INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Infrastructure Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of GMR Infrastructure Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

As detailed in note 5(5) to the accompanying standalone Ind AS financial statements for the year ended March 31, 2019, GMR Energy Limited ('GEL'), GMR Vemagiri Power Generation Limited ('GVPGL') and GMR Rajahmundry Energy Limited ('GREL') have ceased operations and have been incurring significant losses with a consequential erosion of net worth resulting from the continued unavailability of adequate supply of natural gas. Further, GREL has rescheduled the repayment of project loans due to implementation of the Strategic Debt Restructuring Scheme to convert part of the debt outstanding into equity and has signed a Resolution Plan with the lenders to restructure its debt obligations during the year. The carrying value of the investments/ obligations in these entities is significantly dependent on the achievement of key assumptions around availability of natural gas, future tariff and the outcome of the sale of the Barge mounted power plant. Accordingly, we are unable to comment on the carrying value of the investments (including advances)/obligations in these entities as at March 31, 2019. In respect of the above matter, our audit report for the year ended March 31, 2018 was also similarly qualified.

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

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying standalone Ind AS financial statements for the year ended March 31, 2019:

a) Note 5(10) and 5(11) with regard to the ongoing arbitration for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), subsidiaries of the Company since the commencement of commercial operations. Pending outcome of the arbitration proceedings, finalisation of the proposed resolution plan with the lenders by GHVEPL and external legal opinion obtained by the management of GACEPL and GHVEPL, the management of the Company is of the view that the carrying value of the investments (including loans and advances and other receivables)/ obligations as at March 31, 2019 in GACEPL and GHVEPL is appropriate.

b) Note 5(9) regarding the cessation of construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand which was being constructed by GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a joint venture of the Company. The Hon'ble Supreme Court of India ('the Supreme Court'), while hearing a civil appeal in the matters of another hydro power company, directed that no further construction work shall be undertaken until further orders. Based on a business plan and valuation assessment by an external expert during the year ended March 31, 2019 management is of the view that the carrying value of the investments in GBHPL as at March 31, 2019 is appropriate.

c) Note 5(7) and 5(8) in connection with certain claims, receivables and counter claims from customers of GMR Warora Energy Limited ('GWEL') and GMR Kamalanga Energy Limited ('GKEL'), joint ventures of the Company, pending settlement / realisation as at March 31, 2019. The management of the Group based on its internal assessment, legal expert advice and certain interim favourable regulatory orders has not made any adjustments in the accompanying standalone Ind AS financial statements for the year ended March 31, 2019.

d) Note 5(6) as regards the process of 'change of control' of GMR Chhattisgarh Energy Limited ('GCEL'), an associate of the Company, initiated by Consortium of lenders' of GCEL, who are also the majority shareholders. The Company has accounted for investments in GCEL at fair value and is of the view that no consequential liability would arise pertaining to (a) settlement of dues to the EPC contractor (b) exposure relating to deposits and guarantees given by the Company along with its subsidiaries and (c) surrender of coal mines and transmission lines and other matters for reasons as detailed in the aforesaid note.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Fair value measurement of investments in equity shares (including other equity)	
During the year ended March 31, 2019, the Company has voluntarily changed its accounting policy to measure its equity investments in subsidiaries, associates and joint ventures from cost as per Ind AS 27 "Separate Financial Statements" to fair value as per Ind AS 109 "Financial instruments" with retrospective effect. The Company has total non-current investment of ₹ 18,419.03 crore as at March 31, 2019. The determination of recoverable amounts of the Company's investments in subsidiaries, associates and joint ventures relies on management's estimates of future cash flows and their judgment with respect to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc. in case of investments in entities in the energy business, estimation of passenger and vehicle traffic and rates and favourable outcomes of litigations etc. in the airport and expressway business. Fair value of investment in SEZ sector is determined based on available data for similar immovable property/investment or observable market prices less increamental cost for disposing off the immovable properties/investments. Significant judgements are required to determine the aforesaid assumptions used in the discounted cash flow models. Due to the uncertainty of forecasting and discounting future cash flows, being inherently subjective, the level of management's judgement involved and the significance of the Company's investment as at March 31, 2019, we have considered this as a key audit matter.	Our audit procedures to assess the reasonableness of fair valuation of equity investments included the following: • We have carried out assessment of forecasts of future cash flows prepared by the management, evaluating the assumptions and comparing the estimates to externally available industry, economic and financial data; • We have evaluated the Company's valuation methodology in determining the fair value of the investment. In making this assessment, we also assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management; • We also assessed the key assumptions adopted in the cash flow forecasts with the support of our in-house valuation experts and performed sensitivity analysis on aforesaid key assumptions; • We have carried out discussions with management on the performance of the Company's investments as compared to previous year in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable; • We tested the arithmetical accuracy of the models • We have reviewed the related disclosures in the standalone Ind AS financial statements as required by the relevant accounting standards;
Revenue recognition and measurement of upfront losses on Long-term construction contracts	
For the year ended March 31, 2019, the Company recognized revenue from Engineering, procurement and construction (EPC) contracts of ₹ 763.04 Crore and has made provisions for upfront losses amounting to ₹ 148.06 crore as at March 31, 2019. Revenue from these 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, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Company'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.	Our audit procedures included the following: • We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115- Revenue from Contracts with Customers. • We identified and tested controls related to revenue recognition and our audit procedure focused on determination of progress of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations through inspection of evidence of performance of these controls. • The measurement of revenue recognition requires management's estimates in respect of revenue, budgeted costs as well as the percentage of completion for construction works. In our testing of the revenue recognition and provision for upfront losses for the reporting period, we selected EPC contracts on a sample basis and:

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Accuracy of revenues, onerous obligations and profits/loss may deviate significantly on account of change in judgements and estimates. For this reason, we identified revenue recognition and provision for upfront losses from EPC contracts as a key audit matter.</td><td>discussed with management and the respective project teams about the progress of the projects;
reviewed the management's evaluation process to recognize revenue over a period of time, the status of completion for projects and total cost estimates.
assessed management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages with reference to supporting documents including variation orders and correspondence between the Company and the customers.
tested on a sample basis the actual costs incurred on construction works during the reporting period;
recalculated the revised percentage of completion based on the latest budgeted final costs and the total actual costs incurred;
recalculated the revenue recognised based on the revised percentage of completion.
• We have reviewed the related disclosures in the standalone Ind AS financial statements as required by the relevant accounting standards;</td></tr>
<tr><td colspan="2">Assessment of going concern basis - (as described in note 2.1 of the financial statements)</td></tr>
<tr><td>As at March 31, 2019, the Company along with its subsidiaries, associates and joint ventures ('the Group') have incurred losses with a consequent erosion of its networth, lower credit ratings for some of its borrowings and has net current liabilities of ₹ 2,408.26 crore.

As disclosed in the assessment of liquidity risk in note 38 to the standalone Ind AS financial statements, the Company has financial liabilities of ₹ 3,978.12 crore to be settled within one year from March 31, 2019. Further, the Company has commitments towards funding support to its Group Companies and Corporate guarantees issued to lenders / outsiders on behalf of its Group Companies as detailed in Note 37.

The Company has prepared cash flow forecast for next twelve months which involves judgement and estimation around sources of funds to meet the financial obligations and cash flow requirements over the next twelve months.

Considering the above, we have identified the assessment of going concern assumption as a key audit matter considering that the Company has net current liabilities.</td><td>Our audit procedures included the following:
We have obtained an understanding of the process of management assessment of going concern and also assessed the same.
We read the management assesment in Note 2.1 which states:
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 5(2), the management has signed a binding term sheet with certain investors to divest equity stake in GMR Airport Limited (GAL) on a fully diluted basis for a consideration of ₹ 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 their financial obligations and cash flow requirements.
We have obtained the future cash flows of the Company, which are largely based on the expected proceeds upon successful closure of divestment of equity stake in GAL for which a binding term sheet has already been signed. We have considered the same for our assessment of the Company's capability to meet its financial obligation falling due within next twelve months.
We have reviewed the binding term sheet to divest stake in GAL as detailed in note 5(2) to the financial statement to meet the cash flow requirement of the Company.
We have assessed the disclosures made by the Company in relation to this matter.</td></tr>
</table>

Other Information

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

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

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

Responsibilities of the Management for the Standalone Ind AS Financial Statements

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

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

   (a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in the Basis for Qualified Opinion paragraph, Emphasis of Matter paragraph and Qualified Opinion paragraph of 'Annexure II' to this report, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure II" to this report;

   (i) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and

Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 to the standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

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

Re: GMR Infrastructure Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;

(b) All property, plant and equipment have not been physically verified by the management of the Company during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us by the management of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

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

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

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

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the construction activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues as applicable to the Company, have generally been regularly deposited with the appropriate authorities.

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

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

Name of the statute	Nature of the dues	Amount (₹ in crore)	Period for which amounts relates to	Forum where dispute is pending
Finance Act, 1994	Service tax	41.53	October 2007 to March 2014	Commissioner of Service Tax, Bangalore
Finance Act, 1994	Service tax	0.80	FY 2012-13 to 2014-15	Joint Commissioner of Central Tax, Bangalore
Finance Act, 1994	Service tax	0.17	FY 2015-16 to 2017-18	Assistant Commissioner of Central Tax, Bangalore
Central Excise Act, 1944	Central excise duty (including penal charges and excluding interest)	1.03	March 2011 to December 2012	Office of the Commissioner of Customs, Central Excise and Service Tax, Hyderabad-III Commissionerate
Odisha Value Added Tax Act, 2004	Value Added Tax	2.40	November 2012 to March 2015	Additional Commissioner of Sales Tax, Bhubaneswar
Income Tax Act, 1961	Income Taxes*	215.20	FY 2007-08 to 2015-16	Income Tax Appellate Tribunal

*Net of ₹ 29.12 crore paid by the Company.

(viii) In our opinion and according to the information and explanations given to us by the management of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution as at March 31, 2019. According to the information and explanations given by the management, the Company has delayed in repayment of loans or borrowings to banks and dues to debenture holders during the year, the details of which are provided as below (Refer Note 16 (39):

Particulars	Amount (in crore)	Period of Default (No. of Days)
Principal repayment to a bank	25.74	0-30
Principal/ Premium repayment/payment on non-convertible debentures	59.24	0-30
Interest payment on Foreign Currency Convertible Bonds	159.15	0-120

The Company did not have any outstanding loans or borrowings dues in respect of government.

(ix) According to the information and explanations given to us by the management of the Company, the Company has not raised any money by way of initial public offer / further public offer / debt instruments except term loans during the year. In our opinion and according to the information and explanations given to us by the management of the Company, the Company has utilized the monies raised by way of term loans during the year for the purposes for which they were raised.

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

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

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

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

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, hence not commented upon.

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

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

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: May 29, 2019

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

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

We have audited the internal financial controls over financial reporting of GMR Infrastructure Limited ('the Company') as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements as at March 31, 2019:

(a) The Company's internal financial control with regard to assessment of carrying value of investments in certain subsidiaries, joint ventures and associates as more fully explained in note 5(5) to the standalone Ind AS financial statements were not operating effectively and could potentially result in the Company not providing for adjustments that may be required to be made to the carrying value of such investments.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as of March 31, 2019.

Explanatory Paragraph

We also have audited, in accordance with the Standards on Auditing issued by the ICAI, as specified under Section 143(10) of the Act, the standalone Ind AS financial statements of the Company, which comprise the Balance Sheet as at March 31, 2019, and the related Statement of Profit and Loss, Statement of changes in equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The material weakness referred to in the Qualified opinion paragraph above, was considered in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2019 standalone Ind AS financial statements of the Company and this report affects our report dated May 29, 2019, which expressed a qualified opinion on those standalone Ind AS financial statements.

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

Standalone Balance Sheet as at March 31, 2019

(₹ in crore)

	Notes	March 31, 2019	March 31, 2018 (Restated)	April 01, 2017 (Restated)
I ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	3	156.84	117.21	68.36
(b) Capital work in progress		-	20.93	-
(c) Intangible assets	4	1.92	2.15	3.11
(d) Financial assets				
(i) Investments	5	12,238.91	22,593.10	26,103.71
(ii) Loans	6	1,599.55	2,230.71	1,825.79
(iii) Trade receivables	7	88.64	66.74	42.23
(iv) Other financial assets	8	133.09	203.01	133.17
(e) Deferred tax assets (net)	10(a)	97.23	97.23	97.23
(f) Non-current tax assets (net)	11(a)	48.61	34.68	85.73
(g) Other non-current assets	9	27.67	40.09	45.33
		14,392.46	**25,405.85**	**28,404.66**
(2) Current assets				
(a) Inventories	12	45.08	38.10	65.74
(b) Financial assets				
(i) Investments	5	0.01	26.60	6.77
(ii) Loans	6	350.14	180.21	500.16
(iii) Trade receivables	7	394.73	50.34	67.88
(iv) Cash and cash equivalents	13	18.00	76.15	31.47
(v) Bank balances other than cash and cash equivalents	13	6.57	16.53	13.59
(vi) Other financial assets	8	969.32	623.29	549.48
(c) Other current assets	9	33.51	56.90	57.33
		1,817.36	**1,068.12**	**1,292.42**
(3) Assets classified as held for disposal	5	6,180.12	30.15	30.15
Total assets (1 + 2 + 3)		**22,389.94**	**26,504.12**	**29,727.23**
II EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	14	603.59	603.59	603.59
(b) Other equity	15	11,097.56	16,510.26	19,668.36
		11,701.15	**17,113.85**	**20,271.95**
Liabilities				
(2) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	5,293.93	5,184.57	5,091.51
(ii) Other financial liabilities	18	89.75	99.19	104.75
(b) Provisions	19	1.13	0.46	2.74
(c) Deferred tax liability (net)	10(b)	489.28	1,780.61	2,531.52
(d) Other non-current liabilities	20	563.85	33.61	122.96
		6,437.94	**7,098.44**	**7,853.48**
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	943.55	768.91	112.88
(ii) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	17	13.94	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	483.28	333.48	219.55
(iii) Other financial liabilities	18	2,517.41	912.25	927.03
(b) Other current liabilities	20	250.15	233.51	296.33
(c) Provisions	19	12.11	13.27	15.60
(d) Liabilities for current tax (net)	11(b)	5.18	5.18	5.18
		4,225.62	**2,266.60**	**1,576.57**
(4) Liabilities directly associated with the assets classified as held for disposal	21	**25.23**	**25.23**	**25.23**
Total equity and liabilities (1+2+3+4)		**22,389.94**	**26,504.12**	**29,727.23**
Summary of significant accounting policies	2.2			

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: 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

Standalone statement of Profit and Loss for the year ended March 31, 2019

(₹ in crore)

		Notes	March 31, 2019	March 31, 2018 (Restated)
I	**Revenue**			
	Revenue from operations	22	767.95	742.47
	Other income	23	47.86	52.35
	Finance income	24	333.09	363.54
	Total income		**1,148.90**	**1,158.36**
II	**Expenses**			
	Cost of material consumed	25	338.31	376.53
	Sub-contracting expenses		334.41	238.48
	Employee benefit expenses	26	47.29	51.68
	Depreciation and amortisation expenses	27	24.49	19.06
	Finance costs	28	845.65	821.61
	Other expenses	29	125.18	144.37
	Total expenses		**1,715.33**	**1,651.73**
III	**Profit/(loss) before exceptional items and tax (I +/- II)**		**(566.43)**	**(493.37)**
IV	Exceptional items- provision for diminution in value of investments / loans and advances	30	(475.96)	(94.17)
V	**Profit/(loss) before tax (III +/- IV)**		**(1,042.39)**	**(587.54)**
VI	**Tax expense:**			
	(a) Current tax	31	0.09	0.09
	(b) Deferred tax		(8.17)	-
	Total tax expenses		**(8.08)**	**0.09**
VII	**Profit/(loss) for the year (V +/- VI)**		**(1,034.31)**	**(587.63)**
VIII	**Other comprehensive income/ (loss)**			
(A)	(i) Items that will not be reclassified to profit or loss	15		
	- Re-measurement gains/ (losses) on defined benefit plans		0.21	0.49
	- Net (loss)/gain on Fair Valuation Through Other Comprehensive Income ('FVTOCI') of equity securities		(5,623.28)	(3,328.84)
	(ii) Income tax effect		1,307.47	750.91
(B)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax effect		-	-
	Total other comprehensive income/ (loss) for the year		**(4,315.60)**	**(2,577.44)**
IX	**Total comprehensive income for the year (VII +/- VIII)**		**(5,349.91)**	**(3,165.07)**
X	Earnings per equity share (nominal value of share ₹ 1 each):			
	Basic and diluted	32	(1.72)	(0.98)
Summary of significant accounting policies		2.2		

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: 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

Standalone statement of changes in equity for the year ended March 31, 2019

a.	Equity share capital:		
	Equity shares of Re. 1 each issued, subscribed and fully paid		
		No.	₹ in crore
	At April 1, 2017	**6,035,945,275**	**603.59**
	Add: Issued during the year	-	-
	At March 31, 2018	**6,035,945,275**	**603.59**
	Add: Issued during the year	-	-
	At March 31, 2019	**6,035,945,275**	**603.59**

b. Other equity (₹ in crore)

