreement, DIAL and GHIAL are liable to pay a certain percentage of the revenue as Monthly Annual Fee ('MAF') / Concession Fee ('CF') to Airport Authority of India / Ministry of Civil Aviation respectively. The management is of the view that certain income / credits arising on adoption of Ind AS, mark to market gain on valuation of Interest Rate Swap, gain on reinstatement of 4.25% Senior Secured Notes and Scrips received under Services Export from India Scheme ('SEIS') in the nature of government grant, interest income from Air India, etc were not contemplated by the parties to the agreements at the time of entering the agreements and these income / credit do not represent receipts from business operations from any external sources and therefore should not be included as revenue for the purpose of calculating MAF / CF. Accordingly, DIAL and GHIAL based on a legal opinion, has provided for MAF / CF on the basis of revenue adjusted for such incomes/ credits. Detail of such incomes / credits for the year ended March 31, 2019 and March 31, 2018 are as under:

(₹ in crore)

Particulars	March 2019		March 2018	
	GHIAL	DIAL	GHIAL	DIAL
Construction income from Commercial property developers	-	33.18	-	49.47
Deposits taken from Commercial Property Developers accounted at amortised cost	-	50.64	-	26.67
Discounting on fair valuation of deposits taken from concessionaires	4.53	53.44	0.78	52.54
Interest income on security deposits given carried at amortised cost	-	0.35	-	0.39
Unrealised foreign exchange difference on borrowings	-	-	-	53.26
Significant financing component on revenue from contract with customers		4.80	-	-
Income recognized on advance from customers under Ind AS 115	1.10			
Income arising from fair valuation of financial guarantee	2.55	-	5.63	-
Interest free loan given to subsidiaries accounted at amortised cost	3.22	-	4.17	-
Income from government grant	5.26	-	4.11	-
Amortisation of deferred income	14.08	-	3.78	-
Gain on reinstatement of 4.25% senior secured note	-	-	43.72	-
Gain on account of fair valuation of interest rate swap	-	-	11.92	-
Interest income from Air India	-	135.76	-	-
Discounting on fair valuation of deposit paid to vendors	0.31	-	-	-

xii. **Preference Shares issued by subsidiaries:**

Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as "investor agreements"), GAL, a subsidiary of the Company, had issued 3,731,468 Class A Compulsorily Convertible Preference Shares ("CCPS A") of ₹ 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 by 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 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 had initiated arbitration proceedings against GAL and the Company, seeking conversion of the CCPS A.

The Company together with GAL has executed settlement agreement dated August 13, 2018 with Investors to amicably settle all outstanding disputes pertaining to the matters which were the subject of the aforesaid arbitration. As per the settlement, the Company through its wholly owned subsidiary has purchased 2,714,795 CCPS A of GAL for consideration of ₹ 3,560.00 crore from the Investors and balance 932,275 CCPS A have been converted into equity shares representing 5.86% shareholding of GAL in the hands of the Investors with a put option given by the Group to acquire the same at fair value.

However pursuant to the binding term sheet with prospective investors as detailed in Note 46(xvi) the management has considered the aforesaid additional obligation of ₹ 3,560.00 as recoverable from the prospective investors and have recognized the same as a financial asset in it

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xiii. DIAL had entered into 'Development Agreement' and the 'Infrastructure Development and Service Agreement' with Silver Resort Hotel India Private Limited (hereinafter referred as 'Developer') on February 26, 2010 for development and operation of commercial property area located in Aerocity for a period of 30 years; further extendable to another 30 years. As per term of agreements, Developer was required to pay the License fee and other charges to DIAL on annual basis. On July 16, 2015, DIAL issued termination notice on account of failure by the Developer to pay the License Fees and other charges, required to be paid under the agreements executed between DIAL and the Developer. Consequently, the Developer has invoked the arbitration process as per Infrastructure Development and Service Agreement.

During the year ended March 31, 2018, the Arbitral Award was passed by the Hon'ble Arbitral Tribunal in favour of DIAL thereby granting ₹ 115.89 crores award to DIAL and directing it to settle the award against security deposits of ₹ 192.88 crores lying with DIAL and pay the balance ₹ 76.99 crores to the Developer.

Accordingly, DIAL has deposited payment of ₹76.13 crore (net of recovery of arbitration cost of ₹ 0.86 crore) in the Hon'ble High Court of Delhi as per arbitration award.

Further, Silver resort had filed an appeal against the arbitration award before the Hon'ble High court. The matter was heard for arguments on April 26, 2018 and the judgment was pronounced on May 8, 2018 in favour of DIAL.

Pursuant to the above order, the Developer has preferred an appeal before Double Bench of Delhi High Court which was heard on July 4, 2018 and the matter is now restricted only to the question of non- payment of interest on the security deposit by DIAL to Developer and the next hearing is scheduled on August 7, 2019. Accordingly, DIAL has appropriated and accounted for the remaining amount of deposit, as per the arbitration award.

xiv. The Government of India announced Services Export from India Scheme (SEIS) under Foreign Trade Policy (FTP) 2015-20 under which the service provider of notified services is entitled to Duty Credit Scrips as a percentage of net foreign exchange earned. These Scrips either can be used for payment of basic custom duty on imports or can be transferred/traded in the market.

Pursuant to above, during the year ended March 31, 2018, DIAL has received SEIS scrips of ₹ 31.19 crore for financial year 2015-16, having validity till September 30, 2019. During the year ended March 31, 2019, the Company has also received SEIS scrips of ₹ 55.82 Crore for financial year 2016-17, having validity till October 21, 2020. DIAL has so far utilized/sold ₹ 14.52 (March 31,2018: ₹ 0.44 crore) out of these scrips and considering the major expansion plans at the IGI airport, DIAL is evaluating various options for utilization of these Scrips.

