Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of GMR Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint ventures, as at 31 March 2020, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As stated in note 8b(13)(ii) to the accompanying consolidated financial statement for the year ended 31 March 2020, the Group has an investment amounting to ₹ 1,897.63 crore in GMR Energy Limited ('GEL'), a joint venture company and outstanding loan amounting to ₹ 212.66 crore, recoverable from GEL as at 31 March 2020. Further, the Holding Company has an investment in GMR Generation Assets Limited ('GGAL'), a subsidiary of the Holding Company. GEL has further invested in GMR Vemagiri Power Generation Limited ('GVPGL'), and GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL'), both subsidiaries of GEL and in GMR Kamalanga Energy Limited ('GKEL'), joint venture of GEL. GGAL has further invested in GMR Rajahmundry Energy Limited ('GREL'), an associate company of GGAL.

   As mentioned in note 8b(13)(iv), GVPGL and GREL have ceased operations due to continued unavailability of adequate supply of natural gas and other factors mentioned in the said note, and have been incurring significant losses, including cash losses with consequential erosion of their respective net worth. Further, GREL has entered into a resolution plan with its lenders to restructure its debt obligations during the year ended 31 March 2019. The Holding Company has given certain corporate guarantees for the loans including Cumulative Redeemable Preference Shares ('CRPS') outstanding in GREL amounting to ₹ 2,068.50 crores.

   The carrying value of the investment of the Group in GEL, to the extent of amount invested in GVPGL, and the Holding Company's obligations towards the corporate guarantees given for GREL are significantly dependent on the achievement of key assumptions considered in the valuation performed by the external expert particularly with respect to availability of natural gas, future tariff of power generated and realization of claims for losses incurred in earlier periods from the customer as detailed in the aforementioned note. The Group has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts.

   As mentioned in note 8b(13)(viii), the proposed sale of equity stake by management of GEL in GKEL during the year ended 31 March 2020 has been put on hold by the buyer subsequent to the year end. The management continues to account the investment in GKEL based on the valuation performed by an external expert using the discounted future cash flows method which is significantly dependent on the achievement of certain assumptions considered in aforementioned valuation including the uncertainty and the final outcome of the litigations as regards claims against GKEL.

   Further, as mentioned in note 8b(13)(vi), GBHPL has stopped the construction of the 300 MW hydro based power plant on Alaknanda river, Uttarakhand, since May 07, 2014 on directions of Hon'ble Supreme Court of India ('the Supreme Court'). The carrying value of the investments in GBHPL is significantly dependent on obtaining requisite approvals from Supreme court, environmental clearances, availability of funding support and achievements of the key assumptions made in the valuation assessment done by an external expert.

   Accordingly, owing to the aforementioned uncertainties, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the non-current investment, and further provisions, if any, required to be made for the said obligations, and the consequential impact on the accompanying Consolidated Financial Statement for the year ended 31 March 2020.

   The opinion expressed by the predecessor auditor, in their audit report dated 29 May 2019, for the year ended 31 March 2019, was also qualified with respect to the matters pertaining to GVPGL and GREL.

   The above matter pertaining to GVPGL and investment in GKEL and GBHPL have been reported as a qualification in the audit report dated 18 June 2020 and 18 June 2020 issued by other firms of chartered accountants, on the standalone financial statement of GVPGL and GEL respectively and the matters described above for GREL have been covered as an emphasis of matter in the audit report dated 19 May 2020 issued by another firm of chartered accountants on the standalone financial statement of GREL. Further, considering the erosion of net worth and net liability position of GKEL, GVGPL and GREL, we, in the capacity of auditors of GKEL and the respective auditors of GVGPL and GREL have also given a separate section on material uncertainty related to going concern in the auditor's reports on the respective standalone financial statements of aforesaid companies for the year ended 31 March 2020.

4. As detailed in note 45(xi) to the accompanying consolidated financial statement for the year ended 31 March 2020, the Group had acquired the Class A Compulsory Convertible Preference Shares ('CCPS') of GMR Airport Limited ('GAL'), a subsidiary of the Holding Company, for an additional consideration of ₹ 3,560.00 crores from Private Equity Investors as per the settlement agreement entered during the year ended 31 March 2019. The said CCPS were converted into equity shares of an equivalent amount as per the investor agreements. The aforesaid additional settlement consideration of ₹ 3,560.00 crores paid to Private Equity Investors has been considered as recoverable and recognised as Other financial assets upto the end of the previous year ended 31 March 2019, based on proposed sale of such equity shares to the proposed investors, as detailed in note 45(xvii) to the consolidated financial statements. The sale of such equity shares has been completed in the year ended 31 March 2020 and consequently the management has recorded the aforesaid transaction in the year ended 31 March 2020 instead of restating the balances as at 31 March 2019 in accordance with the requirements of relevant accounting standards. Had the management accounted for the aforesaid transaction in the correct period, the 'Other equity' as at 31 March 2019 would have been lower by ₹ 3,560.00 crores, and 'Other financial assets' as at 31 March 2019 would have been lower by ₹ 3,560.00 crores with a consequential impact on segment assets of the Airport sector as at 31 March 2019.

   The opinion expressed by the predecessor auditor in their audit report dated 29 May 2019 for the year ended 31 March 2019 was also qualified in respect of this matter.

5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 21 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

6. We draw attention to note 54 of the accompanying consolidated financial statement for the year ended 31 March 2020, which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial statements of the Group as at the balance sheet date. Our opinion is not modified in respect of this matter.

7. We draw attention to note 36 to the accompanying consolidated financial statement for the year ended 31 March 2020, which describes the uncertainty related to the outcome of a tax assessment from Maldives Inland Revenue Authority ('MIRA') on business profit tax. As per the statement issued by MIRA dated 1st June 2020, GMR Male International Airport Private Limited ('GMIAL') has to settle business profit tax amounting to USD 0.72 crore and fines on business profit tax amounted to USD 0.58 crore. As per the letter dated 22 January 2020 issued by "the Ministry of Finance Male, Republic of Maldives, the amount of tax assessed by the MIRA relating to the final arbitration award is only USD 0.58 crore and this amount should be paid by whom the payment was settled to GMIAL in the event of any tax payable by GMIAL. Further the letter also confirms that GMIAL is not liable to pay for the taxes assessed by MIRA on the arbitration sum and the Government of Maldives have initiated communication with MIRA to settle the taxes and fines payable on the arbitration award". Accordingly, the ultimate outcome of the business tax assessment sent by the MIRA cannot be determined and hence, the effect on the financial statements is uncertain. Accordingly, the Group has not made any provision in these financial statements. Our opinion is not modified in respect of this matter.

   The above matter has also been reported as an emphasis of matter in the audit report dated 18 June 2020 issued by other firm of chartered accountants on the standalone financial statements of GMIAL for the year ended 31 December 2019.

8. We draw attention to note 45(xvii) to the accompanying consolidated financial statement for the year ended 31 March 2020, with respect to completion of sale of 49% stake by the Group in GAL to Aerport De Paris SA on 7 July 2020 with certain modifications to the earlier signed share subscription and share purchase agreement, the details of which are described in aforesaid note. Our opinion is not modified in respect of this matter.

Key Audit Matters

9. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

10. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">1. Assessment of going concern basis (refer note 1.1 to the accompanying consolidated financial statements)</td></tr>
<tr><td>The Group has incurred loss before tax amounting to ₹ 2,283.41 crores for the year ended 31 March 2020 and its current liabilities exceeds its current assets by ₹ 4,212.44 crores as at 31 March 2020 with a consequent lower credit rating of some of its borrowings. Further, as disclosed in note 19, 20 and 23 the Group has financial liabilities of ₹ 14,192.00 crores to be settled within one year from March 31, 2020.

While the above factors indicated a need to assess the Group's ability to continue as a going concern, as mentioned in aforesaid note, the Group has taken into consideration the following mitigating factors in its assessment for going concern basis of accounting.

• Stake sales in certain subsidiaries in the airport sector to the extent of 49% to Airports de Paris (ADP). The first tranche of ₹ 5,248.00 crore for 24.99% shares of GAL (primarily through buyout of GMR Infra Services Limited (GISL) via primary infusion of equity) had been completed on February 24, 2020. The amount of ₹ 4,565.00 crores towards second and final tranche payment from ADP has been received subsequent to year end (also refer note 45(vii) to the accompanying consolidated financial statements).

• Sale of certain power entities including GMR Chhattisgarh Energy Limited and reducing debt obligation of the Group

• Additional funds raised at lower rates in airport entities

Management has prepared future cash flow forecasts taking into cognizance the above developments and performed sensitivity analysis of the key assumptions used therein to assess whether the Group would be able to operate as a going concern for a period of at least 12 months from the date of financial statements, and concluded that the going concern basis of accounting used for preparation of the accompanying consolidated financial statements is appropriate with no material uncertainty.

We have considered the assessment of management's evaluation of going concern basis of accounting as a key audit matter due to the pervasive impact thereof on the consolidated financial statements and the significant judgements and assumptions that are inherently subjective and dependent on future events, involved in preparation of cash flow projections and determination of the overall conclusion by the management.</td><td>Our audit procedures included but were not limited to, the following in relation to assessment of appropriateness of going concern basis of accounting:

• Obtained an understanding of the management's process for identifying all the events or conditions that could impact the Group's ability to continue as a going concern and the process followed to assess the mitigating factors for such events or conditions. Also, obtained an understanding around the methodology adopted and the associated controls implemented by the Group to assess their future business performance, to prepare a robust cash flow forecast.