	Attributable to the equity holders										
	Equity component of preference shares (refer note 15)	Equity component of Optionally Convertible Debentures ('OCD') (refer note 15)	Treasury shares (refer note 15)	Fair Valuation Through Other Comprehensive Income ('FVTOCI') reserve (refer note 15)	Reserves and surplus						Total other equity
					General reserve (refer note 15)	Securities premium (refer note 15)	Debenture redemption reserve (refer note 15)	Capital reserve (refer note 15)	Retained earnings (refer note 15)	Foreign currency monetary translation difference account ('FCMTR') (refer note 15)	
For the year ended March 31, 2019											
As at April 1, 2018	**-**	**-**	**(101.54)**	**4,993.65**	**174.56**	**10,010.98**	**127.20**	**141.75**	**1,123.26**	**40.40**	**16,510.26**
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	(1,034.31)	-	(1,034.31)
Other comprehensive income (refer note 15)	-	-	-	(4,315.81)	-	-	-	-	0.21	-	(4,315.60)
Total comprehensive income	**-**	**-**	**-**	**(4,315.81)**	**-**	**-**	**-**	**-**	**(1,034.10)**	**-**	**(5,349.91)**
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	-	-	-	-	(114.50)	(114.50)
FCMTR amortisation during the year	-	-	-	-	-	-	-	-	-	5.79	5.79
Equity component recognised on OCD's	-	45.92	-	-	-	-	-	-	-	-	45.92
Transfer from debenture redemption reserve	-	-	-	-	-	-	(32.34)	-	32.34	-	-
As at March 31, 2019	**-**	**45.92**	**(101.54)**	**677.84**	**174.56**	**10,010.98**	**94.86**	**141.75**	**121.50**	**(68.31)**	**11,097.56**
For the year ended March 31, 2018 (Restated)											
As at April 1, 2017	**133.94**	**-**	**(101.54)**	**7,571.58**	**40.62**	**10,010.98**	**127.20**	**141.75**	**1,710.40**	**33.43**	**19,668.36**
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	(587.63)	-	(587.63)
Other comprehensive income (refer note 15)	-	-	-	(2,577.93)	-	-	-	-	0.49	-	(2,577.44)
Total comprehensive income	**-**	**-**	**-**	**(2,577.93)**	**-**	**-**	**-**	**-**	**(587.14)**	**-**	**(3,165.07)**
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	-	-	-	-	7.80	7.80
FCMTR amortisation during the year	-	-	-	-	-	-	-	-	-	(0.83)	(0.83)
Transfer from equity component of preference share to general reserve	**(133.94)**	-	-	-	133.94	-	-	-		-	-
As at March 31, 2018		**-**	**(101.54)**	**4,993.65**	**174.56**	**10,010.98**	**127.20**	**141.75**	**1,123.26**	**40.40**	**16,510.26**
Summary of significant accounting policies	2.2										

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: 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

Standalone statement of cash flows for the year ended March 31, 2019

(₹ in crore)

	March 31, 2019	March 31, 2018 (Restated)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	(1,042.39)	(587.54)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	24.49	19.06
Fair value (gain)/ loss on financial instruments at fair value through profit or loss	(0.31)	(1.26)
Provision / write off for impairment of investments at amortised cost, loans and doubtful advances	475.96	94.17
Bad debts written off/ provision for doubtful debts	14.03	18.78
Net foreign exchange differences (unrealised)	3.93	(3.12)
Provision no longer required, written back	(1.85)	(2.81)
Profit on sale of current investments (others)	(2.02)	(6.34)
Dividend income on current investments (other than trade) (gross) ₹ 14,732 (March 31, 2018: ₹ 14,482)	0.00	0.00
Finance income	(333.09)	(363.54)
Finance cost	845.65	821.61
Operating (loss)/profit before working capital changes	**(15.60)**	**(10.99)**
Working capital adjustments:		
(Increase)/ decrease in inventories	(6.98)	27.64
(Increase)/ decrease in trade receivables	(380.32)	(28.94)
(Increase)/ decrease in other financial assets	138.92	(166.19)
(Increase)/ decrease in other assets	19.42	4.63
Increase/ (decrease) in trade payables	164.01	120.02
Increase/ (decrease) in other financial liabilities	-	(10.27)
Increase/ (decrease) in provisions	(0.49)	(4.61)
Increase/ (decrease) in other liabilities	546.88	(152.17)
Cash generated from/ (used in) operations	**465.84**	**(220.88)**
Direct taxes paid (net of refunds)	(14.02)	50.96
Net cash from/ (used in) operating activities	**451.82**	**(169.92)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including capital work in progress, capital advances and intangible assets	(37.14)	(77.36)
Purchase of non-current investments	(2,060.00)	(148.05)
Proceeds from sale of non-current investments	1,869.85	336.55
Sale / (purchase) of current investments (net)	28.61	(14.62)
Investment in bank deposit (having original maturity of more than three months)	63.40	(47.41)
Loans given to subsidiary companies	(2,022.54)	(2,916.06)
Loans/ advances repaid by subsidiary companies	2,009.74	2,456.03
Interest received	223.56	385.44
Dividend received [(₹ 14,732 (March 31, 2018: ₹ 14,482)]	0.00	0.00
Net cash from/ (used in) investing activities	**75.48**	**(25.48)**

Standalone statement of cash flows for the year ended March 31, 2019

(₹ in crore)

	March 31, 2019	March 31, 2018 (Restated)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	604.44	1,583.26
Repayment of long term borrowings	(791.54)	(1,124.37)
Proceeds/ repayment of short term borrowings (net) (refer note 13)	169.38	664.14
Finance costs paid	(572.99)	(874.84)
Net cash (used in)/ from financing activities	**(590.71)**	**248.19**
Net (decrease)/increase in cash and cash equivalents	(63.41)	52.79
Cash and cash equivalents at the beginning of the year	**75.18**	**22.39**
Cash and cash equivalents at the end of the year	**11.77**	**75.18**
Total cash and cash equivalents (Note 13)	**11.77**	**75.18**

Explanatory notes to statement of cash flows

1. Changes in liabilities arising from financing activities:-

Particulars	**Liabilities arising from financing activities**	
	Long term borrowings (refer note 16)	**Short term borrowings (refer note 16 and 13)**
As at April 01, 2018	**6,005.68**	**768.91**
Cash flow changes:		
Proceeds from borrowings	604.44	174.64
Repayment of borrowings	(791.54)	-
Processing fee paid	(2.25)	-
Non-cash changes		
OCD's issued to Doosan (net of equity)	331.77	-
Foreign exchange fluctuations	112.19	-
Change in fair values	42.63	-
As at March 31, 2019	**6,302.92**	**943.55**
As at April 01, 2017	**5,854.88**	**112.88**
Cash flow changes:		
Proceeds from borrowings	1,583.26	656.03
Repayment of borrowings	(1,124.37)	-
Processing fee paid	(45.17)	-
Non-cash changes		
Loan from Dhruvi Securities Private Limited ('DSPL') novated with loan given to GMR Aerostructure Service Limited ('GASL')	(300.20)	-
Foreign exchange fluctuations	(9.52)	-
Change in fair values	46.80	-
As at March 31, 2018	**6,005.68**	**768.91**
Summary of significant accounting policies	2.2	

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: 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

Notes to the standalone 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 in India. The registered office of the Company is located at Naman Centre, Bandra Kurla Complex, Mumbai, India. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The Company carries its business in the following business segments:

a. Engineering Procurement Construction (EPC)

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

b. Others

The Company's business also comprises of investment activity and corporate support to various infrastructure Special Purpose Vehicles (SPV).

Information on other related party relationships of the Company is provided in Note 34.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

Change in accounting Policies and disclosures:

During the year ended March 31, 2019, the Company has voluntarily changed its accounting policy, as per Ind AS 8, with respect to measurement of investments in subsidiaries, associates and joint ventures at cost as per Ind AS 27 "Separate Financial Statements" to fair value as per Ind AS 109 "Financial instruments".

The Company believes that this change better reflects the value of its investments and therefore provides more relevant information to management, users of financial statements and others.

The above change in the accounting policy retrospectively has resulted in restating the following balances:

Balance sheet	March 31, 2018			April 1, 2017		
	Reported	Adjustment*	Restated	Reported	Adjustment*	Restated
Investments	8,292.55	14,300.55	22,593.10	9,817.44	16,286.27	26,103.71
Total Assets	12,203.57	14,300.55	26,504.12	13,440.96	16,286.27	29,727.23
Deferred tax liabilities	-	1,780.61	1,780.61	-	2,531.52	2,531.52
Total Liabilities	7,609.66	1,780.61	9,390.27	6,923.76	2,531.52	9,455.28
Total Equity	4,593.91	12,519.94	17,113.85	6,517.20	13,754.75	20,271.95

*Pursuant to change in accounting policy.

Statement of profit and loss and other comprehensive income for the Year ended March 31, 2018			
Particulars	Reported	Adjustment	Restated
Exceptional item	(1,437.29)	1,343.12	(94.17)
(Loss) /Profit for the year	(1,930.75)	1,343.12	(587.63)
Other Comprehensive Income/ (expenses) (net of tax)	0.49	(2,577.93)	(2,577.44)
Total Comprehensive income for the year	(1,930.26)	(1,234.81)	(3,165.07)
Basic and Diluted EPS after exceptional items	(3.21)	2.23	(0.98)

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

IMPACT OF IMPLEMENTATION OF NEW STANDARDS/AMENDMENTS:

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements.

2.1. BASIS OF PREPARATION

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

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

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

The Company along with its subsidiaries, associates and joint ventures have incurred losses primarily on account of losses in the energy and highway sector as detailed in note 5(5), 5(10) and 5(11) 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 5(2), the management has signed a binding term sheet with certain investors to divest equity stake in GMR Airport Limited ('GAL') on a fully diluted basis for a consideration of ₹ 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 statements continue to be prepared on a going concern basis which contemplates realisation of current assets and settlement of current liabilities in an orderly manner.

2.2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Current versus non-current classification

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

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

ii. Held primarily for the purpose of trading,

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

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

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

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

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

b. Fair value measurement of financial instruments

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

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

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

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

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

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

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

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

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

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

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

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

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

c. Revenue from contracts with customer

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction contracts'. The Company has adopted Ind AS 115 using modified retrospective approach. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the 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.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

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

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

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.

Revenue from operations

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.

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 Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). In addition, the Company 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.

CONTRACT BALANCES

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or 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.

Trade receivables

A receivable represents the Company'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 section (n) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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

Income from management/ technical services

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

Interest income

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

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

Dividends

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

d. Taxes on income

Current income tax

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

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

Deferred tax

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

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

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

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

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

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

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

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

e. Non-current assets held for sale

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

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

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

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

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

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

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

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

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

f. Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

g. Intangible assets

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

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that

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

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

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

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

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

h. Borrowing cost

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

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

i. Leases

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

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

Company as a lessee

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

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

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

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

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

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

j. Inventories

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

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

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

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

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

k. Impairment of non-financial assets

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

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

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

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

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

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

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

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

l. Provisions and contingent liabilities

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

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

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

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

Provisions and contingent liability are reviewed at each balance sheet.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution schemes. The Company has no

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

obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

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

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

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

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

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

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

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

b. The date that the Company recognises related restructuring costs

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

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

b. Net interest expense or income.

n. Financial instruments

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

Pursuant to change in accounting policy as detailed above, the Company has made an irrevocable election to measure investments in equity instruments issued by subsidiaries, associates and joint ventures at Fair Value Through Other Comprehensive Income (FVTOCI). Amounts recognised in OCI are not subsequently reclassified to the statement of profit and loss. Refer note 5 and 38

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

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

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

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

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

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

De-recognition of financial assets

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

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

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

(b) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

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

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

statement of profit and loss.

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

a. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

b. Put Option Liability

The potential cash payments related to put options issued by the Company 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 debit to investments.

If the put option is exercised, the entity derecognises the financial liability by discharging the put obligation. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to investment.

c. De-recognition

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

Off-setting of financial instruments

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

o. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

p. CONVERTIBLE PREFERENCE SHARES/ DEBENTURES

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

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

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

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

q. CASH AND CASH EQUIVALENTS

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

Notes to the standalone 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 Company's cash management.

r. CASH DIVIDEND

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

s. FOREIGN CURRENCIES

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

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

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

t. TREASURY SHARES

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

u. CORPORATE SOCIAL RESPONSIBILITY ('CSR') EXPENDITURE

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

v. INTEREST IN JOINT OPERATIONS

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

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

3. Property, plant and equipment (₹ in crore)

Particulars	Freehold land	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total
Gross Block (at cost/ deemed cost)								
As at April 01, 2017	**0.08**	**0.34**	**81.44**	**3.37**	**5.18**	**4.95**	**2.47**	**97.83**
Additions	-	-	65.78	0.09	0.65	-	0.31	66.83
Disposals	-	-	-	-	0.38	-	1.22	1.60
As at March 31, 2018	**0.08**	**0.34**	**147.22**	**3.46**	**5.45**	**4.95**	**1.56**	**163.06**
Additions	-	-	62.74	0.01	0.15	-	0.35	63.25
Disposals	-	-	-	-	-	0.29	0.10	0.39
As at March 31, 2019	**0.08**	**0.34**	**209.96**	**3.47**	**5.60**	**4.66**	**1.81**	**225.92**
Accumulated Depreciation								
As at April 01, 2017	**-**	**0.23**	**21.96**	**0.95**	**3.46**	**1.89**	**0.98**	**29.47**
Charge for the year	-	0.11	14.45	0.47	1.07	1.01	0.87	17.98
Disposals	-	-	-	-	0.38	-	1.22	1.60
As at March 31, 2018	**-**	**0.34**	**36.41**	**1.42**	**4.15**	**2.90**	**0.63**	**45.85**
Charge for the year	-	-	20.96	0.40	0.69	0.76	0.81	23.62
Disposals	-	-	-	-	-	0.29	0.10	0.39
As at March 31, 2019	**-**	**0.34**	**57.37**	**1.82**	**4.84**	**3.37**	**1.34**	**69.08**
Net block								
As at March 31, 2019	**0.08**	**-**	**152.59**	**1.65**	**0.76**	**1.29**	**0.47**	**156.84**
As at March 31, 2018	**0.08**	**-**	**110.81**	**2.04**	**1.30**	**2.05**	**0.93**	**117.21**

Note: The Company 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 Company 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.

4. Other intangible assets

(₹ in crore)

Particulars	Computer Software	Total
Gross Block (at cost/ deemed cost)		
As at April 01, 2017	**5.32**	**5.32**
Additions	0.12	0.12
As at March 31, 2018	**5.44**	**5.44**
Additions	0.64	0.64
As at March 31, 2019	**6.08**	**6.08**
Accumulated Amortisation		
As at April 01, 2017	**2.21**	**2.21**
Charge for the year	1.08	1.08
As at March 31, 2018	**3.29**	**3.29**
Charge for the year	0.87	0.87
As at March 31, 2019	**4.16**	**4.16**
Net block		
As at March 31, 2019	**1.92**	**1.92**
As at March 31, 2018	**2.15**	**2.15**

Note: The Company 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 Company 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.

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

5. Financial assets - Investments

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
A. Investments measured at Fair Value through Other Comprehensive Income (FVTOCI)				
Unquoted equity shares				
i. Subsidiary companies				
- Domestic Companies				
GMR Hyderabad International Airport Limited ('GHIAL')	19.55	19.55	-	-
[1,000 (March 31, 2018: 1,000) equity shares of ₹ 10 each]				
GMR Pochanpalli Expressways Limited ('GPEL')	-	-	-	-
[2,070,000 (March 31, 2018: 2,070,000) equity shares of ₹ 10 each]				
GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') [1,10]	-	51.99	-	-
[47,495,280 (March 31, 2018: 47,495,280) equity shares of ₹10 each]				
Delhi International Airport Limited ('DIAL')	5.72	5.72	-	-
[200 (March 31, 2018: 200) equity shares of ₹ 10 each]				
GMR Airports Limited ('GAL')[1,2,3,12] [also refer note 15(3)]	7,377.08	16,734.97	5,646.19	-
1,018,713,344 (March 31, 2018: 350,869,304) equity shares ₹ 10 each]				
GMR Aviation Private Limited ('GAPL')	117.54	128.16	-	-
[244,080,868 (March 31, 2018: 244,080,868) equity shares of ₹ 10 each]				
Gateways for India Airports Private Limited ('GFIAL')	2.50	0.01	-	-
[8,649 (March 31, 2018: 8,649) equity shares of ₹ 10 each]				
GMR Krishnagiri SIR Limited ('GKSIR') (formely known as GMR Krishnagiri SEZ Limited ('GKSEZ'))	43.58	117.50	-	-
[117,500,000 (March 31, 2018: 117,500,000) equity shares of ₹ 10 each]				
GMR Highways Limited ('GMRHL')[1,10,11]	1.70	521.69	-	-
[1,852,929,746 (March 31, 2018: 1,852,929,746) equity shares of ₹ 10 each]				
GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') [11]	-	-	-	-
[2,050,000 (March 31, 2018: 2,050,000) equity shares of ₹ 10 each]				

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

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
GMR Corporate Affairs Private Limited ('GCAPL')	-	-	-	-
[4,999,900 (March 31, 2018: 4,999,900) equity shares of ₹ 10 each]				
GMR Chennai Outer Ring Road Private Limited ('GCORRPL')[1]	-	33.55	-	-
[12,300,000 (March 31, 2018: 12,300,000) equity shares of ₹ 10 each]				
GMR Energy Trading Limited ('GETL')	46.28	54.21	-	-
[50,219,897 (March 31, 2018: 50,219,897) equity shares of ₹ 10 each]				
Dhruvi Securities Private Limited ('DSPL')	-	23.89	-	-
[168,059,694 (March 31, 2018: 168,059,694) equity shares of ₹ 10 each]				
GMR Generation Assets Limited ('GGAL') [1,3,4,5,6,7,8,9,17]	-	-	-	-
[6,322,750,426 (March 31, 2018: 6,322,750,426) equity shares of ₹10 each]				
GMR Power Infra Limited ('GPIL')	-	0.77	-	-
[849,490 (March 31, 2018: 849,490) equity shares of ₹ 10 each]				
GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL')	-	1.49	-	-
[Nil (March 31, 2018: 5,050,000) equity shares of ₹ 10 each]				
GMR Infra Developers Limited ('GIDL')	-	0.05	-	-
[49,994 (March 31, 2018: 49,994) equity shares of ₹10 each fully paid-up]				
GMR Aerostructure Service Limited ('GASL') (formerly known as GMR Hyderabad Airport Resource Management Limited ('GHARML')	-	-	-	-
[50,000 (March 31, 2018: 50,000) equity shares of ₹ 10 each]				
GMR SEZ & Port Holdings Limited ('GSPHL')	833.62	759.70	-	-
[47,989,999 (March 31, 2018: 47,989,999) equity shares of ₹ 10 each]				
GMR Airport Developers Limited (GADL)[16]	0.08	0.21	-	-
GMR Tambaram Tindivanam Expressways Limited (GTTEL) [16]	-	15.94	-	-
GMR Tuni Anakapalli Expressways Limited (GTAEL)[16]	-	12.20	-	-
Raxa Security Services Limited (RSSL) [16]	-	2.83	-	-
Kakinada Gateways Port Limited (KGPL)[16]	3.45	-	-	-
	8,451.10	**18,484.43**	**5,646.19**	**-**