The Scrips received under SEIS are in nature of Government Grant and is similar to the Scrips received under Served from India Scheme (SFIS) of Foreign Trade Policy 2010-15. DIAL is of the view that as per the latest Arbitration Order dated December 27, 2018 in case of SFIS Scrip, the Income from SEIS Scrip is out of the purview of revenue definition as per OMDA. Accordingly, management believes that, no Annual Fee is payable as per the provisions of OMDA, and has not been provided in these consolidated financial statements.

xv. On October 30, 2018, GHIAL has entered into a share purchase agreement to buy out the balance 49% stake in HMACPL held by the, Menzies Aviation Cargo (Hyderabad) Ltd. at a value of ₹ 59.75 Crore. Accordingly, post transfer of shares in favour of GHIAL on November 2, 2018, HMACPL became a wholly owned subsidiary of the GHIAL. Further, with effect from November 5, 2018, the name of the HMACPL has been changed to GMR Hyderabad Air Cargo and Logistics Private Ltd. (GHACLPL).

xvi. The Board of directors of wholly owned subsidiary namely "Hyderabad Airport Security Service Limited" (HASSL) at its meeting held on September 17, 2018, approved the proposal to wind up the affairs by way of voluntary liquidation. Accordingly, HASSL has appointed Official Liquidator for the purposed voluntary liquidation on September 27, 2018 and is under the Voluntary Liquidation Process as required under Insolvency and Bankruptcy Code 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. As on date, HASSL has the positive net worth hence does not have any adverse effect to the above financial statement of the Group.

xvii. The Group entered into a binding term sheet with Tata Group "Tata", Singapore's sovereign wealth fund, an affiliate of GIC, "GIC" and SSG Capital Management "SSG" ("Investors") whereby the investors will acquire equity stake in GMR Airport Limited's ('GAL') assets on a fully diluted basis for a consideration of ₹ 8,000 crore through issuance of equity shares of GAL of ₹ 1,000 crore and purchase of GAL's equity shares held by the Group of ₹ 7,000 crore. The proposed transaction is subject to definitive documentation, regulatory approvals, lender consents and other approvals which are currently in progress.

xviii. In respect of DIAL's equity investment in WAISL, the Company has to maintain minimum 26% of equity shareholding directly or indirectly until the expiry of next 5 years from January 2010 and thereafter minimum 20% of equity shareholding directly or indirectly until the expiry of next 5 years. However, DIAL is proposing to sale its entire investment in WAISL Limited of ₹ 1.30 crores (13,00,000 shares of ₹ 10 each) to Antariksh Softtech Private Limited based on valuation of independent valuer.

Notes to the consolidated financial statements for the year ended March 31, 2019

46. Matters related to certain road sector entities:

i. GACEPL, a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 417.67 crore as at March 31, 2019. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant, till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of the Group believes that the carrying value of carriage ways in GACEPL of ₹ 400.72 crore as at March 31, 2019 is appropriate.

ii. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 970.51 crore as at March 31, 2019. 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 the Group 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 proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. Further, 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.

During the year ended March 31, 2019, NHAI has directed GHVEPL to pay outstanding additional concession fees including interest of ₹ 451.25 crore, failure to which, it will terminate the concession agreement. GHVEPL has approached the Tribunal to restrain NHAI from seeking any such recovery / demand / claim and / or taking any coercive action including termination of concession agreement, till the completion of present arbitration proceedings. The Tribunal has heard both the parties and is yet to pronounce the order. Further the management is evaluating a resolution plan as per the RBI circular on "Framework on Resolution of Stressed Assets" and has informed the lenders towards the same. The Management is hopeful that appropriate resolution plan would be approved by the lenders and would resolve the expected cash flow issues arising due to existing accelerated loan repayment schedule from April 01, 2019.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years, valuation assessment by an external expert and expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of ₹ 2,043.62 crore of GHVEPL as at March 31, 2019, is appropriate.

47. Matters related to certain power sector entities:

i. GPCL, a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to ₹ 481.68 crore and recognised ₹ 79.55 crore as income in the books of account.

TAGENDCO filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order from APTEL, TAGENDCO deposited ₹ 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The Hon'ble Supreme Court vide its Order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties in so far as the quantum of amount is concerned. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014. Further, TAGENDCO has filed the petition in the Hon'ble Supreme Court against APTEL order which is pending before the Hon'ble Supreme Court. During the period ended December 31, 2018, GPCL has received an order from TNERC whereby TNERC has upheld the TAGENDCO's claim amounting to ₹ 121.37 crore. GPCL's counter claim of ₹ 191.00 crore under old PPA towards interest on delayed payments, start and stop charges and invoice for nil dispatches and invoice for differential rates for the period from July 2011 to February 2014 has not yet been adjudicated by TNERC. The management has filed an appeal before APTEL and the same is yet to be listed for hearing.

GPCL was availing tax holiday under Section 80IA of the Income Tax Act, 1961 ('IT Act') in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL offered the claims upto March 31, 2014 as income in its tax returns and claimed the deduction as available under Section 80IA of the IT Act.

In accordance with the above, the amount received towards the above mentioned claims is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

Hence, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised the aforesaid claim in the books of account.

Notes to the consolidated financial statements for the year ended March 31, 2019

48. Matters related to certain other sector entities:

i. 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)

Particulars	March 31, 2019	March 31, 2018
Equity shares of GIL	101.55	101.55
Equity shares of GAL	11.28	11.28
Others	2.17	2.17
Total	**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 the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" ("SEBI Regulations") whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. SEBI published Frequently Asked Question ("FAQ") on SEBI Regulations and clarified that appropriation of shares towards ESPS/ESOP/SAR/General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next one year 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 Group has consolidated the financial statements of GWT in its consolidated financial statements and accordingly the loans has become NIL.

ii. KSL is in the process of acquiring land for implementing a Multi Product Special Economic Zone within the meaning of Special Economic Zone Act 2005 and it has obtained an initial Notification from the Ministry of Commerce, Government of India vide Notification No. 635(E) dated April 23, 2007 for an extent of 1,035.67 hectares. The formal approval for the same was initially given for 3 years from June 2006. Subsequently, the said formal approval was extended till August 2016. KSL has obtained further notification from Government of India vide Notification No. 342(E) dated February 06, 2013 for an extent of 1,013.64 hectares and the formal approval was given initially for 3 years from February 2012, which on application by KSL was extended further upto February 2016. KSL's proposal for merger of both approvals is approved by Ministry of Commerce in December 2015, hence extension of formal approval is no longer required. Out of 2,049.31 hectares land covered in existing notification, KSL applied for de-notification of 170.00 hectares during the year and got the approval from Ministry of Commerce and Industries. Subsequent to de-notification as stated above 1,879.40 hectares of land is covered under SEZ notified area.

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

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

Further to the acquisition of land for development of SEZs, KSL has initiated various rehabilitation and resettlement initiatives to relocate the inhabitants residing in the land acquired. The amount of expenditure incurred by KSL towards rehabilitation and resettlement initiatives amounting to ₹ 72.93 crore (March 31, 2018: ₹ 72.77 crore) is treated as part of land acquisition cost. KSL had estimated that additional cost of ₹ 42.86 crore is likely to be incurred towards rehabilitation and resettlement as required under Ind AS 37 and the provision for the same has been made in the consolidated financial statements during the year ended March 31, 2019.

During the year, KSL has incurred a sum of ₹ 273.93 crore (March 31, 2018: ₹ 226.42 crore) towards expenditure incurred in respect of ongoing SEZ project under execution by KSL. This expenditure is directly connected with land acquisitions which is the primary asset of the project.