• Reconciled the cash flow forecast to the future business plans of the Group as approved by the Board of Directors. These forecasts are largely based on the expected proceeds upon the successful closure of divestment of equity stake in GAL, for which the first and the second tranches were received during the year and subsequent to the year respectively. We have traced the receipts of the second tranche to the bank statements and considered the same for our assessment of the Group's capability to meet its financial obligation falling due within next twelve months.

• In order to corroborate management's future business plans and to identify potential contradictory information, we read the minutes of the Board of Directors and discussed the same with the management.

• Tested the appropriateness of key assumptions adopted used by the management, including the impact of COVID 19 pandemic on such assumptions, that had most material impact in preparation of the cash flow forecasts such as expected realization from proceeds on account of divestment of stake in certain entities, realization from various claims in investee entities and evaluation of the expected outflow on account of debt repayments.

• Performed independent sensitivity analysis to test the impact of variation on the cash flows due to change in key assumptions.

• Assessed the appropriateness and adequacy of the going disclosures, made in the consolidated financial statements in respect of going concern.</td></tr>
<tr><td colspan="2">2. Utilisation of Minimum Alternate Tax ('MAT') Credit (refer note 2.3(i) for the accounting policy and note 37(a) for the disclosures of the accompanying consolidated financial statements)</td></tr>
<tr><td>The Group has accumulated MAT credit entitlement of ₹ 515.93 crore as at 31 March 31, 2020, accounted primarily in GMR Hyderabad International Airport Limited ('GHIAL') amounting to ₹ 457.11 crores and in the Holding Company amounting to ₹ 58.72 crores. GHIAL is under tax holiday period upto financial year 2021-22 and the utilization of MAT credit depends on the ability of the respective entities to earn adequate tax profits.

In order to assess the utilization of MAT credit, the respective entities have prepared revenue and profit projections which involves judgements and estimations such as estimating aeronautical tariff [which is determined by Airport Economic Regulatory Authority ("AERA")] for GHIAL, revenue growth, profit margins, tax adjustments under the Income Tax, 1961.</td><td>Our audit procedures, including those performed in our joint audit of GHIAL conducted with M/s K S Rao and Co., with respect to MAT credit entitlements included, but were not limited to the following:

• Assessed and tested the design and operating effectiveness of the management's controls over recognition of the MAT credit.

• Obtained and updated understanding of the management's process of computation of future accounting and taxable profits of the Group, and expected utilization of available MAT credit within specified time period as per provision of the IT Act.</td></tr>
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Key audit matter	How our audit addressed the key audit matter
As aforesaid, the recognition of a deferred tax asset in the form of MAT credit is based on management's estimate of taxable and accounting profits in future, which are underpinned by the management's input of key variables and market conditions including the tariff determined by AERA for the second control period in case of GHIAL and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income Tax Act, 1961 (IT Act). The forecasted profit has been determined using estimations of projected income and expenses of the respective businesses. Recognition of MAT credit asset requires significant judgement regarding the likelihood of its realization with-in the specified period through estimation of future taxable profits of the respective companies and consequently there is a risk that the MAT credit asset may not be realized within the specified period, if these projections are not met. Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgment involved in the determination of utilization of MAT credit through estimation of future taxable profits and projected revenue, this matter has been determined as a key audit matter for current year audit.	• Reconciled the business results projections to the future business plans approved by the Holding Company's and GHIAL's board of directors; • Challenged the management's assessment of underlying assumptions, including the impact of COVID 19, used for the business results projections including expected capacity expansion and utilisation, implied growth rates and expected prices considering evidence available to support these assumptions, based on our knowledge of the industry , publicly available information and Group's strategic plans • Performed an independent sensitivity analysis in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and unabsorbed business losses and utilization of MAT credit; • Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the respective company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act. • Tested the mathematical accuracy of management's projections and tax computations. Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act. Assessed the appropriateness and adequacy of the disclosures related to MAT credit in the financial statements in accordance with the applicable accounting standards.
3. Valuation of Derivative Financial Instruments and Application of Hedge Accounting in relation to Delhi International Airport Limited / GMR Hyderabad International Airport Limited (refer note 2.3(x) for accounting policy and note 51 for disclosures of the accompanying consolidated financial statements)	
The Group has entered into derivative financial instruments i.e. call spread options coupon only hedge and had purchased derivative financial instruments, i.e. cross currency swap, coupon only swap and call spread options, to hedge its foreign currency risks in relation to the long-term bonds issued in foreign currency in GHIAL and Delhi International Airport Limited ('DIAL') respectively. Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments. The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculates the related valuations at each financial reporting date. Since valuation of hedging instruments and consideration of hedge effectiveness involves both	Our audit procedures, including those performed in our joint audit of DIAL and GHIAL conducted with M/s K S Rao and Co., with respect to assess hedge accounting test the and valuation of the derivative financial instruments included but were not limited to the following: • Assessed and tested the design and operating effectiveness of management's key internal controls over derivative financial instruments and the related hedge accounting; • Reviewed the management's documentation for the designated hedge instrument which defines the nature of hedge relationship; • Considered the consistent application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the requirements of Ind AS 109, Financial Instruments;

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<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>significant assumptions and judgements such as discount rates, forward exchange rates, future interbank rates and involvement of management's expert, and therefore, is subject to an inherent risk of error.

We have determined the valuation of hedging instruments as a key audit matter in view of the significant judgements, estimates and complexity involved.</td><td>• Evaluated the management's valuation specialist's professional competence, expertise and objectivity;

• Tested the accuracy of input data provided by the management to the external valuation specialist and assessed the reasonability of the assumptions used, while valuing the hedging instruments;

• Involved our valuation specialists to test the fair values of derivative financial instruments and compared the results to the management's results;

• Assessed the appropriateness and adequacy of the related disclosures in the standalone consolidated financial statements in accordance with the applicable accounting standards</td></tr>
<tr><td colspan="2">4. Evaluation and disclosure of accrual estimates for legal claims, litigation matters and contingencies (refer note 2.3(u) for accounting policy and note 21 and 41(c) for disclosures of the accompanying consolidated financial statements)</td></tr>
<tr><td>The Group has ongoing litigations with various authorities and third parties which could have a significant impact on the consolidated financial statements, if the potential exposures were to materialize. The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. Claims against the Group are disclosed in the consolidated financial statements by the Group.

We have determined the evaluation and disclosure for litigations matters and contingencies as a key audit matter, because the outcome of such legal claims and litigation is uncertain and the position taken by management involves significant judgments and estimations to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.

Considering the aforementioned matter is fundamental to the understanding of the users of the accompanying consolidated financial statements, we further draw attention to the following specific matters involving significant litigations and contingencies:

a. Note 47(i) relating to certain claims and counter claims filed by GMR Power Corporation Limited ('GPCL'), (an erstwhile step down subsidiary of the Holding Company, now merged with GGAL, a subsidiary of the Holding Company via National Company Law Tribunal ('NCLT') order dated 13 March 2020), and Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) which are pending before the Tamil Nadu Electricity Regulatory Commission as directed by the Honorable Supreme Court of India. Based on its internal assessment and legal expert advice, pending final outcome of the litigation, the management is of the view that no adjustments are required to be made to the accompanying Statement for the aforesaid matter. The above matter is also reported as an emphasis of matter in the audit report dated 22 June 2020 issued by another firm of chartered accountants on the standalone financial statements of GGAL for the year ended 31 March 2020.</td><td>Our audit procedures in relation to the assessment of legal claims, litigation matters and contingencies included but were not limited to the following:

• Obtained an understanding of management's process and evaluated design, implementation and operating effectiveness of management's key internal controls over assessment of legal claims, litigations and various other contingencies and completeness of disclosures

• Obtained and read the summary of litigation matters provided by management, the supporting documentation on sample basis and held discussions with the management of the Group;

• For claims/matters/disputes settled during the year if any, we have read the related orders/directions issued by the courts/ settlement agreements in order to verify whether the settlements were appropriately accounted for/disclosed;

• Evaluated various legal opinions obtained by management and conducted a review of the assessment done by the management through internal and external tax and legal experts for the likelihood of contingencies and potential impact of various litigations and legal claims, examining the available supporting documents.

• Involved auditor's experts to assess relevant judgements passed by the appropriate authorities in order to assess the basis used for the accounting treatment and resulting disclosures for entities audited by us;

• Assessed the financial statements of the components with regards to the disclosures pertaining to the various legal claims, litigation matters and contingencies;

Assessed the appropriateness and adequacy of the related disclosures in note 21 and 41(c) to the consolidated financial statements in accordance with the requirements of applicable accounting standards.</td></tr>
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<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>b. Note 45(iii), which describes the uncertainty relating to the outcome of litigation pertaining to the costs related to procurement of security equipment, construction of residential quarters for Central Industrial Security Force deployed at the Rajiv Gandhi International Airport, Hyderabad and other costs which have been adjusted from the PSF (SC) Fund upto 31 March 2018, pending final decision from the Hon'ble High Court of Telangana and the consequential instructions from the Ministry of Civil Aviation.

The above matter has also been reported as an emphasis of matter in the audit report dated 15 June 2020 issued by us along with other joint auditor on the financial statements for the year ended 31 March 2020 of GMR Hyderabad International Airport Limited, a subsidiary of the Holding Company.</td><td></td></tr>
<tr><td colspan="2">5. Revenue recognition and measurement of upfront losses on long-term construction contracts (refer note 2.3(f) for the accounting policy and note 24 for disclosures of the accompanying consolidated financial statements)</td></tr>
<tr><td>For the year ended 31 March 2020, the Holding Company has recognized revenue from Engineering, procurement and construction (EPC) contracts of ₹ 859.48 crores and has accumulated provisions for upfront losses amounting to ₹ 57.96 crores as at 31 March 2020.