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

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
- Body Corporates				
GMR Infrastructure (Mauritius) Limited ('GIML')[13,14,15] [181,236,001 (March 31, 2018: 320,550,001) equity shares of USD 1 each]	1,305.02	2,542.34	-	-
GMR Coal Resources Pte Limited ('GCRPL') [14] [30,000 (March 31, 2018: 30,000) equity shares of SGD 1 each]	-	-	-	-
GMR Male International Airport Private Limited ('GMIAL') [13] [154 (March 31, 2018: 154) equity shares of Mrf 10 each]	13.02	13.02	-	-
GMR Infrastructure (Overseas) Limited ('GIOL') [100 (March 31, 2018: 100] equity shares of USD 1 each]	-	-	-	-
GMR Energy (Netherlands) BV (GENBV) [16]	-	2.65	-	-
PT Barasentosa Lestari (PTBSL) [16]	-	3.37	-	-
	1,318.04	**2,561.38**	-	-
ii. Joint ventures/ associates				
GMR Megawide CEBU Airport Corporation ('GMCAC') [1,2] [Nil (March 31, 2018: 88,405,234) equity shares of PHP 1 each]	-	57.39	-	-
GMR Energy Limited ('GEL')[1,3,4,5,7,8,9,17] [1,057,369,038 (March 31, 2018: 536,894,545) equity shares of ₹ 10 each]	792.18	684.81	508.60	-
GMR Energy (Mauritius) Limited ('GEML') [5 (March 31, 2018: 5) equity share of USD 1 each]	-	-	-	-
GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL') [9,17] [4,900 (March 31, 2018: 4,900) equity shares of ₹ 10 each]	-	-	-	-
GMR OSE Hungund Hospet Highways Private Limited ('GOSEHHHPL') [1] [59,801,692 (March 31, 2018: 59,801,692) equity shares of ₹ 10 each]	-	-	25.33	30.15
	792.18	**742.20**	**533.93**	**30.15**
Less: Investments classified as held for disposal	-	-	(6,180.12)	(30.15)
	792.18	**742.20**	**-**	**-**
Total investment in equity	**10,561.32**	**21,788.01**	**-**	**-**
B. Investment in preference shares of subsidiary companies				
i. Investment in preference shares (in the nature of equity) of subsidiary companies measured at Fair Value through OCI (FVTOCI)				
GGAL [1,2,3,4,5,6,7,8,9,17]	-	316.11	-	-
[492,102,500 (March 31, 2018: 492,105,500) 0.01% compulsorily convertible cumulative preference shares of ₹ 10 each]			-	-

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

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
GPEL	-	21.31	-	-
[4,450,000 (March 31, 2018: 4,450,000) 0.01% compulsorily convertible non- cumulative preference shares of ₹ 100 each] (refer note 34)				
GCORRPL	-	21.93	-	-
[2,192,500 (March 31, 2018: 2,192,500) 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each] (refer note 34)				
	-	**359.35**	**-**	**-**
ii. Investment in preference shares of subsidiary companies at amortised cost				
GACEPL [10]	0.49	0.44	-	-
[66,000 (March 31, 2018: 66,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]			-	-
GCORRPL	5.79	5.23	-	-
[1,200,000 (March 31, 2018: 1,200,000) 6% non-cumulative redeemable convertible preference shares of ₹ 100 each]				
GCAPL	12.52	11.31	-	-
[15,000,000 (March 31, 2018: 15,000,000) 8% non-cumulative redeemable preference shares of ₹ 10 each]				
DSPL	181.53	160.16	-	-
[42,000,000 (March 31, 2018: 42,000,000) 8% compulsorily convertible preference shares of ₹ 10 each]				
GHVEPL[11]	46.60	42.11	-	-
[8,152,740 (March 31, 2018: 8,152,740) 6% non-cumulative redeemable/ convertible preference shares of ₹ 100 each]				
GKUAEL	-	0.47	-	-
[Nil (March 31, 2018: 195,000) 0.1% non-cumulative compulsorily convertible preference shares of ₹ 100 each]				
Total investment in preference shares at amortised cost	**246.93**	**219.72**	**-**	**-**
Less: provision for diminution in value of investments in preference shares at amortised cost	(48.50)	(48.50)	-	-
Total investment in preference shares	**198.43**	**530.57**	**-**	**-**
C. Investment in debentures of subsidiary companies				
i. Investment in debentures (in the nature of equity) of subsidiary companies measured at Fair Value through OCI (FVTOCI)[3]				
GSPHL	100.00	100.00	-	-
[100 (March 31, 2018: 100) 0% unsecured compulsorily convertible cumulative debentures of ₹ 10,000,000 each]				

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

5. Financial assets - Investments (Contd.)

(₹ in crore)

Particulars	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
GSPHL	21.20	21.20	-	-
[21,200,000 (March 31, 2018: 21,200,000) 0% unsecured compulsorily convertible debentures of ₹10 each] (refer note 34)				
GSPHL	138.26	138.26	-	-
[13,826 (March 31, 2018: 13,826) 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each] (refer note 34)				
GIDL	1,204.51	-	-	-
[20,600 (March 31, 2018: Nil) 0.001% unsecured compulsorily convertible debentures of ₹ 1,000,000 each]				
ii. Investment in debentures of subsidiary companies at amortised cost				
GKSIR	14.20	14.20	-	-
[14.20 (March 31, 2018: 14.20) 12% unsecured optionally convertible cumulative debentures of ₹ 10,000,000 each]				
DPPL	0.99	0.86	-	-
[150 (March 31, 2018: 150) 0.1% unsecured optionally convertible cumulative debentures of ₹ 100,000 each]				
	1,479.16	**274.52**	**-**	**-**
D. Investments at fair value through profit and loss account				
Investment in mutual funds				
ICICI Prudential Liquid Growth Plan 312.11 (March 31, 2018: 756,442.23) units of ₹ 275.42 each (March 31, 2018: 256.39 each)	-	-	0.01	19.39
L&T Liquid Fund- Regular Growth Nil (March 31, 2018: 30,358.34) units of ₹ Nil each (March 31, 2018: ₹ 2,375.82 each)	-	-	-	7.21
	-	**-**	**0.01**	**26.60**
Total investments (A+B+C+D)	**12,238.91**	**22,593.10**	**0.01**	**26.60**
Aggregate book and market value of quoted investments	-	-	0.01	26.60
Aggregate gross value of unquoted investments	12,287.41	22,641.60	-	-
Aggregate amount of impairment in value of preference shares	(48.50)	(48.50)	-	-

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

(₹ in crore)

Description	March 31, 2019	March 31, 2018
GMRHL	1,303.05	1,303.05
[1,303,050,820 (March 31, 2018: 1,303,050,820 equity share of ₹10 each)]		
GACEPL	23.27	23.27
[23,272,687 (March 31, 2018: 23,272,687) equity shares of ₹10 each]		

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

5. Financial assets - Investments (Contd.)

(₹ in crore)

Description	March 31, 2019	March 31, 2018
GMCAC	-	12.03
[Nil (March 31, 2018: 88,405,234) equity shares of PHP 1 each]		
GCORRPL	3.49	3.49
[3,487,500 (March 31, 2018: 3,487,500) equity shares of ₹10 each]		
GOSEHHHPL	59.80	59.80
[59,801,692 (March 31, 2018: 59,801,692) equity shares of ₹10 each]		
GAL	798.02	82.45
[798,018,269 (March 31, 2018: 82,454,330) equity shares of ₹10 each]		
GEL	413.27	422.67
413,266,250 (March 31, 2018: 422,673,547) equity share of ₹ 10 each]		
GGAL	5,052.86	3,793.95
[5,052,860,166 (March 31, 2018: 3,793,950,136) equity shares of ₹10 each]		

2. During the year ended March 31, 2019, the Company 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 GAL 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 Company and GMR SEZ Infrastructure Services Limited for ₹ 7,000 crore. The proposed transaction is subject to definitive documentation, regulatory approvals, lender consents and other approvals which are currently in progress. Pursuant to the aforesaid, term sheet, the Company has classified ₹ 5,646.19 crore under assets held for disposal.

3. During the year ended March 31, 2019,

   a) The Company has sold 123,628,295 equity shares of GEL of ₹ 10 each to GGAL for a sale consideration of ₹ 157.40 crore and pursuant to the sale agreement, 413,266,250 equity shares will be sold to GGAL within next 12 months. Accordingly, ₹ 508.60 crore has been classified under "Assets classified as held for disposal".

   b) The Company has sold 88,405,234 equity shares of GMCAC of PHP 1 each to GMR Airports International B.V. for a sale consideration of ₹ 71.23 crore,

   c) The Company has sold 632,566 equity shares of GAL of ₹ 10 each to certain Private Equity Investors for a sale consideration of ₹ 10.00 crore.

   d) The Company has sold 5,050,000 equity share of ₹ 10 each and 195,000 preference share of ₹ 100 each of GKUAEL to GMRHL for a sale consideration of ₹ 7.86 crore.

   e) GIML, wholly owned subsidiary of the Company has bought back 139,314,000 equity shares of USD 1 each from the Company for a consideration of ₹ 1,623.37 crore.

4. The Company has investments in GGAL and GEL of ₹ Nil and ₹ 1,300.78 crore. GGAL and GEL have certain underlying subsidiaries/ joint ventures/ associates which are engaged in energy sector including mining operations. GEL, GGAL and some of the underlying subsidiaries/ joint ventures/ associates as further detailed in Notes 5(5), 5(6), 5(7), 5(8) and 5(9) below have been incurring losses. Based on its internal assessment with regard to future operations and valuation assessment by an external expert during the year ended March 31, 2019, the management of the Company has fair valued its investments and for reasons as detailed in 5(5), 5(6), 5(7), 5(8) and 5(9) below, the management is of the view that the fair value of the Company's investment in GGAL and GEL as at March 31, 2019 is appropriate.

5. In view of lower supplies / availability of natural gas to the power generating companies in India, GEL, GMR Vemagiri Power Generation Limited ('GVPGL') and GMR Rajahmundry Energy Limited ('GREL') are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GVPGL and GREL emerged as successful bidders in the auction process organised by the Ministry

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

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 Company and GGAL have given a guarantee of ₹ 2,571.71 crore to the lenders against the remaining debt. Under the SDR Scheme, the bankers had to find new promoters for GREL within the period as prescribed under the scheme, which expired during the year ended March 31, 2018. Consequent to the SDR as stated above, GREL ceased to be a subsidiary of the Company and has been considered as associate as per the requirement of Ind AS -28.

During the year ended March 31, 2019, considering that GREL continued to incur losses in the 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 GREL has accounted for waiver/reduction of accrued interest/penal interest amounting to ₹ 596.79 crore.

During the year ended March 31, 2018, pursuant to the appeal filed by APDISCOMs, the Honorable 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 (excluding interest) 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 Honourable High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission has the jurisdiction to adjudicate the present dispute. The matter is pending to be heard before the CERC.

Further, the management of the Company is actively identifying the customers for the barge mount plant held by GEL.

The management is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management has also carried out a valuation assessment of GVPGL and GREL during the year ended March 31, 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 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 revised carrying value of the investments of in these aforesaid entities as at March 31, 2019 is appropriate. Further, the Company has provided for its investment in full in GREL and the management is confident that no further obligation would arise post the implementation of the resolution plan with the lenders for the guarantees amounting to ₹ 2,353.22 crore provided to the lenders against the remaining debt.

6. The Company through its subsidiary, GGAL has investments (including loans and advances and other receivables) in GMR Chhattisgarh Energy Limited ('GCEL'). GCEL had 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 GoI and has won a Power Purchase Agreement for supply of power to the extent of 500MW to Gujrat Urja Vikas Nigam Limited ('GUVNL') for 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

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

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 Company 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 contractor. 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 standalone Ind AS financial statements 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 has operationalized the LTA and issued two letters calling upon the GCEL to schedule the transfer of power against LTA and establish a letter of credit failing which regulatory action would be initiated. GCEL has filed a petition before the Delhi High Court against the letters issued by PGCIL. The Delhi High Court has issued an interim order during the year ended March 31, 2018 staying the operation of the impugned letters till GCEL has the opportunity to approach CERC for such relief and accordingly GCEL has submitted an application with CERC on October 21, 2017 to restrain PGCIL from operationalizing LTA and consequently raising the bill for the same. GCEL 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.

7. GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL 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 realization of 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 is of the view that the carrying value of its investments in GWEL by GEL as at March 31, 2019 is appropriate.

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

8 GMR Kamalanga Energy Limited ('GKEL'), a joint venture of GEL 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 its investments in GKEL by GEL as at March 31, 2019 is appropriate.

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

10. 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 believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant till further orders. Based on an internal assessment and a legal opinion, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of GACEPL believes that the carrying value of investments in GACEPL as at March 31, 2019, is appropriate.

11. 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 GHVEPL based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL has decided to 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 GHVEPL 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 based on valuation assessment by an external expert and expected compensation claim inflows, the management of GHVEPL believes that the carrying value of investments in GHVEPL as at March 31, 2019, is appropriate

12. Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter

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

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, 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 have 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 agreement, the Company through its wholly owned subsidiary has purchased 2,714,795 CCPS A of GAL from the Investors and balance 932,275 CCPS A have been converted into equity shares of GAL in the hands of the Investors, which represents 5.86% of shareholding of GAL. As per the binding term sheet subsequently entered by the Company as referred in note 2 above, the Company, through its subsidiary, shall provide an exit to these Investor's shareholding in GAL which is under discussion as at March 31, 2019.

13. The Company through its subsidiary GIML made investments of ₹ 514.24 crore (USD 7.37 crore) towards 77% holding in GMIAL, a subsidiary of the Company. 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 crores and 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. 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 financial statements of the Company for the year ended March 31. 2019.

14. The Company through its subsidiary GCRPL has investments of ₹ 3,537.04 crore in PTGEMS, a joint venture 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 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 Company along with its subsidiaries 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. GCRPL 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 rate and trading thereof , valuation assessment carried out by an external expert during the year ended March 31, 2019, the management believes that the carrying value of aforesaid investments in PTGEMS as at March 31, 2019 is appropriate.

15. The Company through GIML has an investment in GMR Infrastructure (Cyprus) Limited, a subsidiary of GIML. GICL has fixed deposits of ₹ 139.55 Crore (USD 2.00 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. During the year ended March 31, 2019, the bank has released USD 0.83 crore and the management of the Group is of the view that despite such economic difficulties, the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus.

16. The Company does not hold any shares in these entities. The value of investment represents investments in additional equity on account of financial guarantees.

17 The Company along with its subsidiaries entered into a Subscription and Shareholders Agreement with Tenaga Nasional Berhad (Tenaga) and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors acquired a 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 30.00 crore through primary issuance of equity shares of GEL. The transaction was completed on November 4, 2016 and GEL allotted equity shares to the Investors for the said consideration of USD 30.00 crore. As per the conditions precedent to the completion

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

of the transaction, GEL's investment in certain entities was transferred from GEL to other subsidiaries of the Company along with novation of loans taken from the Company to GGAL towards discharge of the purchase consideration. Pursuant to the above transaction, compulsory convertible preference shares of GGAL issued to various preference shareholders were converted into equity shares of GGAL. Pursuant to the aforesaid transaction, GEL and its underlying entities ceased to be subsidiaries of the Company and were considered as joint ventures as per the requirements of Ind AS -111.

18 During the year ended March 31, 2019, the Company has voluntarily changed its accounting policy, as per Ind AS 8, with respect to measurement of investments in subsidiaries, associates and joint ventures at cost as per Ind AS 27 "Separate Financial Statements" to fair value as per Ind AS 109 "Financial instruments". Refer note 2 for details.

6. Loans

(₹ in crore)

	Non-current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Loans to related parties				
Loans receivables considered good - Unsecured (refer note 34)	1,599.45	2,230.22	350.14	180.21
Loans receivables - credit impaired (refer note 34)	260.99	45.41	-	-
	1,860.44	**2,275.63**	**350.14**	**180.21**
Impairment allowance (allowance for doubtful loans)				
Less: Loans receivables - credit impaired (refer note 30,34 and 38)	(260.99)	(45.41)	-	-
(A)	**1,599.45**	**2,230.22**	**350.14**	**180.21**
Loans to employees (unsecured, considered good)	0.10	0.49	-	-
(B)	**0.10**	**0.49**	**-**	**-**
Total (A+B)	**1,599.55**	**2,230.71**	**350.14**	**180.21**

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

2. The Company made a provision for diminution in the value of loan of ₹ 260.99 crore as at March 31, 2019 (March 31, 2018: ₹ 45.41 crore) which has been disclosed as an 'exceptional item' in the accompanying standalone Ind AS financial statements of the Company for the year ended March 31, 2019. As detailed in note 5, the diminution in value has primarily arisen on account of the diminution in the value of investments / doubtful loans and advances in subsidiaries.