The expenditure incurred during the earlier years in respect of the project includes ₹ 313.14 crore towards non-prejudicial additional compensation for land owners and farmers announced by special land acquisition to hasten the proposed project activities, which was in addition to the statutory compensation already paid. An amount of ₹ 141.76 crore has been paid by KSL and remaining amount is shown under non-trade payable.

Notes to the consolidated financial statements for the year ended March 31, 2019

49. Related party transactions

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

Sl. No.	Relationship	Name of the parties
(i)	Holding company	GMR Enterprises Private Limited (GEPL)
(ii)	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Airport Authority of India (AAI)
		Asia Pacific Flight Training Sdn Bhd ('APFTSB')
		Arcelormittal India Limited (AIL)
		Bharat Petroleum Corporation Limited (BPCL)
		Brindaban Man Pradhang (till December 30, 2018)
		Bird World Wide Flight Services India Private Limited (BWWFSIPL)
		Celebi Ground Handling Delhi Private Limited (CELEBI GHDPL)
		Celebi Hava Servisis A.S. (CHSAS)
		Fraport AG Franfurt Airport Services Worldwide (FAG)
		Government of Telangana (GoT)
		Indian Oil Corporation Limited (IOCL)
		Kakinada Infrastructure Holding Private Limited (KIHPL)
		Lanco Group Limited (LGL)
		Limak Insaat San. Ve Ticaret A.S. (LISVT)
		Laqshya Media Limited (LMPL)
		M/S G.S.Atwal & Co. (till December 30, 2018)
		Malaysia Airport Holding Berhad (MAHB)
		Malaysia Airports Consultancy Services SDN Bhd (MACS)
		MAHB (Mauritius) Private Limited (MAHB Mauritius)
		Megawide Construction Corporation (MCC)
		Menzies Aviation Cargo (Hyderabad) Limited, Mauritius (MACHL) (upto November 02, 2018)
		Menzies Aviation India Private Limited (MAIPL)
		Menzies Aviation PLC (UK) (MAPUK)
		Macquarie SBI Infrastructure Investments PTE Limited (MSIF)
		NAPC Limited (NAPC)
		Navabharat Power Private Limited (NBPPL)
		Nepal Electricity Authority (NEA) (till December 30, 2018)
		Odeon Limited (OL)
		Oriental Structures Engineers Private Limited (OSEPL)
		Oriental Tollways Private Limited (OTPL)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		PT Sinar Mas Cakrawala
		Punj Lyod Limited
		Reliance Industries Limited (RIL)
		Sterlite Energy Limited (SEL)
		Power And Energy International (Mauritius) Limited
		Tenega Parking Services (India) Private Limited (TPSIPL)
		Times Innovative Media Limited (TIML)
		Travel Foods Services (Delhi) Private Limited (TFSDPL)
		Tottenham Finance Limited, Mauritius (TFL)

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Relationship	Name of the parties
		Veda Infra-Projects (India) Private Limited (VIHIPL)
		Wipro Limited (WL) (till 4th April, 2018)
		Antarlksh Softtech Private Limited (w.e.f. 5th April, 2018)
		Welfare Trust for GMR Group Employees (WTGGE)
		Yalvorin Limited (YL)
(iii)	Enterprises where key management personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF)
		Sri Varalakshmi Jute Twine Mills Private Limited
		GMR Family Fund Trust (GFFT)
		GEOKNO India Private Limited (GEOKNO)
		Kakinada Refinery & Petrochemicals Private Limited (KRPPL)
		Kirti Timber Private Limited (KTPL)
		GMR Institute of Technology (GIT)
		GMR School of Business (GSB)
		GMR Varalakshmi Care Hospital (GVCH)
		Jetsetgo Aviation Services Private Limited (JASPL)
		Polygon
(iv)	Fellow subsidiary companies (where transactions have taken place)	GMR Bannerghatta Properties Private Limited (GBPPL)
		GMR Holding (Mauritius) Limited (GHMRL)
		Ellan Vannin International Holdings Limited (formerly known as GMR Airport (Global) Limited (GAGL)
		GMR Holdings (Overseas) Limited (GHOL)
		JSW GMR Cricket Private Limited (JGPL) (formerly GMR Sports Private Limited (GSPL))
		Kothavalasa Infraventures Private Limited
		Grandhi Enterprises Private Limited (GREPL)
(v)	Joint ventures / associates / joint operations	GMR Energy Limited (GEL)
		GMR Vemagiri Power Generation Limited (GVPGL)
		GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)
		GMR Kamalanga Energy Limited (GKEL)
		Himtal Hydro Power Company Private Limited (HHPPL) (till December 30, 2018)
		GMR Energy (Mauritius) Limited (GEML)
		GMR Lion Energy Limited (GLEL)
		GMR Upper Karnali Hydropower Limited (GUKPL)
		GMR Consulting Services Limited (GCSPL)
		GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
		Rampia Coal Mine and Energy Private Limited (RCMEPL)
		GMR Chhattisgarh Energy Limited (GCEL)
		GMR Rajahmundry Energy Limited (GREL)
		GMR Warora Energy Limited (GWEL)
		GMR Maharashtra Energy Limited (GMAEL)
		GMR Bundelkhand Energy Private Limited (GBEPL)
		GMR Rajam Solar Power Private Limited (GRSPPL)
		GMR Gujarat Solar Power Limited (GGSPPL)

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Relationship	Name of the parties
		Karnali Transmission Company Private Limited (KTCPL)
		Marsyangdi Transmission Company Private Limited (MTCPL)
		GMR Indo-Nepal Energy Links Limited (GINELL)
		GMR Indo-Nepal Power Corridors Limited (GINPCL)
		PT Golden Energy Mines Tbk (PTGEMS)
		PT Roundhill Capital Indonesia (RCI)
		PT Borneo Indobara (BIB)
		PT Kuansing Inti Makmur (KIM)
		PT Karya Cemerlang Persada (KCP)
		PT Bungo Bara Utama (BBU)
		PT Bara Harmonis Batang Asam (BHBA)
		PT Berkat Nusantara Permai (BNP)
		PT Tanjung Belit Bara Utama (TBBU)
		PT Trisula Kencana Sakti (TKS)
		PT Era Mitra Selaras (EMS)
		PT Wahana Rimba (WRL)
		PT Berkat Satria Abadi (BSA)
		GEMS Trading Resources Pte Limited (GEMSCR)
		PT Bumi Anugerah Semesta (formerly known as PT Karya Mining Solution) (BAS)
		PT Kuansing Inti Sejahtera (KIS)
		PT Bungo Bara Makmur (BBM)
		PT GEMS Energy Indonesia (PTGEI)
		Shanghai Jingguang Energy Co Ltd (SJECL)
		Asia Pacific Flight Training Academy Limited (APFT) (upto October 09, 2017)[1]
		Laqshya Hyderabad Airport Media Private Limited (Laqshya)
		Delhi Aviation Services Private Limited (DASPL)
		Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
		Delhi Duty Free Services Private Limited (DDFS)
		Delhi Aviation Fuel Facility Private Limited (DAFF)
		Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
		WAISL Limted (WAISL) [formely known as Wipro Airport IT Services Limited (WAISL)]
		TIM Delhi Airport Advertising Private Limited (TIM)
		GMR Megawide Cebu Airport Corporation (GMCAC)
		Megawide GISPL Construction Joint Venture (MGCJV)
		Megawide GISPL Construction Joint Venture Inc. (MGCJV INC.)
		Limak GMR Joint Venture (CJV)
		GMR Tenaga Operations and Maintenance Private Limited (GTOMPL)[3]
		PT Dwikarya Sejati Utma (PTDSU)[2]
		PT Duta Sarana Internusa (PTDSI)[2]
		PT Unsoco (PT)[2]
		PT Barasentosa Lestari (PTBSL)[2]
		Mactan Travel Retail Group Corp. (MTRGC)[3]