The Holding Company's revenue primarily arises from construction contracts, which is recognised over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contract with Customers, as further explained in note 2.3(f) to the accompanying consolidated financial statements, and which, by its nature, is complex given the significant judgements involved in the assessment of current and future contractual performance obligations.

The Holding Company recognises revenue and margins based on the stage of completion which is determined on the basis of the proportion of value of goods or services transferred as at the Balance Sheet date, relative to the value of goods or services promised under the contract.

The recognition of contract revenue, contract costs and the resultant profit/ loss therefore rely on the estimates in relation to forecast contract revenue and the total cost. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise judgement in its assessment of the valuation of contract variations and claims and liquidated damages as well as the completeness and accuracy of forecast costs to complete and the ability to deliver contracts within contractually determined timelines. The final contract values can potentially be impacted on account of various factors and are expected to result in varied outcomes. Changes in these judgements, and the related estimates as contracts progress can result in material adjustments to revenue and margins/ onerous obligations.

Owing to these factors, we have determined revenue recognition and provision for upfront losses from EPC contracts as a key audit matter for the current year audit.</td><td>Our audit procedures for recognition of contract revenue, margin and contract costs, and related receivables and liabilities included, but were not limited to, the following:

• Evaluated the appropriateness of the Holding Company's accounting policy for revenue recognition from construction contracts in accordance with Ind AS 115, 'Revenue from Contracts with Customers;

• Assessed the design and implementation of key controls, over the recognition of contract revenue and margins, and tested the operating effectiveness of these controls;

• For a sample of contracts, we have tested the appropriateness of amount recognized as revenue by evaluating key management judgements inherent in the determining forecasted contract revenue and costs to complete that drive the accounting under the percentage of completion method by performing following procedures:

- reviewed the contract terms and conditions;

- evaluated the identification of performance obligation of the contract;

- evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method;

- obtained an understanding of the assumptions applied in determining the forecasted revenue and cost to complete;

- 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 Holding Company and the customers; and

• Assessed the appropriateness and adequacy of disclosures made by the management with respect to revenue recognised during the year in accordance with applicable accounting standards.</td></tr>
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<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">6. Impairment testing carried out for carrying value of investments in joint venture and associates, investment property under construction and carriage-ways grouped under other intangible assets of the Group (refer note 8a, 8b, 5 and 7 to the accompanying consolidated financial statements other than those referred in basis of qualified opinion paragraph 3 above)</td></tr>
<tr><td>The Group has total investments in joint ventures and associates amounting to ₹ 7,012.75 crore, investments in investment property under construction amounting to ₹ 3,252.56 crore and carriage-ways grouped under other intangible assets amounting to ₹ 2,342.90 crore. The aforementioned investments, investment properties under construction and intangible assets are accounted for in accordance with Ind AS 27, Separate Financial Statements, Ind AS 40, Investment Property and Ind AS 38, Intangible Assets, respectively.

The Group assesses these investments and assets for impairment when impairment indicators exist by comparing the recoverable amount (determined as the higher of fair value less costs of disposal and value in use) with the carrying amount of the respective assets as on the reporting date. The value in use is computed using the Discounted Cash Flow Model ('DCF') model.

The determination of recoverable amounts of the carrying value of these investments in joint venture and associates, investment property under construction and carriage-ways grouped under other intangible assets of the Group relies on various management estimates of future cash flows and their judgment with respect to the following:

Investments in joint venture and associates:

• In case of investments in entities in the energy business, cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc.

• In case of investments in airport entities, cash flow projections are based on estimation of passenger traffic, conclusion of tariff rates per acre/hectre for lease rentals from CPD, passenger penetration rates and favourable outcomes of litigations etc.

Investment property under construction – In case of investments in SEZ businesses, cash flow projections are based on assumptions relating to realization per acre of land from monetization for SEZ business which are considered as reasonable by the management, estimation of rates of properties owned by the Group with the help of external valuation expert, rate of comparable properties and adjustment factors applied to adjust for the differentiating features with such comparable properties.

Carrying values of carriage-ways grouped under other intangible assets – In case of investments in carriage-ways, cash flow projections are based on assumptions relating to periodic major maintenance by using a model that incorporates a number of assumptions, including the life of the concession agreement, annual traffic growth and the expected cost of the periodic major maintenance which are considered as reasonable by the management and also consider favourable outcomes of litigations etc. in the carriage-ways business

The key assumptions underpinning management's assessment of the recoverable amount further include, but are not limited to, projections of growth rates, discount rates, estimated future operating and capital expenditure. Changes to assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of investments in joint venture and associates, investment property under construction and carriage-ways grouped under other intangible. Complexity involved in such</td><td>Our audit procedures with respect to assessment of impairment loss on carrying value of investments in joint venture and associates, investment property under construction and carriage-ways grouped under other intangible assets of the Group included but not limited to the following:

• Obtained an understanding of the management's process for identifying impairment indicators as well as determining the appropriate methodology to carry out impairment testing for the carrying value of investments in accordance with the requirements of Ind AS 36, Impairment of Assets;

• Evaluated the Group's valuation methodology in determining the value-in-use and fair value to estimate the recoverable value of such investments. In making this assessment, we also assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;

• Involved auditor's valuation specialists to assess the appropriateness of the value-in-use and fair value determined by the management and to test reasonability of the key assumptions used in the cash flow forecasts forecasts such as growth rates during the explicit period, terminal growth rate and the discount rate including the impact of COVID-19 on such assumptions;

• We have carried out discussions with management on the performance of these investments as compared to previous year in order to evaluate whether the inputs and assumptions used in the aforesaid cash flow forecasts were suitable.

• Discussed the significant ongoing litigations in these entities which had a material impact to ascertain the appropriateness of the outcome considered in the respective valuation models

• Tested the arithmetical accuracy of the calculations performed by the management expert.

Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the requirements of relevant accounting standards.</td></tr>
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Key audit matter	How our audit addressed the key audit matter
assumptions and estimates increased in the current year due to the impact of COVID-19 pandemic outbreak on the Group's operations as disclosed in Note 54 to the accompanying financial statements. Considering the significance of the amounts involved and auditor attention required to test the appropriateness of the accounting estimates that involves high estimation uncertainty and significant management judgement, this matter has been determined as a key audit matter for current year's audit. Considering the matter is fundamental to the understanding of the users of the accompanying consolidated financial statements we further draw attention to: a. Note 8b(12)(i) and 8b(13)(vii), which is in addition to the matters described in paragraph 3 above, regarding the investment made by the Group in GEL amounting to ₹ 1,897.63 crores as at 31 March 2020. The recoverability of such investment is further dependent upon various claims, counter claims and other receivables from customers of GMR Warora Energy Limited ('GWEL'), a subsidiary of GEL, which are pending settlement / realization as on 31 March 2020, and certain other key assumptions considered in the valuation performed by an external expert, including capacity utilization of plant in future years and renewal of Power Purchase Agreement with one of its customers which has expired in June 2020. The above claims also include recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL') by GWEL, based on the Order of the Appellate Tribunal for Electricity ('APTEL') ('the Order') dated 8 May 2015 as described in aforesaid note. The management of the Holding Company, based on its internal assessment, legal opinion, certain interim favourable regulatory orders and valuation assessment, is of the view that the carrying value of the aforesaid investment of the Group in GEL, taking into account the matters described above in relation to the investments made by GEL in its aforementioned subsidiary, is appropriate and accordingly, no adjustments to the aforesaid balance have been made in the accompanying Statement for the year ended 31 March 2020. The above matters with respect to GWEL are also reported as an emphasis of matter in the audit report dated 29 May 2020 and 18 June 2020 issued by other firm of chartered accountants on the standalone financial statements of GWEL and GEL, respectively, for the year ended 31 March 2020. Further, a separate section on material uncertainty over going concern has also been reported in the audit report issued by another firms of chartered accountants on the standalone financial statements of GEL and GWEL, respectively, for the year ended 31 March 2020. b. Note 46(i) and 46(ii), which relates to the ongoing arbitrations with National Highways Authority of India (NHAI) for compensation of losses being incurred by GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') and GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), step-down subsidiaries of the Holding Company, since the commencement of commercial operations. Pending outcome of the aforementioned arbitration proceedings, GHVEPL has not paid to NHAI an amount of ₹ 620.31 crore towards additional concession fee along with interest thereon.	