7. Trade receivables

(₹ in crore)

	Non-current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Unsecured, considered good[1]				
Receivable from related parties (refer note 34)	-	2.26	1.46	9.19
Other trade receivables	88.64	64.48	393.27	41.15
(A)	**88.64**	**66.74**	**394.73**	**50.34**
Trade receivables- credit impaired				
Receivable from related parties (refer note 34)	-	0.64	0.49	0.47
Other trade receivables	25.18	9.71	2.30	11.72
(B)	**25.18**	**10.35**	**2.79**	**12.19**
Impairment allowance (allowance for bad and doubtful debts)				
Less: Trade receivables - credit impaired	(25.18)	(10.35)	(2.79)	(12.19)
Total trade receivables	**88.64**	**66.74**	**394.73**	**50.34**

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing.

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

- Refer note 38(c) for details pertaining to Expected credit loss ('ECL').

1. Includes retention money (net of impairment allowances) of ₹ 89.92 crore (March 31, 2018 ₹ 68.18 crore). These payments are deducted by customer to ensure performance of the Company's obligations and hence are receivable on the completion of contract or after the completion of defect liability period as defined in the respective contract and accordingly no discounting has been done for the same.

8. Other financial assets (₹ in crore)

	Non-current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Unbilled revenue :				
Considered good				
Unbilled revenue from related parties (refer note 34)	-	-	0.41	4.34
Other unbilled revenue	37.36	53.63	343.10	452.24
	37.36	**53.63**	**343.51**	**456.58**
Unbilled revenue- credit impaired				
Unbilled revenue from related parties (refer note 34)	-	-	-	1.09
	-	**-**	**-**	**1.09**
Less: Provision for impairment allowance (refer note 34)	-	-	-	(1.09)
Total unbilled revenue (A)	**37.36**	**53.63**	**343.51**	**456.58**
Non-current bank balance (refer note 13)	94.32	147.76	-	-
Security deposit (refer note 34)	1.41	1.62	0.53	1.68
Interest accrued on fixed deposits	-	-	2.21	3.31
Interest accrued on loans and debentures to related parties (refer note 34)	-	-	221.07	161.72
Other receivable from related parties (refer note 34)	-	-	402.00	-
(B)	**95.73**	**149.38**	**625.81**	**166.71**
Total other financial assets (A+B)	**133.09**	**203.01**	**969.32**	**623.29**

- Refer note 38(c) for details pertaining to ECL.

9. Other assets (₹ in crore)

	Non-current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Capital advances				
Unsecured, considered good	2.60	12.59	-	-
(A)	**2.60**	**12.59**	**-**	**-**
Advances other than capital advances				
Receivable from related parties (refer note 34)	-	-	0.31	0.36
Other advances	-	-	29.63	44.89
(B)	**-**	**-**	**29.94**	**45.25**
Ancillary cost of arranging the borrowings	-	0.24	-	6.16
Prepaid expenses	-	1.09	3.57	5.49
Balance with statutory / government authorities	26.17	26.17	-	-
(C)	**26.17**	**27.50**	**3.57**	**11.65**
Less: Provision for doubtful advances (D)	**(1.10)**	**-**	**-**	**-**
Total other assets (A+B+C+D)	**27.67**	**40.09**	**33.51**	**56.90**

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

10(a). Deferred tax assets (net)

(₹ in crore)

	March 31, 2019	March 31, 2018
MAT Credit Entitlement	97.23	97.23
Total	**97.23**	**97.23**

10(b). Deferred tax liablity (net)

(₹ in crore)

	March 31, 2019	March 31, 2018
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	3.49	3.76
Revaluations of FVTOCI equity securities to fair value	473.14	1,780.61
Equity component of 0% Optionally Convertible Debentures ('OCD's')	16.14	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	(3.49)	(3.76)
Total	**489.28**	**1,780.61**

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

(₹ in crore)

	March 31, 2019	March 31, 2018
Advance income tax (net of provision for current tax and including tax paid under protest)	48.61	34.68
Total	**48.61**	**34.68**

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

(₹ in crore)

	March 31, 2019	March 31, 2018
Provision for current tax (net of advance income tax)	5.18	5.18
Total	**5.18**	**5.18**

12. Inventories

(₹ in crore)

	March 31, 2019	March 31, 2018
Raw materials (valued at lower of cost and net realizable value)	45.08	38.10
Total inventories	**45.08**	**38.10**

13. Cash and cash equivalents

(₹ in crore)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Balances with banks				
- On current accounts[1]	0.28	0.28	17.86	73.75
Deposits with original maturity of less than three months	-	-	-	2.24
Cash on hand	-	-	0.14	0.16
(A)	**0.28**	**0.28**	**18.00**	**76.15**
Other bank balances				
- Deposits with remaining maturity for less than 12 months[2,3]	89.22	131.05	6.57	16.53
- Deposits with remaining maturity for more than 12 months [2]	4.82	16.43	-	-
(B)	**94.04**	**147.48**	**6.57**	**16.53**
Amount disclosed under other financial assets (refer note 4)	(94.32)	(147.76)	-	-
(C)	**(94.32)**	**(147.76)**	**-**	**-**
Total (A+B+C)	-	-	**24.57**	**92.68**

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

1. Includes unclaimed dividend of ₹ 0.27 crore (March 31, 2018: ₹ 0.27 crore).
2. A charge has been created over the deposits of ₹ 94.04 crore (March 31, 2018: ₹ 159.98 crore) towards various loans, guarantees, letter of credit facilities, working capital facilities, hedging of interest and Debt Service Reserve Account ('DSRA') maintained by the Company for loans availed by the Company from banks and financial institutions (refer note 16).
3. Includes deposits with original maturity of more than 3 months but less than 12 months of ₹ 24.37 crore (March 31, 2018: ₹ 24.29 crore).
4. Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Company, and earn interest at the respective short-term deposit rates.
5. For the purpose of the standalone statement of cash flows, cash and cash equivalents comprise the following: (₹ in crore)

	March 31, 2019	March 31, 2018
Balances with banks:		
- On current accounts	17.86	73.75
Deposits with original maturity of less than three months	-	2.24
Cash on hand	0.14	0.16
	18.00	**76.15**
Less: Bank overdraft** (refer note 16)	(6.23)	(0.97)
Cash and cash equivalents for cash flow statement	**11.77**	**75.18**

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

14. Equity Share Capital

	Equity Shares		Preference Shares	
	In Numbers	**(₹ in crore)**	**In Numbers**	**(₹ in crore)**
Authorised share capital:				
At April 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 Re. 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 par value of Re 1 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

c. Shares held by holding /ultimate holding company and/ or their subsidiaries/ associates.

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

Name of Shareholder	March 31, 2019		March 31, 2018	
	No. of shares held	(₹in crore)	No. of shares held	(₹ in crore)
GMR Enterprises Private Limited ('GEPL'), holding company	2,962,422,625	296.24	2,878,245,098	287.82
Equity shares of Re. 1 each, fully paid up				
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company	31,321,815	3.13	31,321,815	3.13
Equity shares of Re. 1 each, fully paid up				
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company	17,999,800	1.80	17,999,800	1.80
Equity shares of Re. 1 each, fully paid up				
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company	805,635,166	80.56	805,635,166	80.56
Equity shares of Re. 1 each, fully paid up				
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company	-	-	100,000	0.01

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

Name of Shareholder	March 31, 2019		March 31, 2018	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of Re. 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 Re. 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 Re.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 16(3) related to terms of conversion/ redemption of FCCB.

15. Other Equity

Equity component of preference shares		**(₹ in crore)**
Balance as at April 01, 2017		133.94
Less: Transfer to general reserve		(133.94)
Balance as at March 31, 2018		-
Balance as at March 31, 2019	**(A)**	**-**

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

Treasury shares[3]		**(₹ in crore)**
Balance as at April 01, 2017		(101.54)
Balance as at March 31, 2018		(101.54)
Balance as at March 31, 2019	**(B)**	**(101.54)**

Securities premium[5]		**(₹ in crore)**
Balance as at April 01, 2017		10,010.98
Balance as at March 31, 2018		10,010.98
Balance as at March 31, 2019	**(C)**	**10,010.98**

Equity component of optionally convertible debentures ('OCD's') [refer note 16 (2)]		**(₹ in crore)**
Balance as at April 01, 2017		-
Balance as at March 31, 2018		-
Add: Equity component recognised on OCD's		45.92
Balance as at March 31, 2019	**(D)**	**45.92**

Debenture redemption reserve ('DRR')[1]		**(₹ in crore)**
Balance as at April 01, 2017		127.20
Balance as at March 31, 2018		127.20
Less: amount transferred to the surplus balance in the standalone statement of profit and loss		(32.34)
Balance as at March 31, 2019	**(E)**	**94.86**

General reserve[6]		**(₹ in crore)**
Balance as at April 01, 2017		40.62
Add: Transfer from equity component of preference share		133.94
Balance as at March 31, 2018		174.56
Balance as at March 31, 2019	**(F)**	**174.56**

Capital reserve[2]		**(₹ in crore)**
Balance as at April 01, 2017		141.75
Balance as at March 31, 2018		141.75
Balance as at March 31, 2019	**(G)**	**141.75**

FCMTR (refer note 16(3))		**(₹ in crore)**
Balance as at April 01, 2017		33.43
Add: Exchange difference gain/ (loss) on FCCB recognised during the year		7.80
Less: FCMTR amortisation during the year		(0.83)
Balance as at March 31, 2018		40.40
Add: Exchange difference gain/ (loss) on FCCB recognised during the year		(114.50)
Less: FCMTR amortisation during the year		(5.79)
Balance as at March 31, 2019	**(H)**	**(68.31)**

		(₹ in crore)
Retained earnings[7]		
Balance as at April 01, 2017		1,710.40
Profit/ (loss) for the year		(587.63)
Add: Re-measurement gains / (losses) on defined benefit plans		0.49
Balance as at March 31, 2018		1,123.26
Profit/ (loss) for the year		(1,034.31)
Add: Amount transferred from debenture redemption reserve		32.34
Add: Re-measurement gains / (losses) on defined benefit plans		0.21
Balance as at March 31, 2019	**(I)**	**121.50**

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

		(₹ in crore)
Fair valuation through other comprehensive income ('FVTOCI') reserve[4]		
Balance as at April 01, 2017		7,571.58
Gains / (loss) on FVTOCI of equity securities (net of tax ₹ 750.91 crore)		(2,577.93)
Balance as at March 31, 2018		**4,993.65**
Gains / (loss) on FVTOCI of equity securities (net of tax ₹ 1,307.47 crore)		(4,315.81)
Balance as at March 31, 2019	**(J)**	**677.84**

Total other equity	**(A+B+C+D+E+F+G+H+I+J)**	
Balance as at April 01, 2017		**19,668.36**
Balance as at March 31, 2018		**16,510.26**
Balance as at March 31, 2019		**11,097.56**

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

2. On July 02, 2014, the Board of Directors of the Company approved an issue and allotment of up to 180,000,000 warrants having an option to apply for and be allotted equivalent number of equity shares of face value of 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 was credited to Capital Reserve account during the year ended March 31, 2016

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

(₹ in crore)

	March 31, 2019	March 31, 2018
Investment in equity shares of the Company	101.55	101.55
Investment in equity shares of GAL (refer note 5)	11.28	11.28
Others	2.17	2.17
	115.00	**115.00**

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" ("SEBI Regulations") whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. SEBI published Frequently Asked Question ("FAQ") on SEBI Regulations and clarified that appropriation of shares towards ESPS/ESOP/SAR/General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next 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 Company has consolidated the financial statements of GWT in its standalone financial statements and accordingly the loans has become Nil.

4. **FVTOCI equity securities**

Pursuant to change in accounting policies as detailed in note 2, the Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserves within equity.

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

5. 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.

6. General reserve was created persuant to transfer of debenture redemption reserve and equity component of preference share. General reserve is a free reserve available to the Company.

7. Retained Earnings are the profits of the Company earned till date net of appropriations.

16. Financial liabilities - Borrowings

(₹ in crore)

	Non-current		Current	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Long term borrowings:				
Debentures / Bonds				
10,000 (March 31, 2018: 10,000) 0% redeemable and non-convertible debentures of ₹ 432,500 each (March 31, 2018: ₹ 567,500; (secured)[1,39]	207.29	386.81	224.49	179.26
3 (March 31, 2018: Nil) 0% optionally convertible debentures of ₹ 430,802,315 each (March 31, 2018: ₹ Nil; (secured)[2]	-	-	120.86	-
6 (March 31, 2018: 6) 7.5% Foreign Currency Convertible Bonds ('FCCBs') of USD 50,000,000 (March 31, 2018: USD 50,000,000) each (unsecured) [3,39]	2,032.81	1,920.62	-	-
Term Loans:				
From banks				
Indian rupee term loans (secured)[4,5,6,7,8,9,10,11,12,13,14,38,39]	923.91	1,201.28	322.23	352.40
Indian rupee term loans (unsecured)[15,16,17]	487.20	484.63	-	37.41
From financial institutions				
Indian rupee term loans (secured)[18,19,20,21,22,23,39]	344.10	264.80	89.00	102.02
Indian rupee term loans (unsecured)[24,25,26,27,28]	761.98	666.69	164.76	121.35
Others				
Loans from others (secured)[2,29]	140.78	-	50.18	0.06
Loans from related parties (unsecured)[30,31,32,33] (Refer note 34)	395.86	259.74	37.47	28.61
Short term borrowings:				
Bank Overdraft (secured)[34]	-	-	331.19	125.73
Inter-corporate deposits from related parties (secured)[35] (Refer note 34)	-	-	400.00	-
Inter-corporate deposits from related parties (unsecured)[36] (Refer note 34)	-	-	212.36	458.18
Loan from a financial institution (unsecured)[37]	-	-	-	185.00
	5,293.93	**5,184.57**	**1,952.54**	**1,590.02**
The above amount includes				
Secured borrowings	1,616.08	1,852.89	1,537.95	759.47
Unsecured borrowings	3,677.85	3,331.68	414.59	830.55
Less: amount clubbed under Other financial liabilities (refer note 18)	-	-	(1,008.99)	(821.11)
Total financial liabilities - borrowings	**5,293.93**	**5,184.57**	**943.55**	**768.91**

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

1. During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each to ICICI Bank Limited ('ICICI') ('Tranche 1'). During the year ended March 31, 2013 the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each ('Tranche 2'). These debentures are secured by way of (i) first pari passu charge over 444.52 acres of land held by GKSIR (ii) subservient charge on 8,236 acres of SEZ land held by KSL (iii) first exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by the Company with ICICI and (iv) second ranking pledge over 30% of fully paid-up equity shares of ₹ 10 each of GGAL. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 25, 2012. As at March 31, 2019, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 432,500 (March 31, 2018: ₹ 567,500) per debenture. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof. Also refer note 16(39) below.

2. During the year ended March 31, 2019, the Company has entered into an agreement to issue eight 0% Optionally Convertible Debentures ('OCD's') of ₹ 402 crore to Doosan Power Systems India Private Ltd ('DPS') which were redeemable in eight quarterly unequal instalments commencing from March 31, 2019. However, subsequent to issue of OCD's, based on interpretative letter received from Securities and Exchange Board of India ('SEBI'), 4 OCD's of face value amounting to ₹ 229.68 crore were cancelled by the Company and have been considered as 'loans from others'. These OCD's are secured by way of (i) pledge of 217,300,975 fully paid -up equity shares of ₹10 each of GEL owned by GIL and GGAL in favour of DPS. As at March 31, 2019, the Compay has redeemed the first installment and carrying value of three outstanding debentures is ₹ 120.86 crore. The presentation of liability and equity portion of aforesaid OCD is explained in the summary of significant accounting policy.

3. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted FCCBs of USD 30.00 crore to Kuwait Investment Authority with a maturity period of 60 years. The subscriber can exercise the conversion option on and after 18 months from the closing date upto close of business on maturity date. Interest is payable on 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, 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. Also refer note 16(39) below.

4. Indian rupee term loan from a bank of ₹ 110.98 crore is outstanding as on March 31, 2019 (March 31, 2018: ₹ 145.25 crore) carries interest @ the lender's Marginal Cost of Funds based Lending Rate of 1Y (I-MCLE-1Y) plus spread of 4.55% p.a. (March 31, 2018: I-MCLE-1Y plus spread of 4.55% p.a.) and interest is payable on a monthly basis. The loan is secured by (i) first pari passu charge over 444.52 acres of land held by GKSIR (ii) subservient charge on 8,236 acres of SEZ land held by KSL (iii) charge over Dividend / Interest Escrow Account of the Company into which all dividends and/or interest receivable by the Company from GEL and GGAL would be deposited and (iv) first ranking pledge/NDU over 49% of equity shares of GGAL. The loan is repayable in eighteen structured quarterly instalments commencing from December 25, 2016 and ending on March 25, 2021. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof. Also refer note 16(39) below.

5. Indian rupee term loan from a bank of ₹ Nil (March 31, 2018: ₹ 61.29 crore) carried interest @ base rate of lender plus spread of 1.05% p.a. (March 31, 2018: base rate of lender plus spread of 1.05% p.a.) and interest was payable on a monthly basis. The loan was secured by i) residual charge over all current assets and movable fixed assets of the Company with negative lien ii) first charge over loans and advances of the Company (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding iii) first charge over cash flows of GMRHL iv) DSRA covering interest payment for the first three months and v) securities as set out in note 16(38). The loan was repayable in six structured quarterly instalments commencing from March 26, 2017. The loan has been repaid in full during the current year.

6. Indian rupee term loan from a bank of ₹ 17.40 crore (March 31, 2018: ₹ 41.03 crore) carries interest @ base rate of lender plus spread of 0.85% p.a. (March 31, 2018: base rate of lender plus spread of 0.85% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets created out of this facility iii) corporate guarantee of GEPL and iv) securities as set out in note 16(38). The loan is repayable in ten structured quarterly instalments commencing from March 6, 2017 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of thirty six months from the date of first disbursement and every three months thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof. Also refer note 16(39) below.