Notes to the consolidated financial statements for the year ended March 31, 2019

Sl. No.	Relationship	Name of the parties
		SSP-Mactan Cebu Corporation (SMCC)[3]
		DIGI Yatra Foundation (DIGI)[3]
		International Airport Of Heraklion, Crete Sa (Crete)[3]
		GMR Mining & Energy Private Limited (GMEL)
		GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)
(vi)	Key management personnel and their relatives	Mr. G.M. Rao (Executive Chairman)
		Mrs. G Varalakshmi (Relative)
		Mr. G.B.S. Raju (Director)
		Mr. Grandhi Kiran Kumar (Managing Director & CEO)
		Mr. Srinivas Bommidala (Director)
		Mrs. B. Ramadevi (Relative)
		Mrs Grandhi Satyavathi Smitha (Relative)
		Mr. B.V. Nageswara Rao (Director)
		Mr. Adiseshavataram Cherukupalli (Company Secretary) (Resigned w.e.f. November 14, 2017)
		Mr. Venkat Ramana Tangirala (Company Secretary) (Appointed w.e.f. November 15, 2017)
		Mr. R S S L N Bhaskarudu (Independent Director)
		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. Madhva Bhimacharya Terdal (Group CFO) (Resigned w.e.f. February 14, 2019)
		Mr. Saurabh Chawla (Group Chief Financial Officer) (Appointed w.e.f. February 15, 2019)

Notes:

1. Ceased to be a joint venture and became a subsidiary during the year ended March 31, 2018. Further during the year ended March 31, 2019, ceased to be a subsidiary.
2. Ceased to be a subsidiary and became a joint venture w.e.f. August 14, 2018.
3. Joint Ventures incorporated during the year ended March 31, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Transactions during the year							
Revenue from operations							
2019	-	926.57	413.61	0.77	11.38	79.93	-
2018	-	945.35	389.67	0.45	3.73	119.85	-
Other Income							
2019	-	0.02	0.01	-	-	-	-
2018	19.84	2.30	0.05	-	0.02	-	-
Finance income							
2019	1.02	37.33	11.05	-	0.01	-	-
2018	1.35	27.03	12.46	-	0.01	-	-
Dividend income received from							
2019	-	207.79	10.61	-	-	-	-
2018	-	235.34	11.14	-	-	-	-
Airport service charges / operator fees							
2019	-	-	-	-	-	114.90	-
2018	-	-	-	-	-	171.87	-
Revenue share paid / payable to concessionaire grantors							
2019	-	-	-	-	-	1,652.78	-
2018	-	-	-	-	-	1,814.42	-
Lease expenses							
2019	-	-	-	1.43	0.19	-	0.25
2018	-	-	-	1.23	0.13	-	0.64
Purchase of traded goods (Gross) including open access charges paid / recovered net.							
2019	-	789.99	145.34	-	-	-	-
2018	-	640.52	185.24	-	-	-	-
Managerial remuneration							
2019	-	-	-	-	-	-	31.08
2018	-	-	-	-	-	-	26.14

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Directors' sitting fees							
2019	-	-	-	-	-	-	0.74
2018	-	-	-	-	-	-	0.61
Logo fees							
2019	1.85	-	-	-	-	-	-
2018	2.01	-	-	-	-	-	-
Sub-Contracting expenses							
2019	-	-	-	-	-	11.56	-
2018	-	-	-	-	-	50.83	-
Legal and professional fees							
2019	-	1.16	-	-	6.61	11.16	-
2018	-	8.63	-	-	2.99	24.29	-
Other expenses							
2019	1.31	10.94	-	0.50	0.17	6.36	0.46
2018	0.06	8.53	-	0.50	0.53	6.19	0.01
Marketing fund billed							
2019	-	12.55	1.14	-	-	-	-
2018	-	11.21	0.86	-	-	-	-
Marketing fund utilised							
2019	-	7.37	0.90	-	-	-	-
2018	-	10.87	0.41	-	-	-	-
Reimbursement of expenses incurred on behalf of the Group							
2019	-	0.31	0.17	-	0.83	-	-
2018	-	0.18	0.10	0.58	0.01	0.19	-
Expenses incurred by the Group on behalf of / expenses recovered by the Group							
2019	0.16	52.02	26.16	-	1.33	25.22	-
2018	0.35	52.97	20.66	0.02	0.42	23.12	-
Provision for doubtful loans credit impaired							

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2019	-	55.36	-	-	-	-	-
2018	-	-	-	-	-	-	-
Donation/ CSR expenditure							
2019	-	-	-	-	14.03	-	-
2018	-	-	-	-	11.75	-	-
Finance cost							
2019	5.33	36.93	4.49	0.20	0.53	3.31	-
2018	6.39	30.09	3.49	0.04	6.49	5.19	-
Release of pledged shares against the loan taken by a subsidiary							
2019	-	-	-	-	-	-	-
2018	-	-	-	-	-	28.66	-
Corporate Guarantees/ Comfort Letters extinguished on behalf of							
2019	-	-	-	-	-	-	-
2018	-	150.00	-	-	-	-	-
Investment in equity shares of							
2019	-	17.81	-	-	-	-	-
2018	-	108.33	-	-	-	-	-
Loans / advances repaid by							
2019	373.40	89.71	4.37	-	-	-	-
2018	-	52.91	-	-	-	-	-
Loans / advances given to							
2019	2.40	287.61	-	3.38	4.61	-	-
2018	30.00	38.10	-	-	-	-	-
Borrowings taken during the year							
2019	185.80	40.00	-	180.02	1.34	-	-
2018	283.97	133.44	-	-	-	-	-
Borrowings repaid during the year							
2019	117.00	101.19	-	83.67	1.42	0.37	-
2018	452.50	88.71	-	9.37	142.50	0.05	-