Key audit matter	How our audit addressed the key audit matter
Further, based on management's internal assessment of compensation inflows, external legal opinions and valuation performed by independent experts, the management is of the view that the recoverable amounts of the carriageways of GACEPL and GHVEPL is assessed to be in excess of the respective carrying values amounting ₹ 355.55 crores and ₹ 1,984.04 crores as at 31 March 2020. Currently useful life of 25 years has been considered in arriving at the carrying value and amortisation of carriageways of GHVEPL, on the basis of management's plan to develop the six-lane project within the stipulated time period ending in April 2024 subject to arbitration outcome. However, the useful life will have to be considered at 15 years if the arbitration award is not favourable and 6 lane has not been constructed by April 2024. Accordingly, no adjustments to the consolidated financial results are considered necessary. The above matters have also been reported as an emphasis of matters in their auditor's reports dated 16 May 2020 and 23 July 2020 issued by other firms of chartered accountants on the standalone financial statements of the GACEPL and GHVEPL, respectively, for the year ended 31 March 2020. Further, considering the erosion of net worth and net liability position of these entities, such auditors have also given a separate section on the material uncertainty relating to going concern in their respective audit reports.	
7. Significant additions to Capital assets in DIAL/GHIAL (refer note 2.3(k) for accounting policy and note 45(xxvi) and 45(xxvii)for disclosures of the accompanying consolidated financial statements)	
GHIAL is in the process of expansion of the Rajiv Gandhi International Airport while DIAL is in the process of expansion of the Indira Gandhi International Airport and have incurred ₹ 1,974.28 crores as capital expenditure in the current year towards such expansion plans as further explained in note 3 to the accompanying consolidated financial statements. Determining whether expenditure meets the capitalization criteria, specifically with regard to whether they are operational or capital in nature, involves significant management judgement in assessing whether capitalization is in line with Ind AS 16, Property, Plant and Equipment and the Group's accounting policy. Further, the tariff determination by AERA for control periods for the aeronautical services is linked to the Regulated Asset Base, which is based on the fixed asset balance and considering these additions are significant to the asset base of the Group, we have assessed inappropriate capitalization as a significant risk as part of our audit strategy. Further, the aforementioned capital expenditure has been funded from the specific borrowings raised for such purpose. Accordingly, the borrowing cost incurred on such borrowings have been included as a capital expenditure in accordance with the provisions of Ind AS 23, Borrowing Costs. This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs (including borrowing costs) that are eligible for capitalisation are appropriately capitalised in accordance with the recognition criteria provided in Ind AS 16 and Ind AS 23.	Our audit procedures including those performed in our joint audit of DIAL and GHIAL conducted with M/s K S Rao and Co., with respect to appropriate capitalization of such expenditure included, but were not limited to the following: • Assessed the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs. • Reviewed management's capitalisation policy, including application of the aforesaid policy, to assess consistency with the requirements set out by Ind AS 16, Property, Plant and Equipment. • Compared the additions with the budgets and the orders given to the vendors. • Ensured that the borrowing cost capitalized is as per Ind AS 23 Borrowing Costs • Tested the additions on a sample basis for their nature and purpose to ensure that the capitalization is as per respective company's accounting policy. • Assessed the appropriateness and adequacy of the related disclosures in the Consolidated financial statements in accordance with the applicable accounting standards.

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

11. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance, Directors' Report, etc., but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

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

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

12. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies {covered under the Act} are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

13. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

14. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

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

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

16. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of 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 ability of the Group and its associates and joint ventures 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 consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associates and joint ventures, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

17. 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.

18. 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.

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

Other Matters

20. We have jointly audited with another auditor, the financial statements and other financial information of 2 subsidiaries, whose financial statement reflects (before adjustments for consolidation) total assets of ₹ 25,683.80 crores and net assets of ₹ 5,063.63 crores as at 31 March, 2020 total revenues of ₹ 5,883.70 crores, total net profit after tax of ₹ 649.97 crores, total comprehensive income of ₹ 793.35 crores, and cash flows (net) of ₹ 1,690.27 crores for the year ended on that date, as considered in the consolidated financial statements. For the purpose of our opinion on the consolidated financial statements, we have relied upon the work of such other auditor, to the extent of work performed by them.

21. We did not audit the financial statements of 77 subsidiaries and 1 joint operation (including 13 subsidiaries consolidated for the quarter and year ended 31 December, 2019 with a quarter lag and 1 joint operation consolidated for the year ended 31 December, 2019 with a quarter lag), whose financial statements reflects (before adjustments for consolidation) total assets of ₹ 33,288.34 crores and net assets of ₹ 2,594.87 crores as at 31 March, 2020 total revenues of ₹ 7,366.23 crores, and net cash flows (net) of ₹ 118.17 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of net loss after tax (including other comprehensive income) of ₹ 261.06 crores for the year ended 31 March, 2020 as considered in the consolidated financial statements in respect of 5 associates and 46 joint ventures (including 28 joint ventures consolidated for the year ended 31 December, 2019 with a quarter lag), whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures/operations, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures/operations, is based solely on the reports of the other auditors.

    Further, of these subsidiaries/ joint operation/ associates/ joint ventures, 13 subsidiaries, 1 joint operations and 30 joint ventures, are located outside India, whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries/ joint operation/ joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

22. We did not audit the financial information of 12 subsidiaries (including 6 subsidiaries consolidated for the year ended 31 December 2019, with a quarter lag), which have not been audited whose financial information reflects (before adjustments for consolidation) total assets of ₹ 1,208.88 crores and net assets of ₹ 1,207.15 crores as at 31 March 2020, total revenues of ₹ 5.37 crores and cash flows (net) of ₹ (0.57) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 1.67 crores for the year ended 31 March, 2020 as considered in the consolidated financial statements, in respect of 1 associates and 7 joint ventures (including 3 joint ventures consolidated for the year ended 31 December, 2019 with a quarter lag), whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

23. The consolidated financial statements of the Holding Company for the year ended 31 March 2019 were audited by the predecessor auditor, S. R. Batliboi & Associates LLP, who have expressed a qualified opinion on those consolidated financial statements vide their audit report dated 29 May, 2019.

Report on Other Legal and Regulatory Requirements

24. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 21, on separate financial statements of the subsidiaries, associates, joint ventures, we report that the Holding Company, 25 subsidiary companies, 1 associate company and 11 joint venture companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to 2 subsidiary companies, 4 associate companies and 2 joint venture companies covered under the Act, since none of these companies is a public company as defined under section 2(71) of the Act. Further, we report that 40 subsidiary companies, 1 associate company and 4 joint venture companies covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies/ associate companies/ joint venture companies. Further, as stated in paragraph 22, financial statements of 6 subsidiary companies, 1 associate companies and 2 joint venture companies covered under the Act are unaudited and have been furnished to us by the management, and as certified by the management, such companies have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies/ associate companies/ joint venture companies.

25. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report (s) of the other auditor (s) on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

    a) we have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects/possible effects of the matters described in paragraph 3 and paragraph 4 of the Basis for Qualified Opinion section with respect to the consolidated financial statements;

    c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

    e) the matters described in paragraph 6 of the Emphasis of Matters section, emphasis of matters reported in sr. no 6 of the Key audit matters section in paragraph 10 above and paragraph 3 of the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Group, its associates and joint ventures;

    f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;

    g) the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 and paragraph 4 of the Basis for Qualified Opinion section;

    h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

    i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:

        i. except for the effects/possible effects of the matters described in paragraph 3 and 4 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 8a, 8b, 41, 44, 45, 46, 47 and 48 to the consolidated financial statements;

        ii. except for the effects/possible effects of the matters described in paragraph 3 and 4 of the Basis for Qualified Opinion section, provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 2.3(u) to the consolidated financial statements;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies during the year ended 31 March, 2020; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November, 2016 to 30 December, 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 20502103AAAABK4842

Place: New Delhi
Date: July 30, 2020

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of GMR Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Holding Company's business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation

of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

8. According to the information and explanations given to us and based on our audit and consideration of the report of the other auditors on internal financial controls with reference to financial statements of subsidiaries, joint venture and associate companies, the following material weakness has been identified in the operating effectiveness of the internal financial controls with reference to financial statements of the Holding Company and its joint venture company as at 31 March 2020:

   The Holding Company's internal control system towards estimating the carrying value of investments in certain joint ventures and associates as more fully explained in note 8b(13)(ii) to the consolidated financial statements were not operating effectively due to uncertainties in the judgments and assumptions made by the Holding Company in such estimations, which could result in the Group not providing for adjustment, if any, that may be required to the carrying values of investments and further provisions, if any, required to be made for the obligations on behalf of those entities and its consequential impact on the accompanying financial statements.

   The report on internal financial controls with reference to financial statements of a joint venture company, GMR Energy Limited, is also qualified with respect to the above matter, issued by an independent firm of Chartered Accountants vide its report dated 18 June 2020.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate companies and joint venture companies, the Holding Company, its subsidiary companies, associate companies and joint venture companies which are companies covered under the Act, have, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects/ possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020.

    We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Consolidate financial statements of the Group as at and for the year ended 31 March 2020, and the material weaknesses have affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the Consolidated financial statements.

Other Matters

11. We have jointly audited with another auditor, the financial statements and other financial information of 2 subsidiaries, whose financial statement reflects (before adjustments for consolidation) total assets of ₹ 25,683.80 crores and net assets of ₹ 5,063.63 crores as at 31 March 2020, total revenues of ₹ 5,883.70 crores, and cash flows (net) amounting to ₹ 1,690.27 crores for the year ended on that date, as considered in the consolidated financial statements. For the purpose of our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, we have relied upon the work of such other auditor, to the extent of work performed by them.

12. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 64 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 22,007.34 crores and net assets of ₹ 2,716.91 as at 31 March 2020, total revenues of ₹ 5,876.49 crores and cash flows (net) amounting to ₹ 123.12 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 446.38 crores for the year ended 31 March 2020, in respect of 5 associate companies and 16 joint venture companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, associate companies and joint venture companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and

joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

13. We did not audit the internal financial controls with reference to financial information in so far as it relates to 6 subsidiaries, which are companies covered under the Act, whose financial information reflect total assets of ₹ 13.36 crores and net assets of ₹ 13.22 as at 31 March 2020, total revenues of ₹ 0.01 crores and cash flows (net) amounting to ₹ (0.03) crores for the year ended on that date; and 1 associate companies and 2 joint venture companies, which are companies covered under the Act, in respect of which, the Group's share of net profit (including other comprehensive income) of ₹ 2.41 crores for the year ended 31 March 2020 has been considered in the consolidated financial statements. The internal financial controls with reference to financial information of these subsidiary companies, joint venture companies and associate companies, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries, associates and joint venture companies, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial information reports certified by the management of such companies. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group. Our report on adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Group does not include the internal financial controls with reference to financial information assessment in respect of the aforesaid companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial information reports certified by the management.