7. Indian rupee term loan from a bank of ₹ 44.72 crore (March 31, 2018: ₹103.59 crore) carries interest @ base rate of lender plus spread of 1.50% p.a. (March 31, 2018: base rate of lender plus spread of 1.50% p.a) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) charge on assets created out of this facility and iii) securities as set out in note 16(38). The loan is repayable in eight equal quarterly instalments commencing from January 27, 2018 as per the revised agreement dated

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

May 23, 2016. The bank has a put option for full or part of the facility amount at the end of eighteen months from the date of first disbursement and every three months thereafter. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

8. Indian rupee term loan from a bank of ₹ 60.17 crore (March 31, 2018: ₹ 76.42 crore) carries interest @ base rate of lender plus spread of 1.25% p.a. (March 31, 2018: base rate of lender plus spread of 1.25% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank iii) second charge on cash flows of GISPL from coal trading under Coal Sales and Purchase Agreement with GCRPL iv) exclusive charge on loans given to GEL v) DSRA covering interest payment for the next three months and vi) securities as set out in note 16(38). The loan is repayable in fourteen unequal semi-annual instalments commencing after twelve months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

9. Vehicle loan from a bank of ₹ Nil (March 31, 2018: ₹ 0.08 crore) carried interest @ 10.00% p.a. (March 31, 2018 : 10.00% p.a) and the same was payable on a monthly basis. The loan was repayable in sixty equal monthly instalments commencing from October 01, 2013 and was secured by the vehicle taken on loan. The loan has been repaid in full during the current year.

10. Indian rupee term loan from a bank of ₹ 509.74 crore (March 31, 2018: ₹ 500.70 crore) carries interest @ lender's marginal cost of funds based lending rate ('MCLR') plus spread of 3.10% p.a. (March 31, 2018: MCLR plus spread of 3.10% p.a.) and interest is payable on a monthly basis. The loan is secured by (i) first charge on the assets taken on loan by the Company to provide minimum cover of 1.00 times of the facility outstanding (ii) extension of pledge over 20% shares of GEL along with all beneficial/economic voting rights (already cross collateralized for existing term loan facilities at the Company, RSSL, GGAL (Term Loan-I) GMRHL (Term Loan-I)) (iii) additional pledge over 8% shares of GEL along with all beneficial/economic voting rights and non disposal undertaking over 2% shares of GEL (prior to disbursement) (iv) pledge over 26% shares of GMR Airports Limited along with all beneficial/ economic voting rights (v) margin of 19.14% of outstanding amount (in form of FD/cash or any other instrument to the satification of the lender). The loan is repayable in fourteen half yearly structured instalments commencing after a moratorium period of one year from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements. Also refer note 16(39) below.

11. Indian rupee term loan from a bank of ₹ 142.22 crore (March 31, 2018: ₹ 211.34 crore) carries interest @ base rate of lender plus spread of 0.50% p.a. (March 31, 2018: base rate of lender plus spread of 0.50% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% DSRA in the form of lien on fixed deposits in favour of the lender ii) Exclusive first charge on assets provided by the Company created out of this facility and iii) securities as set out in note 16(38). The loan is repayable in fourteen structured quarterly instalments commencing from January 15, 2017 as per the revised agreement dated May 23, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

12. Indian rupee term loan from a bank of ₹ 340.20 crore (March 31, 2018: ₹ 370.44 crore) carries interest @ MCLR plus spread of 1.45% p.a. (March 31, 2018: MCLR plus spread of 1.45% p.a.) and interest is payable on a monthly basis. The loan is secured by i) first charge on assets created out of this facility ii) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender and iii) securities as set out in note 16(38). The loan is repayable in twenty eight structured quarterly instalments commencing from October 2017. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

13. Indian rupee term loan from a bank of ₹ 20.71 crore (March 31, 2018: ₹ 14.89 crore) carries interest @ MCLR plus spread of 1.35% p.a. (March 31, 2018: MCLR plus spread of 1.35% p.a.) and is payable on a monthly basis. The loan is secured by i) hypothecation of construction equipments/machineries purchased out of the term loan on exclusive basis and ii) pari passu first charge on the current assets of the Company and bank accounts of GIL-SIL JV. The loan is repayable in nineteen structured monthly instalments commencing after 2 months from the date of first disbursement.

14. Indian rupee term loan from a bank of ₹ Nil (March 31, 2018: ₹28.65 crore) carried interest @ 11.50% p.a. linked to MCLR and was payable on a monthly basis. The loan was secured by i) exclusive charge on the equipments purchased by the Company out of the term loan and ii) second charge on the current assets/ non current assets including bank account in respect of Dedicated Freight Corridor Corporation (DFCC) - 201 project. The loan was repayable in thirteen structured monthly instalments commencing from December 01, 2017.The loan has been repaid in full during the current year.

15. Indian rupee term loan from a bank of ₹ 487.20 crore is outstanding as on March 31, 2019 (March 31, 2018: ₹ 484.63 crore) carries interest @ base rate of lender plus spread of 4.75% p.a. (March 31, 2018: base rate of lender plus spread of 4.75% p.a.) payable on a monthly basis. The loan is secured by (i) first pari passu charge on 444.52 acres of land held by GKSIR and (ii) subservient charge on 8,236 acres of SEZ land held by KSL. The loan is repayable in twelve structured quarterly instalments commencing from April 25, 2021 and ending on January 25, 2024 as per the revised agreement dated May 27, 2016. Further the lender has certain mandatory prepayment rights as per the terms of the agreements, including amendments thereof.

16. Indian rupee term loan from a bank of ₹ Nil (March 31, 2018: ₹ 7.51 crore) carried interest at base rate of lender plus applicable spread of 3.25% p.a

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

(March 31, 2018: base rate of lender plus applicable spread of 3.25% p.a.) and the interest was payable on a monthly basis. The loan was secured by an exclusive first mortgage and charge on i) residential property of Mr. G.B.S Raju, Director at Bangalore ii) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL') iii) non agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at Telangana iv) non agricultural lands of Mr. G. M. Rao, Chairman and v) commercial apartment owned by Honey Flower Estates Private Limited ('HFEPL') and additionally secured by a) an irrevocable and unconditional guarantee of BIPL and HJPPL limited to the extent of the value of their property as stated aforesaid b) an irrevocable and unconditional guarantee of GEPL, BIPL and HFEPL and c) demand promissory note equal to principal amount of the loan and interest payable on the loan given by the Company. The loan was repayable in thirteen equal quarterly instalments starting July 1, 2015. The loan has been repaid in full during the current year.

17. Indian rupee term loan from a bank of ₹ Nil (March 31, 2018: ₹ 29.90 crore) carried interest @ lender's MCLR plus spread of 5.00% p.a. (March 31, 2018: lender's MCLR plus spread of 5.00% p.a.) payable on a monthly basis. The loan was secured by a first mortgage and charge on 117.96 acres of land or such additional land held by GKSIR to give a minimum cover equivalent to the facility amount. The loan was repayable in eighteen equal monthly instalments commencing from the end of six months from October 26, 2016. The loan has been repaid in full during the current year.

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

19. Indian rupee term loan from a financial institution of ₹ 86.35 crore (March 31, 2018: ₹ 129.42 crore) carries interest rate @ 13.50% p.a. (March 31, 2018: 14.25% p.a.) and is payable on a monthly basis. The loan is repayable in eighteen quarterly instalments commencing from October' 2016. The loan is secured by way of i) first mortgage and charge on non-agriculture lands of SJK Powergen Limited ('SJK') ii) pledge of 20,000,000 equity shares of Re. 1 each of the Company, held by GEPL and iii) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 crore held by the Company and in case of default of repayment of loan, the lender has the right to convert the loan into equity.

20. Indian rupee term loan from a financial institution of ₹ 236.47 crore (March 31, 2018: ₹137.61 crore) carries interest @ the lender's benchmark rate plus spread of 3.30% p.a. (March 31, 2018: lender's benchmark rate plus spread of 3.30% p.a.). The loan is secured by i) a mortgage on exclusive first charge basis on a) 99.76 acres of immovable property held by RSSL b) 10 acres of immovable property held by GEPL c) 10 acres of immovable property held by Fabcity Properties Private Limited d) 11.46 acres of immovable property held by GMR Bannerghatta Properties Private Limited e) 10 acres of immovable property held by Sri Varalakshmi Jute Twine Mills Private Limited f) 13.225 acres of land held by BIPL g) 246.10 square meter of house property located in New Delhi held by DG Buildwell Private Limited h) commercial property held by Grandhi Enterprises Private Limited and corporate guarantee of these entities which are giving mortgage charge ii) minimum 0.75 time cover on the loan amount by way of first pari-passu charge over SEZ land held by KSL iii) pledge of 10,551,655 unlisted shares of Rajam Enterprises Private Limited iv) Pledge of 6,024,097 listed shares of the Company on exclusive charge basis v) DSRA covering interest payment for two quarters and principal repayment for one quarter in the form of fixed deposit vi) escrow over all the receivables from KSL on exclusive charge basis and vii) post dated cheques ('PDC') for interest and principal repayments. The loan is repayable in fourty eight monthly instalments commencing after a moratorium period of 12 months from the date of first disbursement. Further the lender has certain mandatory prepayment rights as per the terms of the agreements.

21. Vehicle loan taken from a financial institution of ₹10.52 crore (March 31, 2018: ₹ 17.56 crore) carries interest @ 9.50% p.a. (March 31, 2018: 9.50% p.a.) payable on a monthly basis. The loan is repayable in thirty four monthly instalments commencing after two months from the date of first disbursement. The loan is secured by a charge on the assets purchased out of loan proceeds by the Company.

22. Indian rupee term loan from a financial institution of ₹ Nil (March 31, 2018: ₹73.96 crore) carried interest @ SBR less spread of 4.25% p.a. (March 31, 2018: SBR less spread of 4.25% p.a.) payable on a monthly basis. The loan was repayable in five equal monthly instalments commencing from January 2019. The loan was secured by i) first charge on all the current assets, present and future, including the cash flow of the DFCC-202 project ii) second charge over all the movable fixed asset of the DFCC-202 project including project documents and all licences, permits, approvals, censent and insurance policies iii) exclusive charge by way of pledge of 19% equity share of GMRHL. The loan has been repaid in full during the current year.

23. Indian rupee term loan from a financial institution of ₹ 99.76 crore (March 31, 2018: ₹ Nil) carries interest @ SREI Prime Lending Rate (SPLR) add spread of 1.00% p.a (March 31, 2018 : Nil) payable on a monthly basis. The loan is secured against i) exclusive charge over 197 equipments ii) first charge over track laying and associated equipment owned by the Company for the DFCC package 201 iii) first pari passu charge by way of hypothecation over the entire current assets of the DFCC package 202 (hereinafter refered as "project") including cash flows related to the project by way of escrow mechanism iv) second pari passu charge by way of hypothecation over the movable fixed assets of the project including but not limited to track laying and associated equipment of the project v) first pari passu charge over all the project documents including all licenses, permits, approvals, consents and insurace polices. The loan facility shall be repaid in four structured monthly installments commencing from March 2020 to June 2020.

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

24. Indian rupee term loan from a financial institution of ₹ 107.11 crore (March 31, 2018: ₹128.52 crore) carries interest @ 12.00% p.a. (March 31, 2018: 12.00% p.a.) payable on a quarterly basis. The loan is repayable in seven equal annual instalments commencing at the end of four years from the date of first disbursement. The loan is secured by exclusive first charge on land held by GKSIR.

25. Indian rupee term loan from a financial institution of ₹ 299.65 crore (March 31, 2018: ₹ 399.62 crore) carries interest @ 11.75% p.a. (March 31, 2018: 11.75% p.a.) payable on a half yearly basis. The loan is repayable in ten equated annual instalments commencing from December 2012. The loan is secured by a first pari passu charge on 8,236 acres of land held by KSL. Also refer note 16(39) below.

26. Indian rupee term loan from a financial institution of ₹ 259.98 crore (March 31, 2018: ₹ 259.90 crore) carries interest @ 12.15% p.a. (March 31, 2018: 12.15% p.a.) payable on a quarterly basis. The loan is repayable in six equal annual instalments commencing at the end of five years from the date of first disbursement. The loan is secured by an exclusive first charge on certain immovable properties located in the State of Telangana owned by Namitha Real Estate Private Limited (NREPL), a subsidiary of the Company, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi.

27. Indian rupee term loan from a financial institution of ₹ 185.00 crore (March 31, 2018: ₹Nil) carries interest @ SPLR less spread of 1.50% p.a. (March 31, 2018 : Nil) payable on a monthly basis. The loan facility is repayable at the end of six years from initial disbursement date. The loan is secured against i) second pari passu charge on entire current assets of GEPL ii) corporate gurantee of GEPL. Further the lender has certain mandatory prepayment rights as per the terms of the agreements.

28. Indian rupee term loan from a financial institution of ₹ 75.00 crore (March 31, 2018: ₹Nil) carries interest @ SPLR less spread of 3.25% p.a. (March 31, 2018 : Nil) payable on a monthly basis. The loan is secured against i) second pari passu charge on entire current assets of GEPL ii) corporate gurantee of GEPL. Further the lender has certain mandatory prepayment rights as per the terms of the agreements. The loan facility is repayable at the end of fifteen months from initial disbursement date.

29. Vehicle loan from others of ₹ Nil (March 31, 2018: ₹ 0.06 crore) carried interest @10.33% p.a. (March 31, 2018 @10.33% p.a) and interest was payable on a monthly basis. The loan was repayable in sixty equal monthly instalments commencing from April, 2014 and was secured by vehicle purchased out of the loan proceeds. The loan has been repaid in full during the current year.

30 Loan of ₹ 49.11 crore (March 31, 2018: ₹ 61.77 crore) from its subsidiary, GADL carries interest @ 12.95% p.a. (March 31, 2018: 12.70% p.a.) and is payable on a monthly basis. The loan is to be prepaid on the occurrence of any liquidity event as per the terms of the agreement or repayable in twenty eight structured quarterly instalments commencing from December 23, 2013.

31. Loan of ₹ 60.23 crore (March 31, 2018: ₹ 66.00 crore) from its subsidiary, RSSL carries interest @ 11.35% p.a. to 12.25% p.a. (March 31, 2018: 11.35% p.a.) payable on a monthly basis. The loan is repayable on discharge of all performance obligations of RSSL under the long term service agreements entered into with the Company and other group companies.

32. Loan of ₹ 46.77 crore (March 31, 2018: ₹ 138.18 crore) from its subsidiary, GETL carries interest @ 14.00% p.a (March 31, 2018: 14.00% p.a.) and is payable along with the principal. The loan is repayable after 3 years from the date of disbursement of the respective loan.

33. Loan of ₹ 277.22 crore (March 31, 2018: ₹ 22.40 crore) from its subsidiary, GPCL carries interest @ 7% p.a. (March 31, 2018: 12.5% p.a.) and is payable along with the principal. The loan is repayable after 3 years from the date of disbursement of the loan. The Company has restructured its short term loan of ₹ 313.22 crore taken from GPCL in previous year to long tem loan in current year

34. Bank overdrafts amounting to ₹ 331.19 crore (March 31, 2018: ₹ 125.73 crore) is secured by first charge on current assets of the EPC division of the Company and GIL-SIL Joint Venture (package 202), first mortgage on the Company's entire fixed asset pertaining to DFCC- 201 project, second pari -passu charge on equipments financed by lakshmi vilas bank, a first charge on all the Company's bank accounts including, without limitation, the TRA/ Escrow account and lien on fixed deposits with banks and carries an interest ranging between 12.30% to 14.25% p.a. (March 31, 2018:12.30% to 13.75% p.a.).

35. Loan from DIAL of ₹ 400.00 crore (March 31, 2018: ₹ Nil) carries interest @ 10.15% p.a. and is payable along with the principal. The loan is secured by i) an equitable mortgage by way of deposit of title deeds equivalent to 100% of loan amount, in favour of the lender in a form satisfactory to the lender on the immovable property of land admeasuring 800 acres situated at Hosur Taluka , Krishnagiri district, Tamil Nadu ii) pledge of 1,258,910,030 unlisted equity shares of ₹ 10 each of GGAL .The loan is repayable within fifteen months from the date of first disbursement.

36. Loans of ₹ 212.36 crore (March 31, 2018: ₹ 458.18 crore) from its subsidiaries, carry interest ranging between 7.00% p.a. to 12.95% p.a. and is payable along with repayment of principal or on such intervals as may otherwise be agreed upon by the parties.

37. During the year ended March 31, 2018, the Company had taken short term loan from a financial institution of ₹ 185.00 crore which carried interest @ 9.75% p.a. payable on quarterly basis. The loan has been repaid in full during the current year.

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

38. **Securities for the facilities mentioned in note 5, 6, 7, 8, 11 & 12**

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

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

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

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

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

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

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

    h. Pledge of 30% shares of GPCL.

    i. NDU of 21% shareholding of GPCL.

    j. Pledge over 26% shares of GAL alongwith all beneficial / economic voting rights.

39. The period and amount of delays 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)
1	**Payment of Principal**	Indian Rupee term loans from banks	25.74	0-30
2	**Payment of Principal/Premium**	0% redeemable and non-convertible debentures from a bank	59.24	0-30
3	**Payment of Interest**	Interest on FCCB's*	159.15	0-120
		Interest on Indian Rupee term loans from banks	7.24	0-30
		Interest on Indian Rupee term loans from financial institutions	20.41	0-30
		Total	**271.78**	

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

The Company has paid all aforesaid delayed outstanding amounts subsequent to March 31, 2019 except for payment of outstanding interest pertaining to FCCB. Further, none of the lenders have demanded for repayment for outstanding amounts as at March 31, 2019.

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

	Current	
	March 31, 2019	**March 31, 2018**
Total outstanding dues of micro enterprises and small enterprises[1,3]	13.94	-
Total outstanding dues of creditors other than micro enterprises and small enterprises[1]		
- Trade payables	471.68	313.94
- Trade payables to related parties (refer note 34)	11.60	19.54
Total trade payables	**497.22**	**333.48**

1. Includes retention money of ₹ 78.63 crore (March 31, 2018: ₹ 64.27 crore). Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts.These payments are kept as retention to ensure performance of the vendor obligation and hence are not discounted for present value of money.