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Sale of property, plant and equipment							
2019	-	-	-	-	-	-	-
2018	-	0.11	-	-	-	-	-
Purchase of property, plant and equipment							
2019	-	-	-	-	0.28	-	-
2018	0.71	0.03	-	-	-	-	-
Security deposits received from concessionaires / customers							
2019	-	40.00	23.72	-	-	-	-
2018	-	4.04	12.29	-	-	-	-
Security deposits repaid to concessionaires / customers							
2019	-	1.51	-	-	-	-	-
2018	-	0.12	-	-	-	-	-
Security Deposits given							
2019	-	-	-	1.04	-	-	-
2018	-	-	-	-	-	-	-
Security Deposits refunded							
2019	-	-	-	-	26.92	-	-
2018	-	-	-	-	-	-	-
Capital advances given							
2019	-	-	-	-	-	206.69	-
2018	-	-	-	-	-	-	-
Equity dividend paid by subsidiaries / Joint ventures / associates to							
2019	-	-	-	-	-	55.94	-
2018	-	-	-	-	-	117.02	-

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Preference dividend paid by subsidiaries							
2019	-	-	-	-	-	1.80	-
2018	-	-	-	-	-	3.77	-
Outstanding balances as at the year end							
Investment in Debentures carried at amortised cost							
2019	-	-	-	-	-	100.00	-
2018	-	-	-	-	-	93.64	-
Capital advances							
2019	50.00	-	-	-	22.90	206.69	-
2018	50.00	-	-	-	22.90	-	-
Advances other than capital advances							
2019	-	-	27.25	-	0.30	-	-
2018	-	-	-	-	0.28	-	-
Security deposits receivable							
2019	-	-	-	1.02	4.28	-	0.11
2018	-	-	-	-	31.20	-	-
Trade receivable							
2019	-	100.34	12.32	-	3.54	2.98	-
2018	6.52	168.21	87.40	-	1.21	67.84	-
Non trade receivable							
2019	-	1.38	134.54	-	-	2.12	-
2018	-	27.27	-	-	-	3.38	-
Unbilled revenue							
2019	-	39.37	43.50	-	0.06	1.18	-
2018	-	0.04	-	-	0.01	1.16	-
Other receivables							
2019	-	2.15	-	-	0.09	-	-
2018	2.96	2.32	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Loans, considered good							
2019	2.40	274.17	2.94	3.38	4.61	6.80	-
2018	373.40	131.63	7.31	-	-	6.80	-
Provision for doubtful loans credit impaired							
2019	-	270.17	-	-	-	-	-
2018	-	214.82	-	-	-	-	-
Interest accrued on loans given							
2019	-	19.92	-	-	-	-	-
2018	4.65	4.18	-	-	-	-	-
Trade payables							
2019	2.76	280.37	2.47	0.22	2.30	66.10	0.07
2018	1.70	233.57	2.73	-	4.82	165.88	0.28
Security deposits from concessionaires / customers at amortised cost							
2019	-	161.96	42.34	-	-	-	-
2018	-	137.36	33.14	-	-	-	-
Unearned / deferred revenue							
2019	-	220.11	127.52	-	-	-	-
2018	-	210.17	117.02	-	-	-	-
Non trade payables / other liabilities							
2019	0.44	1.04	3.39	-	0.40	0.24	-
2018	0.31	105.22	3.39	-	0.72	27.69	4.17
Provision for loss in an associate							
2019	-	-	615.36	-	-	-	-
2018	-	-	715.28	-	-	-	-
Advance from customers							
2019	-	9.78	-	-	-	-	-
2018	-	134.84	-	-	-	-	-
Accrued interest on borrowings							
2019	-	13.74	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2019

b. Summary of transactions with the related parties are as follows: (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2018	-	16.54	-	-	-	-	-
Borrowings							
2019	68.80	82.48	-	96.36	4.11	315.05	-
2018	-	143.67	-	-	4.34	315.42	-
Liability component of compound financial instrument							
2019	-	-	-	-	-	5.23	-
2018	-	-	-	-	-	4.73	-
Outstanding corporate guarantees given on behalf of							
2019	-	5,599.10	4,620.16	-	-	-	-
2018	-	5,203.50	4,620.16	-	-	-	-
Outstanding bank guarantees given on behalf of							
2019	-	-	-	-	1.30	-	-
2018	-	-	-	-	1.30	-	-

Notes:

1. The Group has provided securities by way of pledge of investments for loans taken by certain companies.
2. Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GEPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group.
3. Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Group as a whole.
4. The Group has entered into sub-contract agreements with unincorporated joint ventures formed by the Group 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.

50. Segment information

a) Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment, resource allocation and for which information is available discretely. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

b) The segment reporting of the Group has been prepared in accordance with Ind AS 108.

c) For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.

d) The reportable segments of the Group comprise of the following:

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

e) Geographical segments are categorized as 'India' and 'Outside India' and are based on the domicile of the customers.

f) Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

g) Segment details

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue																
Revenue from continuing operations	593.08	1,533.12	570.50	589.70	5,253.93	5,418.74	904.85	931.12	242.52	248.53	-	-	-	-	7,564.88	8,721.21
Inter Segment Revenue	24.15	31.83	-	-	24.08	15.09	2.88	-	358.14	333.28	(409.25)	(380.20)	-	-	-	-
Total revenue from continuing operations	**617.23**	**1,564.95**	**570.50**	**589.70**	**5,278.01**	**5,433.83**	**907.73**	**931.12**	**600.66**	**581.81**	**(409.25)**	**(380.20)**	**-**	**-**	**7,564.88**	**8,721.21**
Segment result before share of (loss) / profit of associate and joint ventures, exceptional items and tax from continuing operations	(109.41)	(4.59)	292.17	207.59	1,124.47	1,439.06	(46.58)	16.14	(201.52)	(117.13)	-	-	-	-	1,059.13	1,541.07
Share of (loss) / profit of associates and joint ventures (net)	(283.38)	(595.29)	-	-	182.01	166.20	10.13	(0.25)	3.35	(2.02)	-	-	-	-	(87.89)	(431.36)
Unallocated income/(expense)																
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	(2,684.15)	(2,316.34)	(2,684.15)	(2,316.34)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	371.38	169.47	371.38	169.47
Segment profit/(loss) before tax for the year	**(392.79)**	**(599.88)**	**292.17**	**207.59**	**1,306.48**	**1,605.26**	**(36.45)**	**15.89**	**(198.17)**	**(119.15)**	**-**	**-**	**(2,312.77)**	**(2,146.87)**	**(1,341.53)**	**(1,037.16)**
Less: Exceptional items																
a) Loss on impairment of investments in associates / joint ventures (refer note 10)	(2,212.30)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,212.30)	-
Tax credit / (expenses)	-	-	-	-	-	-	-	-	-	-	-	-	87.42	(45.49)	87.42	(45.49)
Profit / (loss) after tax from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-			110.12	(31.94)
Segment profit/(loss) for the year	**(2,605.09)**	**(599.88)**	**292.17**	**207.59**	**1,306.48**	**1,605.26**	**(36.45)**	**15.89**	**(198.17)**	**(119.15)**	**-**	**-**	**(2,225.35)**	**(2,192.36)**	**(3,356.29)**	**(1,114.59)**
Segment assets:	7,747.41	9,174.53	3,856.26	4,088.81	21,311.84	17,080.76	1,261.87	1,102.79	4,461.18	4,567.75	-	-	-	-	38,638.56	36,014.64
Loans - Current	-	-	-	-	-	-	-	-	-	-	-	-	92.75	443.09	92.75	443.09
Loans - Non current	-	-	-	-	-	-	-	-	-	-	-	-	252.54	118.32	252.54	118.32
Interest accrued on fixed deposits	-	-	-	-	-	-	-	-	-	-	-	-	42.81	32.00	42.81	32.00
Interest accrued on long term investments	-	-	-	-	-	-	-	-	-	-	-	-	25.79	11.99	25.79	11.99
Derivative instruments at fair value through OCI	-	-	-	-	-	-	-	-	-	-	-	-	334.11	71.69	334.11	71.69
Derivative instruments at fair value through profit and loss	-	-	-	-	-	-	-	-	-	-	-	-	101.48	19.80	101.48	19.80
Deferred Tax Asset (Net)	-	-	-	-	-	-	-	-	-	-	-	-	593.06	388.93	593.06	388.93
Non current tax assets (Net)	-	-	-	-	-	-	-	-	-	-	-	-	293.99	243.76	293.99	243.76
Assets classified as held for disposal	-	-	-	-	-	-	-	-	-	-	-	-	28.91	942.77	28.91	942.77
Total Assets	**7,747.41**	**9,174.53**	**3,856.26**	**4,088.81**	**21,311.84**	**17,080.76**	**1,261.87**	**1,102.79**	**4,461.18**	**4,567.75**	**-**	**-**	**1,765.44**	**2,272.35**	**40,404.00**	**38,286.99**

Notes to the consolidated financial statements for the year ended March 31, 2019

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Segment liabilities:	2,864.97	2,642.66	909.70	714.60	5,213.29	3,749.69	819.47	706.69	379.02	333.06	-	-	-	-	10,186.45	8,146.70
Borrowings - Non current	-	-	-	-	-	-	-	-	-	-	-	-	21,663.81	20,552.95	21,663.81	20,552.95
Current maturities of Long Term Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	3,617.49	1,972.10	3,617.49	1,972.10
Borrowings - Current	-	-	-	-	-	-	-	-	-	-	-	-	2,298.59	542.37	2,298.59	542.37
Interest / premium / processing fees payable on redemption of debenture/loan	-	-	-	-	-	-	-	-	-	-	-	-	877.03	354.47	877.03	354.47
Liabilities for current tax (net)	-	-	-	-	-	-	-	-	-	-	-	-	64.81	55.32	64.81	55.32
Deferred tax liabilities (Net)	-	-	-	-	-	-	-	-	-	-	-	-	328.52	400.06	328.52	400.06
Financial Guarantee contracts	-	-	-	-	-	-	-	-	-	-	-	-	65.32	68.27	65.32	68.27
Financial Liabilities at fair value through OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	18.83	-	18.83
Financial Liabilities at fair value through profit and loss	-	-	-	-	-	-	-	-	-	-	-	-	-	0.31	-	0.31
Liabilities directly associated with assets classified as held for disposal	-	-	-	-	-	-	-	-	-	-	-	-	60.08	530.80	60.08	530.80
Total Liabilities	**2,864.97**	**2,642.66**	**909.70**	**714.60**	**5,213.29**	**3,749.69**	**819.47**	**706.69**	**379.02**	**333.06**	**-**	**-**	**28,975.66**	**24,495.48**	**39,162.11**	**32,642.18**
Other Disclosures:																
Investments in associates and joint ventures	6,654.95	7,907.10	-	-	979.81	828.39	20.40	-	4.78	0.65	-	-	-	-	7,659.94	8,736.14
Depreciation and amortisation excluding discontinuing operations	3.49	3.43	90.08	81.65	835.54	893.61	23.81	18.63	31.04	31.08	-	-	-	-	983.96	1,028.40
Material Non cash expenses including impairment, other than depreciation and amortisation	2,302.55	0.01	0.00	1.40	183.41	3.57	14.03	18.48	100.53	6.01	-	-	-	-	2,600.52	29.47

Adjustments and eliminations

Finance income and costs are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis..

(₹ in crore)

Particulars	Revenue from external customers		Non-current operating assets*	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Continuing Operations:				
India	7,207.18	8,245.48	16,938.10	16,232.52
Outside India	357.70	475.73	-	-
Total	**7,564.88**	**8,721.21**	**16,938.10**	**16,232.52**

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

Notes to the consolidated financial statements for the year ended March 31, 2019

51. Hedging activities and derivatives

(a) Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts, principal and interest rate swaps, cross currency swap and call spread option to manage some of its transaction exposures. These derivative instruments are not designated as cash flow/fair value hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

(₹ in crore)

Particulars	March 31, 2019		March 31, 2018	
	Assets	Liabilities	Assets	Liabilities
Interest rate swap	1.73	-	-	-
Foreign exchange forward contracts	-	-	-	0.31
Call spread option[1]	99.75	-	19.80	-
Total	**101.48**	**-**	**19.80**	**0.31**
Classified as :				
Non- current	99.75	-	19.80	-
Current	1.73	-	-	0.31

1. For call spread options of USD 208.75 million, taken during the previous year, the USD spot rate is above the USD call option strike price. Accordingly, foreign exchange gain of ₹ 79.64 crore (March 31, 2018: ₹ 33.82 crore) has been adjusted with fixed assets.

   As at March 31, 2019, For call spread options of USD 80.00 million, taken during the current year, the USD spot rate is above the USD call option strike price. Accordingly, foreign exchange gain of ₹ 9.24 crore (March 31, 2018: ₹ Nil) has been adjusted with fixed assets.

   Mark-to-market loss amounting to ₹ 8.78 crore (March 31, 2018: mark-to-market gain amounting to ₹ 0.82 crore) crores on the above call spread option of USD 288.75 million USD has been adjusted with the fixed assets in addition to the foreign exchange loss of ₹ 110.16 crore (March 31, 2018: foreign exchange gain of ₹ 7.51 crore) taken to fixed assets on the underlying loans .