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

Neeraj Sharma
Partner
Membership No. 502103
UDIN: 20502103AAAABK4842

Place: New Delhi
Date: 30 July 2020

Consolidated Balance sheet as at March 31, 2020

	Notes	March 31, 2020 (₹ in crore)	March 31, 2019 (₹ in crore)
Assets			
Non-current assets			
Property, plant and equipment	3	9,379.68	9,614.42
Right of use asset	4	106.19	-
Capital work-in-progress	3	3,809.02	857.03
Investment property	5	3,491.28	3,139.79
Goodwill on consolidation	6	436.68	458.56
Other intangible assets	7	2,763.67	2,867.05
Intangible assets under development		2.45	1.25
Investments accounted for using equity method	8a, 8b	7,012.75	7,659.94
Financial assets			
Investments	8c	147.39	105.13
Trade receivables	9	109.86	109.22
Loans	10	447.73	276.83
Other financial assets	11	3,090.19	2,000.45
Non-current tax assets (net)		275.62	293.99
Deferred tax assets (net)	37	654.78	342.65
Other non-current assets	12	2,420.60	1,771.99
		34,147.89	**29,498.30**
Current assets			
Inventories	13	190.53	112.57
Financial assets			
Investments	14	2,959.12	2,350.34
Trade receivables	9	1,423.84	1,447.37
Cash and cash equivalents	15	2,859.43	918.66
Bank balances other than cash and cash equivalents	15	1,589.34	710.99
Loans	10	916.98	109.78
Other financial assets	11	1,601.88	4,722.83
Other current assets	12	776.06	253.84
		12,317.18	10,626.38
Assets classified as held for sale	36	61.73	28.91
		12,378.91	**10,655.29**
Total assets		**46,526.80**	**40,153.59**
Equity and liabilities			
Equity			
Equity share capital	16	603.59	603.59
Other equity	17	(3,062.28)	(1,056.72)
Equity attributable to the equity holders of the Company		(2,458.69)	(453.13)
Non-controlling interests		2,674.58	1,695.02
Total equity		**215.89**	**1,241.89**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	26,521.90	21,663.81
Lease liabilities		105.24	-
Other financial liabilities	20	747.26	722.19
Provisions	21	105.83	123.33
Deferred tax liabilities (net)	37	225.04	78.11
Other non-current liabilities	22	2,004.52	2,079.46
		29,709.79	**24,666.90**
Current liabilities			
Financial liabilities			
Borrowings	23	1,630.87	2,364.99
Trade payables	19	2,261.51	1,946.29
Lease liabilities		10.13	-
Other current financial liabilities	20	10,289.49	7,443.44
Provisions	21	968.45	1,052.62
Other current liabilities	22	1,327.46	1,312.57
Current tax liabilities (net)		41.71	64.81
		16,529.62	**14,184.72**
Liabilities directly associated with assets classified as held for sale	36	71.50	60.08
		16,601.12	**14,244.80**
Total liabilities		**46,310.91**	**38,911.70**
Total equity and liabilities		**46,526.80**	**40,153.59**
Summary of significant accounting policies	2.3		

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

This is the consolidated balance sheet referred to in our report of even date

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

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

Neeraj Sharma
Partner
Membership number: 502103

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: July 30, 2020

Place: New Delhi
Date: July 30, 2020

Consolidated statement of profit and loss for the year ended March 31, 2020

	Notes	March 31, 2020 (₹ in crore)	March 31, 2019 (₹ in crore)
Continuing operations			
Income			
Revenue from operations			
Revenue from contracts with customers	24	7,515.24	7,113.11
Other operating income	25	879.69	297.69
Finance income	26	160.61	165.16
Other income	27	666.59	708.76
Total income		**9,222.13**	**8,284.72**
Expenses			
Revenue share paid / payable to concessionaire grantors		2,037.19	1,764.75
Cost of material consumed	28	434.85	504.27
Purchase of traded goods	29	830.45	606.08
(Increase)/ decrease in stock in trade	30	(15.63)	1.82
Sub-contracting expenses		297.36	406.51
Employee benefit expenses	31	831.21	759.88
Other expenses	32	1,511.55	1,826.94
Depreciation and amortisation expenses	33	1,064.25	983.96
Finance costs	34	3,545.07	2,684.15
Total expenses		**10,536.30**	**9,538.36**
Loss before share of net loss of investments accounted for using equity method, exceptional items and tax from continuing operations		(1,314.17)	(1,253.64)
Share of net loss of investments accounted for using the equity method (net)		(288.33)	(87.89)
Loss before exceptional items and tax from continuing operations		**(1,602.50)**	**(1,341.53)**
Exceptional items			
Loss on impairment of investments accounted for using the equity method (net)		(680.91)	(2,212.30)
Loss before tax from continuing operations		**(2,283.41)**	**(3,553.83)**
Tax expenses of continuing operations			
Current tax	37	155.44	223.52
Adjustments of tax relating to earlier periods	37	(3.82)	0.44
Deferred tax credit	37	(236.54)	(311.38)
Loss after tax from continuing operations		**(2,198.49)**	**(3,466.41)**
Discontinued operations			
(Loss) / profit from discontinued operations before tax expenses	36	(3.70)	117.84
Tax expense of discontinued operations			
Current tax	37	-	7.32
Adjustments of tax relating to earlier periods	37	-	0.41
Deferred tax credit	37	-	(0.01)
(Loss)/profit after tax from discontinued operations		**(3.70)**	**110.12**
Loss for the year (A)		**(2,202.19)**	**(3,356.29)**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(123.14)	163.30
Income tax effect		-	-
		(123.14)	**163.30**

Consolidated statement of profit and loss for the year ended March 31, 2020

	Notes	March 31, 2020 (₹ in crore)	March 31, 2019 (₹ in crore)
Net movement on cash flow hedges		225.16	27.41
Income tax		72.30	14.73
Total		**152.86**	**12.68**
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**29.72**	**175.98**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on post employment defined benefit plans		(6.53)	(2.70)
Income tax effect		(0.96)	(0.35)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**(5.57)**	**(2.35)**
Other comprehensive income for the year, net of tax (B)		**24.15**	**173.63**
Loss for the year		**(2,202.19)**	**(3,356.29)**
Attributable to			
a) Equity holders of the parent		(2,429.38)	(3,580.58)
b) Non controlling interests		227.19	224.29
Other comprehensive income for the year		**24.15**	**173.63**
Attributable to			
a) Equity holders of the parent		(31.72)	160.29
b) Non controlling interests		55.87	13.34
Total comprehensive income for the year (A+B)		**(2,178.04)**	**(3,182.66)**
Attributable to			
a) Equity holders of the parent		(2,461.10)	(3,420.29)
b) Non controlling interests		283.06	237.63
Earnings per equity share (₹) from continuing operations Basic and diluted, computed on the basis of profit from continuing operations attributable to equity holders of the parent (per equity share of ₹ 1 each)	35	(4.02)	(6.14)
Earnings per equity share (₹) from discontinued operations Basic and diluted, computed on the basis of profit from discontinued operations attributable to equity holders of the parent (per equity share of ₹ 1 each)	35	(0.01)	0.19
Earnings per equity share (₹) from continuing and discontinued operations Basic and diluted, computed on the basis of profit attributable to equity holders of the parent (per equity share of ₹ 1 each)	35	(4.03)	(5.95)
Summary of significant accounting policies	2.3		

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

This is the consolidated statement of profit and loss referred to in our report of even date

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

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

Neeraj Sharma
Partner
Membership number: 502103

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: July 30, 2020

Place: New Delhi
Date: July 30, 2020

Consolidated statement of changes in equity for the year ended March 31, 2020

(₹ in crore)