2. Terms and conditions of the above financial liabilities:
   - Trade payables are non-interest bearing
   - For explanations on the Company's credit risk management processes, refer note 38(c)
   - The dues to related parties are unsecured.

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

3. **Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006".**

(₹ in crore)

	March 31, 2019	March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal Amount	13.94	-
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

18. Other financial liabilites

(₹ in crore)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial liabilities through profit or loss				
Derivatives not designated as hedges				
Foreign exchange forward contracts[2] (refer note 43)	-	-	-	0.31
	-	**-**	**-**	**0.31**
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 16)	-	-	1,008.99	821.11
Interest/ Premium accrued on borrowings/ debenture (refer note 34)	-	-	294.18	69.90
Capital Creditors	-	-	-	4.17
Share application money refund [₹ 22,563 (March 31, 2018: ₹ 22,563)][1]	-	-	0.00	0.00
Non trade payable (refer note 34)[3]	-	-	1,198.70	3.39
	-	**-**	**2,501.87**	**898.57**
Financial guarantee contracts	**89.75**	**99.19**	**15.54**	**13.37**
Total other financial liabilities	**89.75**	**99.19**	**2,517.41**	**912.25**

1. During the year ended March 31, 2016, ₹ 22,563 was received as excess share application money received against rights issue which is pending to be refunded during year ended March 31, 2019.
2. While the Company entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected repayment of interest, these contracts were not designated in hedge relationships and were measured at fair value through profit or loss.
3. 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 Company has recognized the financial liability of ₹ 1,192.43 crore in the financial statements with corresponding investments in equity shares.

19. Provisions

(₹ in crore)

	Long-term		Short-term	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for employee benefits				
Provision for compensated absences	-	-	4.16	3.88
Provision for gratuity (refer note 35)	1.13	0.46	0.60	0.57
Provision for other employee benefits	-	-	7.35	8.82
	1.13	**0.46**	**12.11**	**13.27**

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

20. Other liabilities

(₹ in crore)

	Non-Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advance from customers (refer note 34)	563.85	33.61	246.81	224.27
Unclaimed dividend	-	-	0.27	0.27
TDS payable	-	-	2.54	8.43
Other statutory dues	-	-	0.53	0.54
Total other liabilities	**563.85**	**33.61**	**250.15**	**233.51**

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

(₹ in crore)

	Current	
	March 31, 2019	March 31, 2018
Advance sale consideration towards assets held for disposal	25.23	25.23
Total	**25.23**	**25.23**

22. Revenue from operation

(₹ in crore)

		March 31, 2019	March 31, 2018
a)	**Sale of services:**		
	Engineering, Procurement and Construction ('EPC'):		
	Construction revenue (refer note 34 and 36)	763.04	736.13
		763.04	**736.13**
b)	**Other operating revenue**		
	Income from leasing of equipment	2.89	-
	Dividend income on current investments (gross) ₹ 14,732 (March 31, 2018: ₹ 14,482)	0.00	0.00
	Profit on sale of current investments (others)	2.02	6.34
		4.91	**6.34**
		767.95	**742.47**

23. Other income

(₹ in crore)

	March 31, 2019	March 31, 2018
Gain on account of foreign exchange fluctuations (net)	43.61	5.92
Fair value gain on financial instrument at fair value through profit or loss	0.31	1.26
Gain on final settlement of claims (refer note 34)	-	19.84
Provisions no longer required, written back (refer note 34)	1.85	2.81
Interest income on income tax refund	-	19.91
Other non-operating income	2.09	2.61
	47.86	**52.35**

24. Finance income

(₹ in crore)

	March 31, 2019	March 31, 2018
Bank deposits	9.33	7.39
Long term loans and investments (refer note 34)	323.76	356.15
	333.09	**363.54**

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

25. Cost of materials consumed

(₹ in crore)

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	38.10	65.74
Add: Purchases	345.29	348.89
	383.39	**414.63**
Less: Inventory at the end of the year	45.08	38.10
	338.31	**376.53**

26. Employee benefit expenses*

(₹ in crore)

	March 31, 2019	March 31, 2018
Salaries, wages and bonus	40.99	43.26
Contribution to provident and other funds (refer note 35(a))	2.01	2.69
Gratuity expenses (refer note 35(b))	0.28	0.92
Staff welfare expenses (refer note 34)	4.01	4.81
	47.29	**51.68**

* Employee benefit expenses are net of ₹ 8.30 crore (March 31, 2018: ₹ 24.88 crore) cross charged to certain subsidiaries, associates and joint ventures.

27. Depreciation and amortisation expenses

(₹ in crore)

	March 31, 2019	March 31, 2018
Depreciation of property, plant and equipment (refer note 3)	23.62	17.98
Amortisation of other intangible assets (refer note 4)	0.87	1.08
	24.49	**19.06**

28. Finance costs*

(₹ in crore)

	March 31, 2019	March 31, 2018
Interest on debt and borrowings	832.37	805.15
Bank and other charges	13.28	16.46
	845.65	**821.61**

* Finance costs are net of ₹ 0.01 crore (March 31, 2018: ₹ 0.08 crore) cross charged to certain subsidiaries, associates and joint ventures.

29. Other expenses*

(₹ in crore)

	March 31, 2019	March 31, 2018
Bad debts written off/ provision for doubtful debts	14.03	18.78
Lease rental and equipment hire charges	41.59	40.44
Rates and taxes	29.97	20.41
Repairs and maintenance	6.89	11.11
Legal and professional fees	13.82	26.53
Payment to auditors (refer details below)	2.98	2.89
Directors' sitting fees	0.28	0.23
Miscellaneous expenses	15.62	23.98
Total other expenses	**125.18**	**144.37**

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

* Other expenses are net of ₹ 24.29 crore (March 31, 2018: ₹ 44.01 crore) cross charged to certain subsidiaries, associates and joint ventures. Also refer note 34.

** CSR expenses :

(a) Gross amount required to be spent by the Company during the year: ₹ Nil (March 31,2018: ₹ Nil)

(b) The Company has incurred Nil (March 31, 2018: ₹ Nil) on CSR activities during the year 2018-19.

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

(₹ in crore)

	March 31, 2019	March 31, 2018
As auditor:		
Audit fee (including fees for internal controls over financial reporting, consolidated financial statements of the Company and quarterly limited reviews)	1.87	1.87
Tax audit fees	0.04	0.04
In other capacity		
Other Services (including certification fees)	0.74	0.74
Reimbursement of expenses	0.33	0.24
	2.98	**2.89**

30. Exceptional items (net)

(₹ in crore)

	March 31, 2019	March 31, 2018
Provision/ write-off for impairment of investments at amortised cost/ doubtful loans and advances (refer note below) (also refer note 6 and 34)	475.96	94.17
	475.96	**94.17**

Note: Refer note 5(4) with regard to provision for diminution in the value of loans/ advances made in subsidiaries/ associates/ joint ventures.

31. Income Tax

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

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

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

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

(₹ in crore)

	March 31, 2019	March 31, 2018
(a) Current tax	0.09	0.09
(b) Deferred tax	(8.17)	-
Total taxes	**(8.08)**	**0.09**

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

(₹ in crore)

	March 31, 2019	March 31, 2018
(Loss)/ profit before taxes	(1,042.39)	(587.54)
Computed tax charge on applicable tax rates in India	**(364.26)**	**(197.72)**
Tax effect on exempted income	(16.07)	(21.12)
Tax effect on permanent non deductible expenses :	16.02	(1.01)
Tax effect on losses on which deferred taxes has not been accounted	356.23	219.94
Total tax expenses	**(8.08)**	**0.09**

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

32. Earnings per share (EPS)

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

Diluted EPS is 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
Face value of equity shares (Re. per share)	1	1
Profit/ (loss) attributable to equity shareholders (₹ in crore)	(1,034.31)	(587.63)
Weighted average number of equity shares used for computing earning per share (basic and diluted)	6,017,945,475	6,017,945,475
EPS- basic and diluted (₹)	**(1.72)**	**(0.98)**

Notes:

(i) Considering that the Company has incurred losses during the year ended March 31, 2019 and March 31, 2018, the allotment of convertible securities 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.

(ii) Weighted average number of equity shares used for computing earning per share (basic and diluted) have been adjusted for 17,999,800 treasury shares held by GWT as detailed in note 15(3).

33. Significant accounting judgements, estimates and assumptions

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

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

Significant judgements and estimates relating to the carrying values of assets and liabilities include fair value measurement of investments in subsidiaries, joint ventures and associates, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies and recognition of revenue on long term contracts.

i) Estimates and assumptions

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

a. Taxes

Deferred tax assets are recognised for MAT Credit Entitlement to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be

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

recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 10 and 31 for further disclosures.

b. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The cash flow projections used in these models are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc in case of investments in entities in the energy business, estimation of passenger and vehicle traffic and rates and favourable outcomes of litigations etc. in the airport and expressway business which are considered as reasonable by the management. Fair value of investment in SEZ sector is determined based on available data for similar immovable property/ investment or observable market prices less incremental cost for disposing of the immovable property/ investments. 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 5 and 38 for further disclosures

c. Contingencies

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

In respect of financial guarantees provided by the Company to third parties, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 37 for further disclosure.

d. Revenue recognition

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

e. Defined benefit plans (gratuity benefits)

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

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

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

Further details about gratuity obligations are given in note 35.

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

34. Related parties

a) **Names of related parties and description of relationship**

Description of relationship	Name of the related parties
Holding Company	GMR Enterprises Private Limited (GEPL)
Subsidiary Companies	GMR Generation Assets Limited (GGAL) [formerly known as GMR Renewable Energy Limited (GREEL)]
	GMR Power Corporation Limited (GPCL)
	GMR Energy Trading Limited (GETL)
	SJK Powergen Limited (SJK)
	GMR Coastal Energy Private Limited (GCEPL)
	GMR Londa Hydropower Private Limited (GLHPPL)
	GMR Kakinada Energy Private Limited (GKEPL)
	Delhi International Airport Limited (DIAL) [formerly known as Delhi International Airport Private Limited]
	Delhi Aerotropolis Private Limited (DAPL)
	GMR Hyderabad International Airport Limited (GHIAL)
	GMR Hyderabad Air Cargo and Logistics Private Limited (GHACLPL) [formerly known as Hyderabad Menzies Air Cargo Private Limited (HMACPL)]
	Hyderabad Airport Security Services Limited (HASSL)
	GMR Aerostructure Services Limited (GASL) [formerly known as GMR Hyderabad Airport Resource Management Limited (GHARML)]
	GMR Hyderabad Aerotropolis Limited (HAPL)
	GMR Hyderabad Aviation SEZ Limited (GHASL)
	GMR Hospitality and Retail Limited (GHRL) [formerly known as GMR Hotels and Resorts Limited (GHRL)]
	Gateways for India Airports Private Limited (GFIAL)
	GMR Highways Limited (GMRHL)
	GMR Tuni Anakapalli Expressways Limited (GTAEL)
	GMR Tambaram Tindivanam Expressways Limited (GTTEL)
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Pochanpalli Expressways Limited (GPEL)
	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)
	GMR Chennai Outer Ring Road Private Limited (GCORRPL)
	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)
	GMR Krishnagiri SIR Limited ('GKSIR') (formely known as GMR Krishnagiri SEZ Limited ('GKSEZ'))
	GMR Logistics Park Private Limited (GLPPL)[3]
	Advika Properties Private Limited (APPL)
	Aklima Properties Private Limited (AKPPL)
	Amartya Properties Private Limited (AMPPL)
	Baruni Properties Private Limited (BPPL)
	Camelia Properties Private Limited (CPPL)
	Eila Properties Private Limited (EPPL)
	Gerbera Properties Private Limited (GPL)

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

Description of relationship	Name of the related parties
	Lakshmi Priya Properties Private Limited (LPPPL)
	Honeysuckle Properties Private Limited (HPPL)
	Idika Properties Private Limited (IPPL)
	Krishnapriya Properties Private Limited (KPPL)
	Nadira Properties Private Limited (NPPL)
	Prakalpa Properties Private Limited (PPPL)
	Purnachandra Properties Private Limited (PUPPL)
	Shreyadita Properties Private Limited (SPPL)
	Sreepa Properties Private Limited (SRPPL)
	Bougainvillea Properties Private Limited (BOPPL)
	Honeyflower Estates Private Limited (HFEPL)
	Namitha Real Estate Private Limited (NREPL)
	GMR Airports Limited (GAL)
	Asia Pacific Flight Training Academy Limited (APFT) [ceased to be Subsidiary Company w.e.f March 4, 2019] [1]
	GMR Corporate Affairs Private Limited (GCAPL)
	GMR SEZ & Port Holdings Limited (GSPHL)
	GMR Aviation Private Limited (GAPL)
	GMR Business Process and Services Private Limited (GBPSPL)
	Dhruvi Securities Private Limited (DSPL)
	GMR Energy (Cyprus) Limited (GECL)
	GMR Energy (Netherlands) BV (GENBV)
	PT Unsoco (PT) [ceased to be Subsidiary Company w.e.f August 14, 2018][6]
	PT Dwikarya Sejati Utma (PTDSU) [ceased to be Subsidiary Company w.e.f August 14, 2018][6]
	PT Duta Sarana Internusa (PTDSI) [ceased to be Subsidiary Company w.e.f August 14, 2018][6]
	PT Barasentosa Lestari (PTBSL) [ceased to be Subsidiary Company w.e.f August 14, 2018][6]
	GMR International Airport BV (GIABV)[3]
	GMR Infrastructure (Mauritius) Limited (GIML)
	GMR Infrastructure (Cyprus) Limited (GICL)
	GMR Infrastructure Overseas (Malta) Limited (GIOSL) (Formerly known as GMR Infrastructure Overseas Sociedad Limitada)
	GMR Infrastructure (UK) Limited (GIUL)
	GMR Infrastructure (Global) Limited (GIGL)
	GMR Infrastructure (Singapore) Pte Limited (GISPL)
	GMR Energy (Global) Limited (GEGL)
	GMR Genco Assets Limited (GGEAL) [formerly known as GMR Hosur Energy Limited (GHOEL)]
	GMR Energy Projects (Mauritius) Limited (GEPML)
	GMR Airport Developers Limited (GADL)
	GADL International Limited (GADLIL)

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

Description of relationship	Name of the related parties
	GADL (Mauritius) Limited (GADLML)
	Deepesh Properties Private Limited (DPPL)
	Larkspur Properties Private Limited (LAPPL)
	Padmapriya Properties Private Limited (PAPPL)
	Radha Priya Properties Private Limited (RPPL)
	Pranesh Properties Private Limited (PRPPL)
	Kakinada SEZ Limited (KSL)
	GMR Power Infra Limited (GPIL)
	GMR Male International Airport Private Limited (GMIAL)
	GMR Coal Resources Pte Limited (GCRPL)
	GMR Airport Handling Services Company Limited (GAHSCL)
	GMR Hosur Industrial City Private Limited (GHICL) (Formerly known as Lantana Properties Private Limited (LPPL))
	Asteria Real Estate Private Limited (AREPL)
	GMR Infrastructure (Overseas) Limited (GI(O)L)
	GMR Hosur EMC Private Limited (GHEMCPL)[5]
	GMR Airports (Mauritius) Limited (GAML)
	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)
	GMR Aerospace Engineering Limited (GAEL) (formerly known as MAS GMR Aerospace Engineering Company Limited (MGAECL))
	Delhi Airport Parking Services Private Limited (DAPSL)
	GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited (MGATL))
	East Godavari Power Distribution Company Private Limited (EGPDCPL)
	Suzone Properties Private Limited (SUPPL)
	Lilliam Properties Private Limited (LPPL)
	GMR Utilities Private Limited (GUPL)
	Raxa Security Services Limited (RSSL)
	Indo Tausch Trading DMCC (Indo Tausch)
	Kakinada Gateway Port Limited (KGPL)
	GMR Goa International Airport Limited (GIAL)
	GMR Infra Services Limited (GISL)
	GMR Infra Developers Limited (GIDL)
	GMR Infrastructure Airport Mauritius Limited (GIAML)[2]
Associates / Joint Venture Companies	Rampia Coal Mine and Energy Private Limited (RCMEPL)
	Limak GMR Construction JV (CJV)
	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
	Delhi Aviation Services Private Limited (DASPL)
	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
	WAISL Limted (WAISL) [formely known as Wipro Airport IT Services Limited]

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

Description of relationship	Name of the related parties
	TIM Delhi Airport Advertisment Private Limited (TIM)
	GMR Tenaga Operations and Maintenance Private Limited (GTOMPL)[4]
	DIGI Yatra Foundation (DIGI)[4]
	INTERNATIONAL AIRPORT OF HERAKLION, CRETE SA (CRETE)[4]
	Mactan Travel Retail Group Corporation (MTRGC)[4]
	SSP-Mactan Cebu Corporation (SMCC)[4]
	PT Golden Energy Mines Tbk (PTGEMS)
	PT Tanjung Belit Bara Utama (TBBU)
	PT Roundhill Capital Indonesia (RCI)
	PT Kuansing Inti Makmur (KIM)
	PT Trisula Kencana Sakti (TKS)
	PT Borneo Indobara (BIB)
	PT Karya Cemerlang Persada (KCP)
	PT Bungo Bara Utama (BBU)
	PT Bara Harmonis Batang Asam (BHBA)
	PT Berkat Nusantara Permai (BNP)
	PT Bumi Anugerah Semesta (BAS)
	PT Unsoco (PT) [w.e.f August 14, 2018][6]
	PT Dwikarya Sejati Utma (PTDSU) [w.e.f August 14, 2018][6]
	PT Duta Sarana Internusa (PTDSI) [w.e.f August 14, 2018][6]
	PT Barasentosa Lestari (PTBSL) [w.e.f August 14, 2018][6]
	PT Era Mitra Selaras (EMS)
	PT Wahana Rimba (WRL)
	PT Berkat Satria Abadi (BSA)
	PT Kuansing Inti Sejahtera (KIS)
	PT Bungo Bara Makmur (BBM)
	Shanghai Jingguang Energy Co. Ltd (SJECL)
	PT Gems Energy Indonesia (PTGEI)
	GEMS Trading Resources Pte Limited (GEMSCR) (formerly known as GEMS Coal Resources Pte Limited)
	Delhi Aviation Fuel Facility Private Limited (DAFF)
	Laqshya Hyderabad Airport Media Private Limited (Laqshya)
	Megawide GISPL Construction JV (MGCJV)
	Megawide GISPL Construction Joint Venture Inc. (MGCJV INC.)
	Asia Pacific Flight Training Academy Limited (APFT) [till October 09, 2017][1]
	East Delhi Waste Processing Company Private Limited (EDWPCPL)
	GMR Megawide Cebu Airport Corporation (GMCAC)