   Refer note 3(3)(b) and 41(b)(x).

(b) Derivatives designated as hedging instruments

(₹ in crore)

Particulars	March 31, 2019		March 31, 2018	
	Assets	Liabilities	Assets	Liabilities
Call spread options[1]	94.88	-	-	18.83
Cross Currency Swap [2]	239.23	-	71.69	-
Total	**334.11**	**-**	**71.69**	**18.83**
Classified as :				
Non- current	334.11	-	71.69	18.83
Current	-	-	-	-

1. Foreign exchange call spread options measured at fair value through OCI are designated as hedging instruments in cash flow hedges to hedge the USD INR conversion rate volatility with reference to the cash outflows on settlement of its borrowings designated in USD. The fair value of foreign exchange call spread option varies with the changes in foreign exchange rates and repayment of future premium.

   As at March 31, 2019, for call spread options of USD 522.60 million, the USD spot rate is above the USD call option strike price. Accordingly, foreign exchange gain of ₹ 120.46 crore (March 31, 2018: ₹ Nil) has been adjusted through profit or loss.

   As at March 31, 2018, for call spread options of USD 522.60 million, the USD spot rate is below the USD call option strike price and hence it was not covered in hedge relationship in respect of hedge instruments. However, prospective testing was done and concluded to be effective. As a result, no hedge ineffectiveness arose requiring recognition through profit or loss.

   Also refer note 41(b)(ix)

Notes to the consolidated financial statements for the year ended March 31, 2019

2. Cross Currency Swaps (CCS) measured at fair value and designated as hedging instruments in cash flow hedges of the stream of USD cash out flows on interest coupon and principal repayment in relation to issue of 4.25% Senior Secure Notes (SSN) amounting to USD 350 million (₹ 2,376.93 crore) (March 31, 2018: ₹ 2,239.35 crore). CCS involve interest rate payments on the two legs in different currencies and exchange of principal at maturity. It can be seen as exchange of payments of two currencies. GHIAL pays fixed interest on the INR notional as determined in the swap contract and receives fixed coupon on USD notional. GHIAL pays INR notional of the swap and receives the USD Notional of the CCS. Critical terms of the swap contract (tenor and USD/INR notional) match with the Hedged Item i.e. the stream of USD cash out flows, to effectively cover GHIAL from risk of movement in the foreign currency.

   The effectiveness testing has established that the movement in the value of the Hedging Instrument (i.e the CCS) and the value of Hedged Item are correlated with each other to offset the volatility in the cashflow throughout the period of the said Hedging Instrument prospectively. As a result no hedge ineffectiveness arise requiring recognition through profit and loss. Accordingly, an amount of ₹ 133.53 crore (March 31, 2018: ₹ 56.95 crore) has been accounted in the consolidated Statement of Profit and Loss to nullify the impact of Foreign exchange losses on restatement of SSN included in consolidated statement of Profit and Loss.

52. Disclosures on Financial instruments

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

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

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2019 and March 31, 2018 (excluding those pertaining to discontinued operations. Refer Note 36).

As at March 31, 2019 (₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments through consolidated statement of other comprehensive Income	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets						
(i) Investments (other than investments in associates and joint ventures)	1,194.49	-	-	1,260.98	2,455.47	2,455.47
(ii) Loans	-	-	-	386.61	386.61	386.61
(iii) Trade receivables	-	-	-	1,556.59	1,556.59	1,556.59
(iv) Cash and cash equivalents	-	-	-	918.66	918.66	918.66
(v) Bank balances other than cash and cash equivalents	-	-	-	1,164.99	1,164.99	1,164.99
(vi) Call spread option	-	94.88	99.75	-	194.63	194.63
(vii) Cross currency swap	-	239.23	-	-	239.23	239.23
(viii) Interest rate swap	-	-	1.73	-	1.73	1.73
(ix) Other financial assets	-	-	-	5,833.69	5,833.69	5,833.69
Total	**1,194.49**	**334.11**	**101.48**	**11,121.52**	**12,751.60**	**12,751.60**
Financial liabilities						
(i) Borrowings	-	-	-	27,579.89	27,579.89	27,579.89
(ii) Trade payables	-	-	-	1,959.86	1,959.86	1,959.86
(iii) Other financial liabilities	-	-	-	4,528.30	4,528.30	4,528.30
(iv) Financial guarantee contracts	-	-	-	65.33	65.33	65.33
Total	**-**	**-**	**-**	**34,133.38**	**34,133.38**	**34,133.38**

Notes to the consolidated financial statements for the year ended March 31, 2019

As at March 31, 2018 (₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments through consolidated statement of other comprehensive Income	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets						
(i) Investments (other than investments in associates and joint ventures)	3,399.12	-	-	735.62	4,134.74	4,134.74
(ii) Loans	-	-	-	627.12	627.12	627.12
(iii) Trade receivables	-	-	-	1,851.28	1,851.28	1,851.28
(iv) Cash and cash equivalents	-	-	-	1,647.16	1,647.16	1,647.16
(v) Bank balances other than cash and cash equivalents	-	-	-	733.51	733.51	733.51
(vi) Call spread option	-	-	19.80	-	19.80	19.80
(vii) Cross currency swap	-	71.69	-	-	71.69	71.69
(viiI) Other financial assets	-	-	-	1,960.07	1,960.07	1,960.07
Total	**3,399.12**	**71.69**	**19.80**	**7,554.76**	**11,045.37**	**11,045.37**
Financial liabilities						
(i) Borrowings	-	-	-	23,067.42	23,067.42	23,067.42
(ii) Trade payables	-	-	-	1,957.24	1,957.24	1,957.24
(iii) Foreign exchange forward contracts	-	-	0.31	-	0.31	0.31
(iv) Other financial liabilities	-	-	-	2,180.63	2,180.63	2,180.63
(v) Call spread option	-	18.83	-	-	18.83	18.83
(vi) Financial guarantee contracts	-	-	-	68.27	68.27	68.27
Total	**-**	**18.83**	**0.31**	**27,273.56**	**27,292.70**	**27,292.70**

(i) Investments in mutual fund, overseas fund by foreign subsidiaries, other fund and derivative instruments are mandatorily classified as fair value through consolidated statement of profit and loss and investment in commercial papers are classified at amortised cost.

(ii) As regards the carrying value and fair value of investments in joint ventures and associates, refer note 8(a) and 8(b).

(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 and overseas fund investments.