	Attributable to the equity holders																
					Reserves and surplus									Items of OCI			
	Equity share capital (refer note 16)	Equity component of preference shares (refer note 17)	Equity component of Optionally Convertible Debentures ('OCD') (refer note 17)	Treasury shares (refer note 17)	Securities premium (refer note 17)	Debenture redemption reserve (refer note 17)	Capital reserve on consolidation (refer note 17)	Capital reserve on acquisition (refer note 17)	Capital reserve on government grant (refer note 17)	Capital reserve on forfeiture (refer note 17)	Foreign currency monetary translation difference account (refer note 17)	Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act (refer note 17)	Retained earnings (refer note 17)	Foreign Currency Translation Reserve (refer note 17)	Cash Flow Hedge Reserve (refer note 17)	Non-controlling interest (refer note 39)	Total equity
For the year ended March 31, 2020																	
As at April 01, 2019	**603.59**	**-**	**45.92**	**(101.54)**	**10,010.98**	**187.42**	**(162.27)**	**3.41**	**63.45**	**141.75**	**(68.31)**	**66.59**	**(11,345.78)**	**84.24**	**17.42**	**1,695.02**	**1,241.89**
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	-	-	-	-	(2,429.38)	-	-	227.19	(2,202.19)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	(4.26)	(125.09)	97.63	55.87	24.15
Total comprehensive income													**(13,779.42)**	**(40.85)**	**115.05**	**1,978.08**	**(936.15)**
Exchange difference on foreign currency convertible bond ('FCCB') recognised during the year	-	-	-	-	-	-	-	-	-	-	(195.40)	-	-	-	-	-	(195.40)
FCMTR amortisation during the year	-	-	-	-	-	-	-	-	-	-	15.31	-	-	-	-	-	15.31
Adjustment of put option obligation for purchase of minority shareholding of GMR Airports Limited ('GAL')	-	-	-	-	-	-	-	-	-	-	-	-	996.20	-	-	-	996.20
Adjustment of receivable shown under current financial assets (refer note 45(xi))	-	-	-	-	-	-	-	-	-	-	-	-	(3,560.00)	-	-	-	(3,560.00)
Adjustment on account of transaction between shareholders (refer note 45(xvi))	-	-	-	-	-	-	-	-	-	-	-	-	3,463.60	-	-	497.25	3,960.85
Buy back of Treasury shares (refer note 48(i))	-	-	-	101.54	-	-	-	-	-	-	-	-	(72.00)	-	-	-	29.54
Amount transferred from the consolidated statement of profit and loss	-	-	-	-	-	-	-	-	-	-	-	20.51	(20.51)	-	-	-	-
Transferred from Debenture Redemption Reserve	-	-	-	-	-	(35.34)	-	-	-	-	-	-	35.34	-	-	-	-
Adjustment on merger of subsidiaries (refer note 47(ii))	-	-	-	-	-	-	-	-	-	-	-	-	(274.24)	-	-	257.38	(16.86)
Preference share dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(50.34)	(50.34)
Dividend distribution tax on dividend declared by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(19.47)	-	-	(7.79)	(27.26)
As at March 31, 2020	**603.59**	**-**	**45.92**	**-**	**10,010.98**	**152.08**	**(162.27)**	**3.41**	**63.45**	**141.75**	**(248.40)**	**87.10**	**(13,230.50)**	**(40.85)**	**115.05**	**2,674.58**	**215.89**
For the year ended March 31, 2019																	
As at April 01, 2018	**603.59**	**373.15**	**-**	**(101.54)**	**11,115.80**	**181.32**	**(162.07)**	**3.41**	**67.41**	**141.75**	**40.40**	**70.46**	**(8,450.83)**	**(70.92)**	**6.41**	**1,826.47**	**5,644.81**
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	-	-	-	-	(3,580.58)	-	-	224.29	(3,356.29)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	(2.35)	155.16	7.48	13.34	173.63
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(12,033.76)**	**84.24**	**13.89**	**2,064.09**	**2,462.15**
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
Purchase of CCPS A of GAL held by non controlling shareholders (refer note 45(xii))	-	(373.15)	-	-	(1,104.82)	-	(0.20)	-	(3.96)	-	-	(3.87)	(2,251.21)	-	3.53	173.69	(3,560.00)
Put option obligation for purchase of minority shareholding of GAL	-	-	-	-	-	-	-	-	-	-	-	-	(996.20)	-	-	-	(996.20)
Sale of shares shown as receivable under current financial assets (refer note 45(xii))	-	-	-	-	-	-	-	-	-	-	-	-	3,613.08	-	-	-	3,613.08
Acquisition of additional stake in subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	25.19	-	-	(84.94)	(59.75)
Equity component recognised on Optionally Covertible Debentures	-	-	45.92	-	-	-	-	-	-	-	-	-	-	-	-	-	45.92
Amount transferred from the consolidated statement of profit and loss	-	-	-	-	-	38.44	-	-	-	-	-	-	(38.44)	-	-	-	-
Transferred from Debenture Redemption Reserve	-	-	-	-	-	(32.34)	-	-	-	-	-	-	32.34	-	-	-	-
Adjustment on account of dilution of stake in APFT	-	-	-	-	-	-	-	-	-	-	-	-	(0.83)	-	-	0.83	-
Adjustment on account of change in useful life of PPE due to AERA order	-	-	-	-	-	-	-	-	-	-	-	-	(27.46)	-	-	(16.77)	(44.23)
Adjustment due to application of Ind AS 115 'Revenue from contracts with customers'	-	-	-	-	-	-	-	-	-	-	-	-	(10.56)	-	-	(2.66)	(13.22)
Adjustment on merger of subsidiaries ((refer note 47(ii))	-	-	-	-	-	-	-	-	-	-	-	-	366.93	-	-	(366.93)	-
Preference share dividend declared by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(59.97)	(59.97)
Dividend distribution tax on dividend declared by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(24.86)	-	-	(12.32)	(37.18)
As at March 31, 2019 (restated - refer note 47(ii))	**603.59**	**-**	**45.92**	**(101.54)**	**10,010.98**	**187.42**	**(162.27)**	**3.41**	**63.45**	**141.75**	**(68.31)**	**66.59**	**(11,345.78)**	**84.24**	**17.42**	**1,695.02**	**1,241.89**

Summary of significant accounting policies 2.3

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

This is the consolidated statement of changes in equity referred to in our report of even date

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

Neeraj Sharma
Partner
Membership number: 502103

Place: New Delhi
Date: July 30, 2020

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

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: July 30, 2020

Consolidated statement of cash flows for the year ended March 31, 2020

	March 31, 2020 (₹ in crore)	March 31, 2019 (₹ in crore)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss from continuing operations before tax expenses	(2,283.41)	(3,553.83)
(Loss)/ profit from discontinued operations before tax expenses	(3.70)	117.84
Loss before tax expenses	**(2,287.11)**	**(3,435.99)**
Adjustments to reconcile loss before tax to net cash flows;		
Depreciation of property, plant and equipment, investment property and amortization of intangible assets	1,064.25	985.13
Income from government grant	(5.28)	(5.26)
Adjustments to the carrying value of investments/ gain on fair value of investment	0.04	4.82
Provisions no longer required, written back	(111.73)	(68.45)
Profit on sale / dilution of subsidiaries / joint ventures / associates	-	(124.64)
Loss on impairment of assets in subsidiaries / joint venture's and associates (net)	680.91	2,212.30
Unrealised exchange (gains) / losses	(104.58)	99.54
Property, plant and equipment written off / (profit) on sale of property, plant and equipment (net)	1.90	(10.35)
Provision / write off of doubtful advances and trade receivables	29.06	184.14
(Reversal) /Provision for upfront loss on long term construction cost	(95.05)	109.86
Interest expenses on financial liability carried at amortised cost	93.42	66.63
Deferred income on financial liabilities carried at amortized cost	(107.76)	(128.59)
Net gain on sale or fair valuation of investments	(64.30)	(184.72)
Finance costs	3,545.07	2,687.82
Finance income	(404.66)	(536.54)
Gain on fair valuation of derivative instrument	(0.99)	(1.78)
Share of loss of associates and joint ventures (net)	288.33	87.89
Operating profit before working capital changes	**2,521.52**	**1,941.81**
Movements in working capital :		
Increase/ (decrease) in trade payables and financial/other liabilities and provisions	469.33	356.80
(Decrease)/ increase in non-current/current financial and other assets	(1,453.87)	22.87
Cash generated from operations	**1,536.98**	**2,321.48**
Direct taxes paid (net)	(161.13)	(269.21)
Net cash flow from operating activities (A)	**1,375.85**	**2,052.27**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment property, intangible assets and cost incurred towards such assets under construction / development (net)	(2,912.09)	(2,847.06)
Proceeds from sale of property, plant and equipment's and intangible assets	26.32	12.58
Payments for (acquistion) / proceeds from sale of stake in subsidiaries / JV's	(234.41)	466.91
Loans (given to) / repaid by related parties	(964.93)	246.64
Loans repaid by / (given to) employees/others	0.18	(8.71)
(Payments for purchase)/proceeds from sale of investments	(769.88)	1,873.76
Consideration received /(paid) on disposal /acquisition of joint ventures/associates/subsidiaries	4,014.20	(3,637.57)
Movement in investments in bank deposits (net) (having original maturity of more than three months)	(614.25)	(421.49)
Dividend received from associates and joint ventures	123.37	218.41
Finance income received	341.89	491.51
Net cash used in investing activities (B)	**(989.60)**	**(3,605.02)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	9,307.85	4,934.10
Repayment of borrowings	(4,144.82)	(1,594.48)
Repayment of lease liability principal	(6.53)	-
Repayment of lease liability interest	(10.51)	-
Finance costs paid	(3,451.66)	(2,426.68)
Dividend paid	(50.34)	(59.97)
Dividend distribution taxes paid	(27.28)	(37.17)
Net cash flow from financing activities (C)	**1,616.71**	**815.80**

Consolidated statement of cash flows for the year ended March 31, 2020

	March 31, 2020 (₹ in crore)	March 31, 2019 (₹ in crore)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,002.96	(736.95)
Cash and cash equivalents as at beginning of the period	913.02	1,649.58
Effect of cash and cash equivalents on account of stake disposal of entities during the period	-	(5.43)
Effect of exchange difference on cash and cash equivalents held in foreign currency	2.29	5.82
Cash and cash equivalents as at the end of the period	**2,918.27**	**913.02**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with banks:		
- On current accounts	595.60	239.83
Deposits with original maturity of less than three months	2,261.70	670.28
Cheques / drafts on hand	-	1.74
Cash on hand	2.13	6.81
Cash at bank and short term deposits attributable to entities held for sale	58.84	0.59
Less: Bank overdraft	-	(6.23)
Total cash and cash equivalents as at the end of the period	**2,918.27**	**913.02**

Summary of significant accounting policies 2.3

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

This is the consolidated statement of cash flows referred to in our report of even date

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

Neeraj Sharma
Partner
Membership number: 502103

Place: New Delhi
Date: July 30, 2020

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

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: July 30, 2020

Notes to the consolidated financial statements for the year ended March 31, 2020

1. Corporate information

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

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

Airport sector

Certain entities of the Group are engaged in development, maintenance and operation of airport infrastructure such as greenfield international airports at Hyderabad and Goa and modernisation, maintenance and operation of international airports at Delhi and Cebu on build, own, operate and transfer basis.

Power sector

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

Development of Highways

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

Construction business

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

Others

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

Other explanatory information to the consolidated financial statement comprises of notes to the financial statements for the year ended March 31, 2020. The consolidated financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on July 30, 2020.