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

Description of relationship	Name of the related parties
	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)
	GMR Kamalanga Energy Limited (GKEL)
	Delhi Duty Free Services Private Limited (DDFS)
	GMR Energy Limited (GEL)
	GMR Vemagiri Power Generation Limited (GVPGL)
	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)
	GMR Mining and Energy Private Limited (GMEL)
	GMR Consulting Services Limited (GCSL)
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
	GMR Warora Energy Limited (GWEL) (Formerly EMCO Energy Limited (EMCO))
	GMR Gujarat Solar Power Limited (GGSPL)
	Himtal Hydro Power Company Private Limited (HHPPL)
	GMR Upper Karnali Hydro Power Limited (GUKPL)
	GMR Energy (Mauritius) Limited (GEML)
	GMR Lion Energy Limited (GLEL)
	GMR Maharashtra Energy Limited (GMAEL)
	GMR Bundelkhand Energy Private Limited (GBEPL)
	GMR Rajam Solar Power Private Limited (GRSPPL) (formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEPL))
	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)
	GMR Rajahmundry Energy Limited (GREL)
	GMR Chhattisgarh Energy Limited (GCEL)
Enterprises where key managerial personnel or their relatives exercise significant influence (Where transactions have taken place)	Welfare Trust of GMR Infra Employees (GWT)
	GMR Varalaxmi Foundation (GVF)
	GMR Family Fund Trust (GFFT)
	GEOKNO India Private Limited (GEOKNO)
Fellow Subsidiaries (Where transactions have taken place)	Grandhi Enterprises Private Limited (GREPL)
	GMR Airport Global Limited (GAGL)
Key management personnel and their relatives (Where transactions have taken place)	Mr. G.M. Rao (Chairman)
	Mrs. G Varalakshmi (Relative)
	Mr. G.B.S. Raju (Director)
	Mr. Grandhi Kiran Kumar (Managing Director & CEO)
	Mr. Srinivas Bommidala (Director)
	Mr. B.V. Nageswara Rao (Director)
	Mr. Adiseshavataram Cherukupalli (Company Secretary) (Resigned w.e.f. November 14, 2017)
	Mr. Venkat Ramana Tangirala (Company Secretary) (Appointed w.e.f November 15, 2017)

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

Description of relationship	Name of the related parties
	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 Chief Financial Officer) (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. Incorporated and amalgamated with GIML during the year ended March 31, 2018.
3. Subsidiaries incorporated during the year ended March 31, 2019.
4. Joint Ventures incorporated during the year ended March 31, 2019.
5. Cease to be a Subsidiary on account of amalgamation with its holding company, GMR Krishnagiri SIR Limited w.e.f. March 28, 2018.
6. Ceased to be a Subsidiary and became a joint venture w.e.f. August 14, 2018 pursuant to acquisition by PTGEMS, an existing JV.

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

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

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
i) Interest Income - Gross						
2019	-	318.11	5.65	-	-	-
2018	-	350.71	5.44	-	-	-
ii) Construction revenue						
2019	-	26.61	-	-	-	-
2018	-	10.97	-	-	-	-
iii) Dividend income on current investments						
2019	-	0.00	-	-	-	-
2018	-	0.00	-	-	-	-
iv) Other Income						
2019	-	-	-	-	-	-
2018	19.84	0.15	2.22	-	0.02	-
v) Subcontracting expenses						
2019	-	0.06	-	-	-	-
2018	0.06	0.01	-	-	0.53	-
vi) Finance cost						
2019	-	107.37	-	-	-	-
2018	-	65.44	-	-	-	-
vii) Legal and professional fees						
2019	-	8.31	-	-	-	-
2018	-	22.58	-	-	-	-
viii) Lease rental and equipment hire charges						
2019	-	1.75	-	0.12	-	-
2018	-	2.18	-	1.23	-	-
ix) Repairs and maintenance expenses						
2019	-	1.07	-	-	-	-
2018	-	1.63	-	-	-	-
x) Miscellaneous Expenses						
2019	0.00	4.30	-	-	-	0.05
2018	0.00	6.97	-	-	-	0.33
xi) Expenses incurred by GIL on behalf of others- Cross charges during the year						
2019	-	22.85	9.75	-	-	-
2018	-	54.48	14.49	-	-	-
xii) Provision for doubtful debts						
2019	-	-	0.09	-	-	-

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
2018	-	1.11	1.91	-	-	-
xiii) Bad debts written off						
2019	-	6.22	-	-	-	-
2018	-	-	-	-	-	-
xiv) Provision for doubtful debts, (written back)						
2019	-	-	-	-	-	-
2018	-	3.89	-	-	-	-
xv) Provision / write off for impairment of investments at amortised cost / doubtful loans and advances						
2019	-	475.96	-	-	-	-
2018	-	94.17	-	-	-	-
xvi) Security deposit refunded / adjusted						
2019	-	-	-	-	-	-
2018	-	1.25	-	-	-	-
xvii) Purchase of property, plant and equivalent						
2019	-	-	-	-	-	-
2018	0.71	-	-	-	-	-
xviii) Investment in equity shares of						
2019	-	-	-	-	-	-
2018	-	148.05	-	-	-	-
xix) Sale proceeds from investment in equity shares of						
2019	-	236.48	-	-	-	-
2018	-	-	-	-	-	-
xx) Buy back of shares by						
2019	-	1,623.37	-	-	-	-
2018	-	-	-	-	-	-
xxi) Investment in debentures of						
2019	-	2,060.00	-	-	-	-
2018	-	-	-	-	-	-
xxii) Redemption of debentures of						
2019	-	-	-	-	-	-
2018	-	336.55	-	-	-	-

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
xxiii) Loans given to						
2019	-	2,022.54	-	-	-	-
2018	-	2,916.06	-	-	-	-
xxiv) Loans repaid by						
2019	-	2,009.74	-	-	-	-
2018	-	2,456.04	-	-	-	-
xxv) Loans received from						
2019	-	692.47	-	-	-	-
2018	-	1,223.90	-	-	-	-
xxvi) Loans repaid to						
2019	-	394.80	-	-	-	-
2018	0.07	361.23	-	-	-	-
xxvii) Loans (receivable) novated to						
2019	-	-	-	-	-	-
2018	-	317.86	-	-	-	-
xxviii) Loans and interest (payable) adjusted against						
2019	-	-	-	-	-	-
2018	-	317.86	-	-	-	-
xxix) Equity recouped on account of early conversion/ modification of preference shares/ debentures/ loans						
2019	-	-	-	-	-	-
2018	-	38.88	-	-	-	-
xxx) Additional equity on account of financial guarantees						
2019	-	7.91	-	-	-	-
2018	-	27.06	-	-	-	-
xxxi) Conversion of 4,450,000 8% non-cumulative redeemable preference shares of ₹ 100 each to 4,450,000 0.01% compulsorily convertible non-cumulative preference shares of ₹ 100 each						
2019	-	-	-	-	-	-
2018	-	44.50	-	-	-	-

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
xxxii) Conversion of 2,192,500 6% non-cumulative redeemable preference shares of ₹ 100 each to 2,192,500 0.01% compulsorily convertible non-cumulative preference shares of ₹100 each						
2019	-	-	-	-	-	-
2018	-	21.93	-	-	-	-
xxxiii) Conversion of 249,000,000 0% unsecured compulsorily convertible debentures of ₹ 10 each to 249,000,000 0% unsecured optionally convertible debentures of ₹ 10 each						
2019	-	-	-	-	-	-
2018	-	249.00	-	-	-	-
xxxiv) Conversion of 12,900 12.25% unsecured optionally convertible cumulative debentures of ₹ 100,000 each to 12,900 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each						
2019	-	-	-	-	-	-
2018	-	129.00	-	-	-	-
xxxv) Conversion of 926 12% unsecured optionally convertible cumulative debentures of ₹ 100,000 each to 926 0% unsecured compulsorily convertible cumulative debentures of ₹ 100,000 each						
2019	-	-	-	-	-	-
2018	-	9.26	-	-	-	-
xxxvi) Advance received from customers						
2019	-	555.03	-	-	-	-
2018	-	5.67	5.44	-	-	-
xxxvii) Advance repaid/ adjusted to customers						
2019	-	0.02	-	-	-	-
2018	-	9.04	1.21	-	-	-
xxxviii) Non-trade payables repaid/ adjusted to customers						
2019	-	-	-	-	-	-
2018	10.26	-	-	-	-	-
xxxix) Corporate Guarantees/ Comfort Letters given on behalf of						

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
2019	-	2,200.00	-	-	-	-
2018	-	2,181.60	-	-	-	-
xl) Corporate Guarantees/ Comfort Letters extinguished on behalf of						
2019	-	-	-	-	-	-
2018	-	1,001.44	150.00	-	-	-
xli) Expenses include the following remuneration to the Key Management Personnel						
- Short-term employee benefits						
2019	-	-	-	-	-	2.68
2018	-	-	-	-	-	3.82
- Sitting fees paid to independent directors						
2019	-	-	-	-	-	0.28
2018	-	-	-	-	-	0.23
- Other benefit s[e]						
2019	-	-	-	-	-	-
2018	-	-	-	-	-	-
xlii) Net (loss)/gain on FVTOCI of equity securities						
2019	-	5,599.06	24.22	-	-	-
2018	-	3113.49	215.35	-	-	-
xliii) Outstanding balances as at the year ended						
a) Loans receivable – Non-Current						
2019	-	1,599.45	-	-	-	-
2018	-	2,230.22	-	-	-	-
Loans receivables - credit impaired						
2019	-	260.99	-	-	-	-
2018	-	45.41	-	-	-	-
b) Loans receivable – Current						
2019	-	294.20	-	-	-	-
2018	-	116.21	-	-	-	-
c) Cross Charge Receivable						
2019	-	26.97	28.93	-	0.04	-
2018	0.13	28.42	35.40	-	0.05	-

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
d) Advances other than capital advances						
2019	-	0.01	-	-	0.30	-
2018	-	0.08	-	-	0.28	-
e) Security deposits receivable - Non current						
2019	-	0.32	-	-	-	-
2018	-	0.32	-	-	-	-
f) Security deposits receivable - Current						
2019	-	-	-	-	0.53	-
2018	-	-	-	-	0.53	-
g) Trade receivables- Non Current						
2019	-	-	-	-	-	-
2018	-	2.90	-	-	-	-
Provision for doubtful receivables:						
2019	-	-	-	-	-	-
2018	-	0.64	-	-	-	-
h) Trade receivables- Current						
2019	-	0.55	1.40	-	-	-
2018	6.52	1.74	1.40	-	-	-
Provision for doubtful receivables:						
2019	-	-	0.49	-	-	-
2018	-	0.05	0.42	-	-	-
i) Other financial asset receivable						
2019	-	402.00	-	-	-	-
2018	-	-	-	-	-	-
j) Unbilled revenue - Current						
2019	-	0.41	-	-	-	-
2018	-	5.43	-	-	-	-
Provision for doubtful receivables:						
2019	-	-	-	-	-	-
2018	-	1.09	-	-	-	-
k) Interest accrued on loans and debentures						
2019	-	221.07	-	-	-	-
2018	-	161.72	-	-	-	-
l) Loans payables - Non Current						
2019	-	395.86	-	-	-	-
2018	-	259.74	-	-	-	-

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

(₹ in crore)

Nature of Transaction	Holding Company	Subsidiary Companies	Associates/ Joint Ventures	Fellow subsidiary Companies	Enterprise where key managerial personnel or their relatives exercise significant influence	Key Management Personnel and their Relatives
m) Loans payables – Current						
2019	-	649.83	-	-	-	-
2018	-	486.79	-	-	-	-
n) Trade payables - Current						
2019	0.01	11.28	0.02	-	0.27	0.02
2018	-	19.07	-	-	0.25	0.22
o) Accrued interest but not due on borrowings						
2019	-	21.45	-	-	-	-
2018	-	12.37	-	-	-	-
p) Non Trade payables - Current						
2019	-	-	3.39	-	-	-
2018	-	-	3.39	-	-	-
q) Advance from customers - Current						
2019	-	5.69	9.78	-	0.00	-
2018	-	5.68	9.78	-	0.00	-
r) Advance from customers - Non Current						
2019	-	555.00	-	-	-	-
2018	-	-	-	-	-	-
s) Liability towards losses of subsidiaries						
2019	-	5.13	-	-	-	-
2018	-	-	-	-	-	-
t) Corporate Guarantees/ Comfort Letters sanctioned on behalf of						
2019	-	13,177.58	10,029.05	-	-	-
2018	-	11,101.61	9,633.45	-	-	-
u) Bank Guarantee outstanding on behalf of						
2019	-	45.66	-	-	1.30	-
2018	-	45.66	-	-	1.30	-

Notes

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

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

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

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

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

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

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

35. Gratuity and other post-employment benefit plans

a) Defined contribution plan

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Provident and pension fund	2.16	3.14
Superannuation fund	0.61	1.10
Total*	**2.78**	**4.24**

* Gross of ₹ 0.51 crore (March 31, 2018: ₹ 0.97 crore) towards contribution to provident fund and ₹ 0.26 crore (March 31, 2018: ₹0.58 crore) towards contribution to superannuation fund cross charged to certain subsidiaries.

b) Defined benefit 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 standalone statement of profit or loss and the funded status and amounts recognised in the standalone balance sheet for gratuity benefit.

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Current service cost	0.61	0.98
Past service cost - plan amendments	-	0.41
Net interest cost on defined benefit obligations/ (assets)	0.08	0.18
Net benefit expenses*	**0.70**	**1.57**

* Gross of ₹ 0.42 crore (March 31, 2018: 0.65 crore) cross charged to certain subsidiaries.

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(0.24)	(0.39)
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	-	(0.09)
Actuarial (gain)/ loss arising during the year	**(0.24)**	**(0.48)**
Return on plan assets (greater)/ less than discount rate	0.04	(0.01)
Actuarial (gain)/ loss recognised in OCI	**(0.21)**	(0.49)

iii. Net defined benefit asset/ (liability)

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	(2.94)	(2.58)
Fair value of plan assets	1.21	1.55
Plan (liability)/ asset	**(1.73)**	**(1.03)**

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

iv. 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	2.58	4.12
Current service cost	0.61	0.98
Interest cost on the defined benefit obligation	0.18	0.26
Past service cost- plan amendments	-	0.41
Benefits paid	(0.37)	(0.95)
Acquisition adjustment	0.18	(1.76)
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(0.24)	(0.39)
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	-	(0.09)
Closing defined benefit obligation	**2.94**	**2.58**

v. 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	1.55	0.75
Interest income on plan assets	0.10	0.08
Contributions by employer	0.03	3.41
Benefits paid	(0.37)	(0.95)
Return on plan assets (lesser)/ greater than discount rate	(0.04)	0.01
Acquisition adjustment	(0.06)	(1.75)
Closing fair value of plan assets	**1.21**	**1.55**

The Company expects to contribute ₹ 0.60 crore (March 31, 2018: ₹ 3.41 crore) towards gratuity fund in 2019-20.

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

Particulars	March 31, 2019
March 31, 2020	0.60
March 31, 2021	0.32
March 31, 2022	0.29
March 31, 2023	0.28
March 31, 2024	0.33
March 31, 2025 to March 31, 2029	3.61

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2018: 10 years).

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

Particulars	March 31, 2019	March 31, 2018
Investments with insurer	100%	100%

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

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

Particulars	March 31, 2019	March 31, 2018
Discount rate (in %)	7.60%	7.60%
Salary escalation (in %)	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality rate	Refer Note 4 below	Refer Note 4 below

Notes:

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

   The Gratuity scheme is a 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.

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Discount rate		
Impact on defined benefit obligation due to 1% increase in discount rate	(0.19)	(0.16)
Impact on defined benefit obligation due to 1% decrease in discount rate	0.22	0.19
Salary escalation rate		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	0.21	0.18
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(0.19)	(0.16)
Attrition Rate		
Impact on defined benefit obligation due to 1% increase in attrition rate [₹ 14,852 {March 31, 2018: ₹ (47,919)}]	0.00	(0.00)
Impact on defined benefit obligation due to 1% decrease in attrition rate [₹ (43,753) {March 31, 2018: ₹ 24,696}]	(0.00)	0.00

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.

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

36. Disclosure in terms of Ind AS 115 - Revenue from Contracts with Customers

(a) Contract Balances: (₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Receivables:		
- Non Current (Gross)	113.82	77.09
- Current (Gross)	397.52	62.53
- Provision for impairment loss (non current)	(25.18)	(10.35)
- Provision for impairment loss (current)	(2.79)	(12.19)
Contract assets:		
Unbilled revenue		
- Non Current	37.36	53.63
- Current	343.51	457.67
- Provision for impairment loss (non current)	-	(1.09)
Contract Liabilities		
Advance received from customers		
- Non Current	563.85	33.61
- Current	246.81	224.27

(b) Increase/ Decrease in net contract balances is primarily due:

i) The movement in receivables and in contract assets is on account of invoicing.

ii) The significant increase in contract liabilities in 2018-19 is mainly due to ₹ 555.00 crore advances received from customers during the year.