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

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

Notes to the consolidated financial statements for the year ended March 31, 2019

Assets and liabilities measured at fair value (₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2019				
Financial assets				
Investments (other than investments in associates and joint ventures)	1,194.49	1,194.49	-	-
Call spread option	194.63	-	194.63	-
Cross currency swap	239.23	-	239.23	-
Interest rate swap	1.73	-	1.73	-
March 31, 2018				
Financial assets				
Investments (other than investments in associates and joint ventures)	3,399.12	3,399.12	-	-
Call spread option	19.80	-	19.80	-
Cross currency swap	71.69	-	71.69	-
Financial liabilities				
Call spread option	18.83	-	18.83	-
Foreign exchange forward contracts	0.31	-	0.31	-

Assets for which fair values are disclosed (₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2019				
Investment Property	4,354.50	-	-	4,354.50
March 31, 2018				
Investment Property	4,232.72	-	-	4,232.72

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

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

(iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(iv) 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 Group 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.

(v) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2019 and March 31, 2018.

Notes to the consolidated financial statements for the year ended March 31, 2019

(vi) Fair value of mutual funds and overseas funds is determined based on the net asset value of the funds.

(c) Financial risk management objectives and policies

In Ithe course of its business, the Group 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 Group 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 Group'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, 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with floating interest rates.

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

Interest rate sensitivity

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

(₹ in crore)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2019		
	+50	(56.30)
	-50	56.30
March 31, 2018		
	+50	(54.04)
	-50	54.04

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

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Group has entered into certain derivative contracts which are not designated as hedge. Refer note 51 for details.

Notes to the consolidated financial statements for the year ended March 31, 2019

(i) Foreign currency exposure

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2019 and March 31, 2018. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ in crore)

Particulars	Currency	March 31, 2019	March 31, 2018
Cash and bank balances	USD	3.75	3.72
Trade receivables	USD	3.10	2.95
Property plant and equipment, capital work in progress, other intangibles, goodwill and intangible under development	USD	-	13.29
Investments	USD	58.71	58.07
Loans and Other assets	USD	3.86	0.72
Trade payables	USD	(2.61)	(2.25)
Borrowings	USD	(75.11)	(78.21)
Other financial and other liabilities	USD	(6.75)	(8.69)
Net assets/(liabilities)	USD	(15.05)	(10.40)
Net assets/(liabilities)	INR	(1,050.11)	(679.54)

ii. Foreign currency sensitivity

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
	Impact on profit before tax	
USD Sensitivity		
INR/USD- Increase by 5%	(52.51)	(33.98)
INR/USD- Decrease by 5%	52.51	33.98

The sensitivity analysis has been based on the composition of the Group's net financial assets and liabilities as at March 31, 2019 and March 31, 2018. 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 Group.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 12,751.60 crore and ₹ 11,045.37 crore as at March 31, 2019 and March 31, 2018 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments in joint ventures and associates) and other financial assets.

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

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2019 and March 31, 2018.

With respect to trade receivables / unbilled revenue, the Group has constituted the terms to review the receivables on a periodic basis and to take necessary mitigations, wherever required. The Group 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 the rates used in the provision matrix.

Notes to the consolidated financial statements for the year ended March 31, 2019

Credit risk from balances with bank and financial institutions is managed by the Group's treasury department in accordance with the Group'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 Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Liquidity risk

Liquidity risk refers to the risk that the Group 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 Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through convertible debentures, non-convertible debentures, bonds and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

The Group monitors its risk of a shortage of funds on a regular basis. The Group'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 excluding interest and other finance charges obligations for the Group'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 to 1 year	1 to 5 years	> 5 years	Total
March 31, 2019				
Borrowings (other than convertible preference shares)	5,961.70	10,037.88	11,958.14	27,957.72
Other financial liabilities	3,839.72	428.11	2,666.76	6,934.59
Trade payables	1,959.86	-	-	1,959.86
Total	**11,761.28**	**10,465.99**	**14,624.90**	**36,852.17**
March 31, 2018				
Borrowings (other than convertible preference shares)	2,585.67	8,753.37	12,080.07	23,419.11
Other financial liabilities	1,382.05	675.94	2,276.19	4,334.18
Trade payables	1,957.24	-	-	1,957.24
Total	**5,924.96**	**9,429.31**	**14,356.26**	**29,710.53**

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in Note 41.

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

53. Capital management

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

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

For the purpose of the Group'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 Group.

The Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Group's policy is to

Notes to the consolidated financial statements for the year ended March 31, 2019

keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with. Refer note 1.1.

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Borrowings (refer notes 18 and 23)*	27,579.89	23,338.78
Less: Cash & cash equivalents	(918.66)	(1,647.16)
Net debt (i)	**26,661.23**	**21,691.62**
Capital components		
Equity share capital	603.59	603.59
Other equity	(1,423.65)	3,214.75
Non-controlling interests	2,061.95	1,826.47
Total Capital (ii)	**1,241.89**	**5,644.81**
Capital and borrowings (iii = i + ii)	**27,903.12**	**27,336.43**
Gearing ratio (%) (i / iii)	**95.55%**	**79.35%**

* Includes borrowings classified under "Liabilities directly associated with assets classified as held for disposal". Refer note 36

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

54. Ministry of Corporate Affairs had published a list of Disqualified Directors in September 2017. As per this list, Mr. Srinivasan Sandilya (director of the Company as at March 31, 2019) 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 (ROC) under Condonation of Delay Scheme, 2018 ('CODS - 2018'). During the year ended March 31, 2019, as confirmed by an email from ROC, his disqualification has been removed in view of Circular No. 16/2017 dated 29-12-2017 after filing of documents under CODS, 2018. However, his name continues in the List of Disqualified Directors published by the Ministry as he was defaulter for non-filing of documents on the date of publication of the said list.

55. Events after the reporting period

a) Subsequent to the year ended March 31, 2019, GREL, an associate of the group has allotted Non convertible debentures and cumulative redeemable preference shares amounting to ₹ 353.33 crore and ₹ 940.59 crore respectively to the lenders of GREL by converting the existing term loans as per the terms of the approved resolution plan.

b) Subsequent to the year ended March 31, 2019, a subsidiary of the Group has formed named GMR Power and Urban Infra Limited.

56. Standards issued but not yet effective

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

Ind AS 116 - Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Group is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

Notes to the consolidated financial statements for the year ended March 31, 2019

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any such long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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

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 29, 2019

For and on behalf of the Board of Directors of
GMR Infrastructure Limited
Corporate Identity Number: L45203MH 1996PLC281138

G M Rao
Chairman
DIN: 00574243

Grandhi Kiran Kumar
Managing Director & Chief Executive Officer
DIN: 00061669

Saurabh Chawla
Chief Financial Officer

Venkat Ramana Tangirala
Company Secretary
Membership number: A13979

Place: New Delhi
Date: May 29, 2019