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

d) Reconciliation of contracted price with revenue during the year - (₹ in crore)

Opening contracted price of orders as at April 1, 2018	**5,320.79**
Add:	
Fresh orders /change orders received (net)	2,095.90
Increase due to additional consideration recognised as per contractual terms	179.80
Less:	
Orders completed during the year	-
Closing contracted price of orders as at March 31, 2019	**7,596.49**
Total Revenue recognised during the year	763.04
Revenue recognised upto previous year (from orders pending completion at the end of the year)	3,029.30
Balance revenue to be recognised in future	**3,804.15**

37 Commitments and contingencies

I Leases

Operating lease: Company as lessee

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

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Lease rentals under cancellable leases [net of ₹ 2.27 crore (March 31, 2018 ₹ 5.27 crore) cross charged to certain subsidiaries, associates and joint ventures]	41.59	40.44

II Contingencies

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

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

(₹ in crore)

Particulars of guarantees	As at	
	March 31, 2019	March 31, 2018
Corporate guarantees availed by the group companies		
(a) sanctioned	19,986.52	19,469.70
(b) outstanding	12,829.71	13,556.69
Bank guarantees		
(a) sanctioned	852.61	912.61
(b) outstanding	792.48	854.04
Letter of comfort provided on behalf of group companies to banks		
(a) sanctioned	1,629.00	1,629.00
(b) outstanding	1,327.86	1,018.10

In addition to above table, followings are the additional contingent liabilities.

1. During the year ended March 31, 2013, the Company and its subsidiaries had divested their 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.

2. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Company has evaluated the same for provision on a prospective basis from the date of the SC order and is of the view that no such provision is required. The Company will update its provision, on receiving further clarity on the subject.

Litigations

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

(₹ in crore)

Other disputes	As at	
	March 31, 2019	March 31, 2018
Matters relating to indirect taxes under dispute	48.02	47.85
Matters relating to direct taxes under dispute[1,2]	244.32	244.32
Claims against the company not acknowledged as debts	8.37	8.37

Income Tax

1 The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Company as deductions and the computation of, or eligibility of the Company's use of certain tax incentives or allowances, transfer pricing adjustments for related parties transactions etc.

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

Most of these disputes and/or dis-allowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

2 Further, aforesaid balance includes demand pertaining to a search under Section 132 of the Income Tax Act, 1961 ('IT Act') which was carried out at the premises of the Company by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates thereafter during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The Income Tax Department has subsequently sought certain information / clarifications and block assessment had been completed for certain years and the Company had received orders/ demand under Section 143(3) r.w.s.153A of the IT Act from the Income Tax Authorities in respect to Assessment Years ('AY') 2007-08 to 2013-14. Further, during the year ended March 31, 2018, the Company had received orders/ demand amounting to ₹ 75.54 crore under Section 143(3) r.w.s.144C of IT Act from the Income Tax Authorities in respect to Assessment year 2014-15 and 2015-16. The management of the Company has filed the appeals against the above orders and believes that these demands are not tenable and it has complied with all the applicable provisions of the IT Act with respect to its operations. The above amount has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

III Commitments

a. Capital commitments (₹ in crore)

Particulars	As at	
	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	12.28	59.28

b. Other commitments

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

Nature of relationship	Outstanding commitment for financial assistance	
	March 31, 2019	March 31, 2018
Subsidiaries	3,708.50	1,096.31
Joint Ventures / Associates	375.36	375.36
Total	**4,083.86**	**1,471.67**

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

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

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

5 For commitment relating to FCCBs and OCD's to Doosan [refer note 16 (3) and 16 (2)].

38. Disclosures on Financial instruments

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

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

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

(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.

As at March 31, 2019 (₹ in crore)

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value	Total Fair Value
Financial assets					
(i) Investments	18,205.41	0.01	213.62	18,419.04	18,419.04
(ii) Loans	-	-	1,949.69	1,949.69	1,949.69
(iii) Trade receivables	-	-	483.37	483.37	483.37
(iv) Cash and cash equivalents	-	-	18.00	18.00	18.00
(v) Bank balances other than cash and cash equivalents	-	-	6.57	6.57	6.57
(vi) Other financial assets	-	-	1,102.41	1,102.41	1,102.41
Total	**18,205.41**	**0.01**	**3,773.66**	**21,979.08**	**21,979.08**
Financial liabilities					
(i) Borrowings	-	-	7,246.47	7,246.47	7,246.47
(ii) Trade payables	-	-	497.22	497.22	497.22
(iii) Other financial liabilities	-	-	1,492.88	1,492.88	1,492.88
(iv) Financial guarantee contracts	-	-	105.29	105.29	105.29
Total	**-**	**-**	**9,341.86**	**9,341.86**	**9,341.86**

As at March 31, 2018 (₹ in crore)

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value	Total fair value
Financial assets					
(i) Investments	22,436.97	26.60	186.28	22,649.85	22,649.85
(ii) Loans	-	-	2,410.92	2,410.92	2,410.92
(iii) Trade receivables	-	-	117.08	117.08	117.08
(iv) Cash and cash equivalents	-	-	76.15	76.15	76.15
(v) Bank balances other than cash and cash equivalents	-	-	16.53	16.53	16.53
(vi) Other financial assets	-	-	826.30	826.30	826.30
Total	**22,436.97**	**26.60**	**3,633.26**	**26,096.83**	**26,096.83**
Financial liabilities					
(i) Borrowings	-	-	6,774.59	6,774.59	6,774.59
(ii) Trade payables	-	-	333.48	333.48	333.48

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

(₹ in crore)

Particulars		Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value	Total Fair Value
(iii)	Foreign exchange forward contracts (derivative instrument not in hedging relationship)	-	0.31	-	0.31	0.31
(iv)	Other financial liabilities	-	-	77.46	77.46	77.46
(v)	Financial guarantee contracts	-	-	112.56	112.56	112.56
Total		**-**	**0.31**	**7,298.09**	**7,298.40**	**7,298.40**

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

(b) Fair value hierarchy

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

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

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

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

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2019				
Financial assets				
Investment in mutual funds	0.01	0.01	-	-
Investments in subsidiaries, associates and joint ventures	18,205.41	-	-	18,205.41
Financial liabilities				
Foreign exchange forward contracts	-	-	-	-
March 31, 2018				
Financial assets				
Investment in mutual funds	26.60	26.60	-	-
Investments in subsidiaries, associates and joint ventures	22,436.97	-	-	22,436.97
Financial liabilities				
Foreign exchange forward contracts	0.31	-	0.31	-

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

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

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

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

(iv) The fair values of the unquoted equity shares have been estimated using a DCF model except in case of fair value of investment in SEZ sector which has determined based on available data for similar immovable property/ investment or observable market prices less incremental cost for disposing of the immovable property/ investments. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

(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.

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

(vii) Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets: (₹ in crore)

Particulars	Total
As at 1 April 2017	**25,674.24**
Purchases	148.05
Additional equity recognised for financial guarantees	27.06
Other Adjustments	(83.54)
Re-measurement recognised in OCI	(3,328.84)
As at 1 April 2018	**22,436.97**
Purchases	**2,060.00**
Additional equity recognised for financial guarantees	7.91
Acquisition of equity shares (refer note: 18)	1,190.18
Other Adjustments	(6.52)
Sales / redemption	(1,859.85)
Re-measurement recognised in OCI	**(5,623.28)**
As at 31 March 2019	**18,205.41**

(viii) The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2019 and 31 March 2018 are as shown below:

Description of significant unobservable inputs to valuation:

Sector wise unquoted equity Securities	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF method	Discounting rate (Cost of Equity)	**31st March 2019:** 8.5% to 21.00% **31st March 2018:** 9.0% to 20.20%	1% increase in the discounting rate will have a significant adverse impact on the fair value of equity investments.

(c) Financial risk management objectives and policies

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

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

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

i) Market risk

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

(a) Market risk- Interest rate risk

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

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

Interest rate sensitivity

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

(₹ in crore)

Particulars	Increase in basis points	Effect on profit before tax
March 31, 2019		
INR	+50	(15.43)
March 31, 2018		
INR	+50	(14.93)

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

(b) Market risk- Foreign currency risk

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

At March 31, 2018, the Company hedged its interest of $22.50 mn on FCCB. This foreign currency risk was hedged by using foreign currency forward contracts. No such hedge contract entered for the year ended March 31, 2019.

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

(₹ in crore)

Particulars	Currency	Amount in foreign currency	Amount
Borrowings	USD	30.00	2,074.65
		(30.00)	(1,960.20)
Trade Payables	USD	0.01	0.53
		(0.03)	(1.96)
Other financial liabilities	USD	2.99	206.89
		-	-
Loans	USD	-	-
		(4.57)	(298.65)
Trade Receivables	USD	0.01	0.69
		(0.02)	(1.31)
Other financial assets	USD	-	-
		(0.23)	(14.92)

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

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

Foreign currency sensitivity

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

(₹ in crore)

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2019	5%	(103.73)
March 31, 2018	5%	(83.08)

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2019 and March 31, 2018 excluding trade payables, trade receivables, other non-derivative and derivative financial instruments not forming part of debt and which do not present a material exposure. The period end balances are not necessarily representative of the average debt outstanding during the period.

ii) Credit risk

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

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 21,979.08 crore and ₹ 26,096.83 crore as at March 31, 2019 and March 31, 2018 respectively, being the total carrying value of investments, loans, trade receivables, balances with bank, bank deposits and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company does not hold collateral as security. Further, the top 5 customers of the Company in the EPC segment contributes to more than 90% of the trade receivables during the year ended March 31, 2019 and March 31, 2018.

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

With respect to the investing activities of the Company, it has a risk management framework that monitors the sectors of the entities in which the Company has investments and evaluates whether the sectors operate within the defined risk appetite and risk tolerance levels as defined by the senior management. The credit risk function evaluates its investments based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable appropriate valuation of investments.

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Opening balance*	23.63	29.01
Amount provided/ (reversed) during the year	4.34	(5.38)
Closing provision*	27.97	23.63

* Pertains to provision for doubtful receivables and unbilled revenue.

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

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

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

iii) Liquidity risk

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

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors, etc. Pursuant to aforesaid objective, the Company has entered into binding term sheet with investors, as detailed in note 5(2)

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(₹ in crore)

Particulars	0-1 years	1 to 5 years	> 5 years	Total
March 31, 2019				
Borrowings	1,988.02	2,804.88	2,590.46	7,383.36
Other financial liabilities	1,492.88	-	-	1,492.88
Trade payables	497.22	-	-	497.22
	3,978.12	**2,804.88**	**2,590.46**	**9,373.46**
March 31, 2018				
Borrowings	1,604.20	2,546.45	2,730.74	6,881.39
Other financial liabilities	77.77	-	-	77.77
Trade payables	333.48	-	-	333.48
	2,015.45	**2,546.45**	**2,730.74**	**7,292.64**

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 37.

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

39. Capital management

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

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

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with (refer note 2.1).

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

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Borrowings (refer note 16)	7,246.47	6,774.59
Less: Cash and cash equivalents (refer note 13)	18.00	76.15
Total debts (A)	**7,228.47**	**6,698.44**
Capital components		
Equity share capital	603.59	603.59
Other equity	11,097.56	16,510.26
Total Capital (B)	**11,701.15**	**17,113.85**
Capital and borrowings C= (A+B)	**18,929.62**	**23,812.29**
Gearing ratio (%) D=(A/C)	**38.19%**	**28.13%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

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

(₹ in crore)

Name of the entity	Amount outstanding as at		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent Company
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Loans given/ debentures subscribed^					
- GMRHL[1]	36.98	58.21	58.21	304.55	Nil
- GKSIR[1]	54.45	58.83	62.67	76.41	Nil
- GCAPL[1]	-	-	-	39.35	Nil
- GSPHL[1]	34.74	2.89	35.02	132.31	Nil
- DSPL[1]	88.03	-	308.75	123.17	Nil
- GIML[1]	-	267.29	313.13	407.97	Nil
- KSL[1]	1,014.07	979.68	1,014.07	1,357.14	Nil
- GGAL[1]	211.62	103.99	386.62	303.45	Nil
- GBPSPL[1]	18.95	18.95	18.95	18.95	Nil
- RSSL[1]	9.16	45.47	50.02	49.43	Nil
- SJK[1]	436.88	388.53	436.88	388.64	Nil
- GETL[1]	-	-	-	58.00	Nil
- GIOL[1]	-	31.36	58.88	31.36	Nil
- GASL[1]	152.54	85.16	383.20	424.82	Nil
- GAL[1]	-	330.43	330.43	430.00	Nil
- GSISL[1]	76.20	-	76.20	-	Nil
- GIDL[2]	2,060.00	-	2,060.00	-	Nil

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

(₹ in crore)

Name of the entity	Amount outstanding as at		Maximum amount outstanding during the year ended		Investment by loanee in the shares of the parent Company
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
- GKSIR[2]	14.20	14.20	14.20	96.25	Nil
- GSPHL[2]	259.46	259.46	259.46	513.96	Nil
- DPPL[2]	0.99	0.86	0.99	0.86	Nil

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

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

5. The balances are disclosed on gross basis i.e. excluding provision for doubtful loans.

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

S. No.	Name of the entity	Relationship		Ownership interest		Date of Incorporation	Country of Incorporation/ Place of business
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018		
1	GEL	Joint venture	Joint venture	29.31%	14.89%	10-Oct-96	India
2	GBHPL	Joint venture	Joint venture	0.98%	0.98%	17-Feb-06	India
3	GEML	Joint venture	Joint venture	5.00%	5.00%	27-Feb-08	Mauritius
4	GETL	Subsidiary	Subsidiary	67.86%	67.86%	29-Jan-08	India
5	GGAL	Subsidiary	Subsidiary	99.99%	99.99%	03-Dec-10	India
6	GPIL	Subsidiary	Subsidiary	49.98%	49.98%	25-Feb-11	India
7	GACEPL	Subsidiary	Subsidiary	48.35%	48.35%	14-Jul-05	India
8	GPEL	Subsidiary	Subsidiary	1.50%	1.50%	18-Oct-05	India
9	GMRHL	Subsidiary	Subsidiary	90.26%	90.26%	03-Feb-06	India
10	GHVEPL	Subsidiary	Subsidiary	41.00%	41.00%	11-Jun-09	India
11	GCORRPL	Subsidiary	Subsidiary	41.00%	41.00%	21-Jul-09	India
12	GKUAEL	Subsidiary	Subsidiary	-	3.61%	24-Nov-11	India
13	GFIAL	Subsidiary	Subsidiary	86.49%	86.49%	12-Jan-05	India
14	GASL	Subsidiary	Subsidiary	100.00%	100.00%	18-Jul-07	India
15	DIAL [200 Equity shares (March 31, 2018 - 200 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	01-Mar-06	India
16	GIDL	Subsidiary	Subsidiary	99.99%	99.99%	28-Mar-17	India
17	GAL	Subsidiary	Subsidiary	76.69%	100.00%	06-Feb-92	India
18	GAPL	Subsidiary	Subsidiary	100.00%	100.00%	22-Dec-06	India
19	GKSIR	Subsidiary	Subsidiary	100.00%	100.00%	24-Sep-07	India
20	GSPHL	Subsidiary	Subsidiary	100.00%	100.00%	28-Mar-08	India
21	GCAPL	Subsidiary	Subsidiary	100.00%	100.00%	22-Dec-06	India

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

S. No.	Name of the entity	Relationship		Ownership interest		Date of Incorporation	Country of Incorporation/ Place of business
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018		
22	DSPL	Subsidiary	Subsidiary	100.00%	100.00%	24-Jul-07	India
23	GIML	Subsidiary	Subsidiary	100.00%	100.00%	18-Dec-07	Mauritius
24	GIOL	Subsidiary	Subsidiary	100.00%	100.00%	23-Jun-10	Mauritius
25	GMCAC	Joint venture	Joint venture	-	1.74%	13-Jan-14	Philippines
26	GCRPL [30,000 Equity shares (March 31, 2018 - 30,000 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	04-Jun-10	Singapore
27	GHIAL [1,000 Equity shares (March 31, 2018 - 1,000 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	17-Dec-02	India
28	GMIAL [154 Equity shares (March 31, 2018 - 154 Equity shares)]	Subsidiary	Subsidiary	0.00%	0.00%	09-Aug-10	Maldives

Note:-

1. Disclosure of financial data as per Ind AS – 112 'Disclosure of Interests in Other Entities' has been done based on the audited financial statements for the respective years.
2. The above disclosure made do not include step down subsidiaries, joint ventures and associates and are with respect to subsidiaries, joint ventures and associates existing as at March 31, 2019.
3. The above ownership includes assets held for sale

42. Standards issued but not yet effective

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

i) 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 April 1, 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 current accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company intends to adopt these standards from April 01, 2019. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its financial statements.

ii) 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 profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company 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.

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 Company does not expect any significant impact of the amendment on its financial statements.

iii) 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 Company does not expect this amendment to have any impact on its financial statements.

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

iv) Ind AS 19 – Plan Amendment, Curtailment or Settlement:

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 Company does not expect this amendment to have any impact on its financial statements.

v) 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 Company does not expect any impact from this amendment.

43. Hedging activities and derivatives

Derivatives not designated as hedging instruments

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

(₹ in Crore)

Particulars	March 31, 2019	March 31, 2018
Fair value of foreign currency forward contracts not designated as hedging instruments	-	0.31

44. The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2019, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

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

46. Ministry of Corporate Affairs 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.

47. The Company is primarily engaged in the business of handling EPC solutions in infrastructure sector and investment activity and corporate support to various infrastructure Special Purpose Vehicles (SPV). In accordance with Ind AS 108 "Operating Segments", the Company has presented segment information on the basis of its consolidated financial statements.

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

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

As per our report of even date

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: New Delhi
Date: 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