1.1 Going concern

The Group has incurred losses primarily on account of losses in the energy and highway sector as detailed in notes 8, 46(i), and 46(ii) with a consequent erosion of its net worth, delay in debt and interest servicing and lower credit ratings for some of its borrowings. Management is taking various initiatives including monetization of assets, sale of stake in certain assets, raising finances from financial institutions and strategic investors, refinancing of existing debt and other strategic initiatives to address the repayment of borrowings and debt. Pursuant to such initiatives the Group had divested its stake in certain assets in the highway sector and 30% stake in selected portfolio in energy assets over the last few years from 2016 onwards. Further as detailed in note 45(xvii), the management has signed a share subscription and share purchase agreement with Aeroport De Paris SA (ADP) and divest equity stake of 49% (for an equity consideration of ₹ 9,813.00 crore) in GAL on a fully diluted basis. The amount was received in two tranches, the first tranche of ₹ 5,248.00 crore was closed as of February 26, 2020 and the same has been primarily used to repay debt obligations and the second tranche of ₹ 4,565.00 crore closed subsequent to the balance sheet date on July 7, 2020. The money received in second tranche will primarily be used in servicing the debt which will help deleverage the Group further and result in improved cash flows and profitability and net worth of the Group will improve significantly. Further, the Group has received favourable orders on various ongoing matters in energy, highway and DFCC which involve significant value of claims. Management is confident that this will further improve cash flows and profitability. The details of such claims have been enumerated below: -

Notes to the consolidated financial statements for the year ended March 31, 2020

a) GCORR has received award of ₹ 341.00 crore plus interest (in case of delay in payment) against Government of Tamil Nadu ('GOTN') which is challenged by GOTN in Madras High Court.

b) GHVEPL has received award for arbitration for compensation for Change in Law on account of bifurcation of state of Andhra Pradesh and change in policies as detailed in note 46(ii). While Change in Law is upheld, amount of compensation is to be calculated by a committee. GHVEPL has raised a claim of ₹ 1,341.00 crore plus interest up to March 31, 2019.

c) GACEPL arbitration is concluded and award is in the process of being adjudicated. GACEPL has raised a claim of ₹ 561.00 crore plus interest.

d) In case of DFCC, there are various claims under various heads which has been either agreed by DFCCIL or Group has got the award through Dispute Adjudication Board (DAB). Total amount of claim is approximately ₹ 306.00 crore which will be received progressively based on the work to be carried out.

e) Group have also raised a claim of ₹ 378.00 crore on DFCCIL under Change in Law on account of Mining Ban in the state of UP. Though DAB has given award in Group's favor but DFCCIL has not accepted and arbitration is invoked which is under process.

2. Significant accounting policies

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

2.1. Basis of Consolidation

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

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

The functional and presentation currency of the Group is Indian Rupee (₹) which is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

Consolidation procedure:

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

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

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

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

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

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

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

2.2. Changes in accounting policies and disclosures

Ind AS 116 - Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 which notified Ind AS 116 - Leases. The amendment rules are effective from reporting periods beginning on or after April 01, 2019. This standard replaces current guidance under Ind AS 17.

Ind AS 116 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.

Group as a Lessor:

Lessor accounting under Ind AS 116 is substantially unchanged. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor, except for recording the lease rent on systematic basis or straight-line basis as against Ind AS 17 wherein, there was an exemption for not providing straight lining in case the escalations are in line with inflation.

Notes to the consolidated financial statements for the year ended March 31, 2020

Group as a Lessee:

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Nature and effect of adoption of Ind AS 116

The Group has lease contracts for various buildings. Before the adoption of Ind AS 116, the Group classified each of its leases (as lessee) at the inception date as an operating lease.

Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis, (no straight lining was done in case escalations were considered to be in line with expected general inflation), over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

The effect of adoption of Ind AS 116 as at April 1, 2019 is as follows:

The Group has recognised Right of use assets for ₹ 124.38 crores and Lease liabilities of ₹ 120.90 crores as at April 1, 2019 i.e., transition date.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases are recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group has applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

2.3. Summary of significant accounting policies:

a. Business combination and goodwill

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

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

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

b. Investment in associates and joint ventures

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

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

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

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

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

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

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

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When the end of the reporting period of the parent is different from that of an associate or a joint venture, an associate or a joint venture, for consolidation

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

c. Interest in joint operations

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

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

d. Current versus non-current classification

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

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

ii. Held primarily for the purpose of trading,

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

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

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

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

Notes to the consolidated financial statements for the year ended March 31, 2020

e. Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

f. Revenue recognition

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

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

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

Significant financing component

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Energy sector

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year.

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

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

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

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

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

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

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

Highways Sector

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

Revenue share paid / payable to concessionaire grantors:

Notes to the consolidated financial statements for the year ended March 31, 2020

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

Airport Sector

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

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

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

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

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

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

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

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

Revenue share paid / payable to concessionaire grantors:

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

For Construction business entities

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

i. The amount of revenue can be measured reliably,

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

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

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

Provision is made for all losses incurred to the balance sheet date. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress

Notes to the consolidated financial statements for the year ended March 31, 2020

billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers.

Amount received before the related work is performed are disclosed in the Balance Sheet as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customers are disclosed in the Balance Sheet as trade receivables.

Interest income

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

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other operating income / other income in the statement of profit and loss depending upon the nature of operations of the entity in which such revenue is recognised.

Others

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

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

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

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

g. Service Concession Arrangements

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

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

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

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

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

h. Government grants

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

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or

Notes to the consolidated financial statements for the year ended March 31, 2020

similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

i. Taxes on income

Current income tax

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

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

Deferred tax

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

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

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

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

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

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

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

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

j. Non-current assets held for sale

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

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

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

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

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

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

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

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

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

Or

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

Discontinued operations are excluded from the results of continuing operations and are presented separately in the consolidated statement of profit and loss.

k. Property, plant and equipment

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

l. Depreciation on Property, plant and equipment

Energy sector

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

Airport sector

Depreciation on property, plant and equipment is calculated on a straight line basis using the useful lives prescribed under Schedule II to the Companies Act, 2013 except for certain assets class i.e. Internal Approach Roads, Electric Panels and Transformers/Sub–station, the Group, based on a technical evaluation, believes that the useful life of such property, plant and equipment is different from the useful life specified in ScheduleII to Companies Act 2013.

The Property, plant and equipment acquired under finance lease is depreciated over the asset's useful life; or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Group will obtain ownership at the end of lease term.

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

Accordingly, the management was of the view that useful lives considered by the Group for most of the assets except passenger related Furniture and Fixtures were in line with the useful life proposed by AERA in its order dated January 12, 2018, which was further amended on April 09, 2018.

In order to align the useful life of passenger related Furniture and Fixtures as per AERA order, the Group has revised the useful life during the financial year 2018-19.

Other entities

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

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

Category of asset	Estimated useful life
Plant and equipment	4 - 15 years
Buildings	7 - 30 years
Office equipment	5 years
Furniture and fixtures	3-10 years
Vehicles and Aircrafts	5 - 25 years
Computers	3-6 years

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

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

m. Investment property

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

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

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

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

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

Investment property under construction

Investment property under construction represents expenditure incurred in respect of capital projects and are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

n. Intangible assets

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

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

o. Amortisation of intangible assets

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

Notes to the consolidated financial statements for the year ended March 31, 2020

The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

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

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

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

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

Intangible assets representing power plant concessionaire rights, carriageways and airport concessionaire rights are amortized over the concession period, ranging from 23 to 40 years,17.5 to 25 years and 25 to 60 years respectively, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

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

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

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

p. Intangible assets under development:

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

q. Borrowing costs

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

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

r. Leases

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

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

Group as a lessee:

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

Notes to the consolidated financial statements for the year ended March 31, 2020

For any new contracts entered into on or after April1 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 42). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset. The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

Group as a lessor:

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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

s. Inventories

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

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

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Contract work in progress: contract work in progress comprising construction costs and other directly attributable overheads is valued at lower of cost and net realisable value

Cost of inventories is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to that extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

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

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

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

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

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

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

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

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

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

u. Provisions and contingent liabilities

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

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

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

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

Provisions and contingent liability are reviewed at each balance sheet.

Notes to the consolidated financial statements for the year ended March 31, 2020

Decommissioning liability:

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

v. Retirement and other employee benefits

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

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

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

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

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

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

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

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

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

b. The date that the Group recognises related restructuring costs

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

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

b. Net interest expense or income.

w. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in

Notes to the consolidated financial statements for the year ended March 31, 2020

the consolidated statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

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

Effective interest method

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

(a) Financial assets

Financial assets at amortised cost

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

Financial assets measured at fair value

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

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

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

Impairment of financial assets,excluding investments in joint ventures and associates

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

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

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

De-recognition of financial assets

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

(b) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

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

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

a. Financial guarantee contracts

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

b. De-recognition

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

Put Option Liability

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

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

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

Off-setting of financial instruments

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

Notes to the consolidated financial statements for the year ended March 31, 2020

x. Derivative financial instruments

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

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

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

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

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

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

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

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

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

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

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

y. Convertible preference shares/debentures

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

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

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

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

z. Cash and cash equivalents

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

aa. Cash dividend

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

bb. Foreign currencies

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

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

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

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.
- Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Group has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-"First time adoption of Indian Accounting Standard" are recognised directly in equity or added/ deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Group companies:

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

cc. Exceptional items

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

dd. Treasury shares

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

Notes to the consolidated financial statements for the year ended March 31, 2020

ee. Corporate social responsibility ('CSR') expenditure

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

ff. Earnings per share

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	As % of total comprehensive income	Total comprehensive income*
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
Parent																							
1	GMR Infrastructure Limited (GIL)	India	Holding Company					27.64%	12,067.74	26.17%	11,701.15	33.27%	(1,479.12)	16.02%	(1,034.31)	44.51%	1,996.25	101.07%	(4,315.59)	1332.12%	517.13	49.88%	(5,349.90)
Subsidiaries																							
Indian																							
2	GMR Energy Trading Limited (GETL)	India	Subsidiary	81.00%	81.00%	81.00%	81.00%	0.14%	62.52	0.13%	59.64	-0.07%	2.91	0.09%	(5.87)	0.00%	(0.02)	0.00%	-	7.43%	2.88	0.05%	(5.87)
3	GMR Power Corporation Limited (GPCL)	India	NA[11]	NA	51.00%	NA	51.00%	0.00%	-	0.61%	273.09	0.00%	-	-0.01%	0.92	0.00%	-	0.00%	0.01	0.00%	-	-0.01%	0.92
4	GMR Coastal Energy Private Limited (GCEPL)	India	NA[11]	NA	100.00%	NA	100.00%	0.00%	-	0.00%	(0.17)	0.00%	-	0.00%	(0.03)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.03)
5	GMR Londa Hydropower Private Limited (GLHPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.18%	(79.88)	-0.16%	(73.64)	0.14%	(6.24)	0.97%	(62.91)	0.00%	-	0.00%	-	-16.07%	(6.24)	0.59%	(62.91)
6	GMR Mining & Energy Private Limited (GMEL)	India	Subsidiary[16]	100.00%	NA	100.00%	NA	0.00%	(0.03)	0.00%	NA	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	-	-0.02%	(0.01)	0.00%	NA
7	GMR Kakinada Energy Private Limited (GKEPL)	India	NA[11]	NA	100.00%	NA	100.00%	0.00%	-	0.00%	(0.12)	0.00%	-	0.00%	(0.03)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.03)
8	SJK Powergen Limited (SJK)	India	NA[11]	NA	70.00%	NA	70.00%	0.00%	-	-0.72%	(322.91)	0.00%	-	1.81%	(116.64)	0.00%	-	0.00%	-	0.00%	-	1.09%	(116.64)
9	GMR Genco Assets Limited (GGEAL)	India	NA[11]	NA	100.00%	NA	100.00%	0.00%	-	0.00%	(0.75)	0.00%	-	0.00%	(0.31)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.31)
10	GMR Generation Assets Limited (GGAL)	India	Subsidiary[11]	100.00%	100.00%	100.00%	100.00%	-0.14%	(61.21)	0.36%	160.53	27.00%	(1,200.13)	13.07%	(844.03)	0.00%	0.02	0.00%	-	-3091.48%	(1,200.11)	7.87%	(844.03)
11	GMR Power Infra Limited (GPIL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.02%	(6.56)	-0.01%	(4.87)	0.04%	(1.69)	0.02%	(1.42)	0.00%	-	0.00%	-	-4.35%	(1.69)	0.01%	(1.42)
12	GMR Highways Limited (GMRHL)	India	Subsidiary[13]	100.00%	100.00%	100.00%	100.00%	2.47%	1,079.56	2.44%	1,092.96	0.41%	(18.08)	0.48%	(30.84)	0.00%	-	-0.01%	0.22	-46.58%	(18.08)	0.29%	(30.62)
13	GMR Tambaram Tindivanam Expressways Limited (GTTEL)	India	Subsidiary	86.77%	86.77%	100.00%	100.00%	0.57%	247.47	0.52%	233.87	-0.30%	13.38	-0.25%	16.37	0.00%	0.22	0.00%	0.03	35.03%	13.60	-0.15%	16.40
14	GMR Tuni Anakapalli Expressways Limited (GTAEL)	India	Subsidiary	86.77%	86.77%	100.00%	100.00%	0.31%	136.97	0.28%	126.22	-0.24%	10.75	-0.19%	12.34	0.00%	0.01	-0.01%	0.32	27.71%	10.76	-0.12%	12.66
15	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.46%	(201.31)	-0.34%	(151.85)	1.11%	(49.46)	0.83%	(53.62)	0.00%	(0.01)	0.00%	(0.01)	-127.41%	(49.46)	0.50%	(53.63)
16	GMR Pochanpalli Expressways Limited (GPEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.53%	230.23	0.49%	218.44	-0.27%	11.81	-0.09%	5.59	0.00%	(0.02)	0.00%	0.17	30.37%	11.79	-0.05%	5.76
17	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	-1.48%	(644.14)	-1.01%	(452.33)	4.31%	(191.80)	1.75%	(112.81)	0.00%	(0.01)	0.00%	0.01	-494.10%	(191.81)	1.05%	(112.80)
18	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	0.14%	61.48	0.15%	66.93	0.12%	(5.39)	0.08%	(5.30)	0.00%	(0.06)	0.00%	(0.02)	-14.04%	(5.45)	0.05%	(5.32)
19	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	India	NA[13]	NA	100.00%	NA	100.00%	0.00%	-	0.31%	140.74	0.00%	-	-0.27%	17.38	0.00%	-	0.00%	-	0.00%	-	-0.16%	17.38
20	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary[2]	47.26%	59.31%	63.00%	63.00%	5.32%	2,321.17	3.73%	1,665.81	-14.32%	636.82	-11.35%	732.75	2.95%	132.11	-0.38%	16.30	1980.77%	768.93	-6.98%	749.05
21	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%	0.01%	2.59	0.01%	2.52	0.00%	0.08	0.00%	0.09	0.00%	-	0.00%	-	0.21%	0.08	0.00%	0.09
22	GMR Hyderabad Air Cargo and Logistics Private Limited (GHACLPL)	India	Subsidiary[2,3,12]	NA	59.31%	NA	100.00%	0.00%	-	0.24%	105.53	0.00%	-	-0.14%	8.80	0.00%	-	0.01%	(0.22)	0.00%	-	-0.08%	8.58
23	Hyderabad Airport Security Services Limited (HASSL)	India	NA[2,10]	NA	59.31%	NA	100.00%	0.00%	-	0.03%	13.22	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24	Asia Pacific Flight Training Academy Limited (APFT)	India	NA[4,7]	NA	59.31%	NA	100.00%	-	-	0.00%	NA	0.00%	-	-0.03%	2.12	0.00%	-	0.00%	-	0.00%	-	-0.02%	2.12
25	GMR Aerostructure Services Limited (GASL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.29%	(124.89)	-0.17%	(76.72)	1.08%	(48.18)	0.83%	(53.32)	0.00%	-	0.00%	-	-124.10%	(48.18)	0.50%	(53.32)

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	As % of total comprehensive income	Total comprehensive income*
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
26	GMR Logistics Park Private Limited (GLPPL)	India	Subsidiary[2, 5]	47.26%	59.31%	100.00%	100.00%	0.13%	58.44	NA	(0.05)	0.01%	(0.55)	0.00%	(0.06)	0.00%	-	0.00%	-	-1.42%	(0.55)	NA	(0.06)
27	GMR Hyderabad Aerotropolis Limited (GHAL)	India	Subsidiary[2]	47.26%	59.31%	100.00%	100.00%	0.18%	77.45	0.10%	46.94	0.06%	(2.48)	0.06%	(3.89)	0.00%	-	0.00%	-	-6.40%	(2.48)	0.04%	(3.89)
28	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary[2]	47.26%	59.31%	100.00%	100.00%	0.11%	47.33	0.12%	51.70	0.10%	(4.36)	0.06%	(3.74)	0.00%	-	0.00%	-	-11.24%	(4.36)	0.03%	(3.74)
29	GMR Air Cargo and Aerospace Engineering Limited (GACAEL)	India	Subsidiary[2,12]	47.26%	59.31%	100.00%	100.00%	-0.01%	(3.56)	0.75%	334.41	-0.37%	16.37	0.01%	(0.50)	-0.01%	(0.38)	0.00%	-	41.20%	16.00	0.00%	(0.50)
30	GMR Aero Technic Limited (GATL)	India	Subsidiary[2,12]	47.26%	59.31%	100.00%	100.00%	0.00%	0.43	-0.55%	(245.57)	0.00%	0.06	0.08%	(5.22)	0.00%	-	0.01%	(0.23)	0.14%	0.06	0.05%	(5.44)
31	GMR Airport Developers Limited (GADL)	India	Subsidiary[2]	75.01%	100.00%	100.00%	100.00%	0.13%	55.45	0.11%	50.01	-0.39%	17.33	-0.07%	4.24	-0.02%	(0.83)	0.01%	(0.38)	42.50%	16.50	-0.04%	3.87
32	GMR Hospitality and Retail Limited (GHRL)	India	Subsidiary[2]	47.26%	63.00%	100.00%	100.00%	0.07%	29.08	0.05%	21.10	-0.18%	8.11	-0.06%	3.90	0.00%	(0.13)	0.00%	0.07	20.57%	7.98	-0.04%	3.96
33	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	India	Subsidiary[2]	47.26%	59.31%	100.00%	100.00%	0.00%	-	0.00%	0.03	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-	-0.05%	(0.02)	0.00%	-
34	Delhi International Airport Limited (DIAL)	India	Subsidiary[2]	48.01%	60.25%	64.00%	64.00%	6.28%	2,742.45	6.08%	2,718.04	-0.30%	13.15	1.73%	(111.76)	0.25%	11.27	0.24%	(10.13)	62.89%	24.42	1.14%	(121.89)
35	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary[2]	48.01%	60.25%	100.00%	100.00%	0.00%	(0.06)	0.00%	(0.06)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
36	Delhi Airport Parking Services Private Limited (DAPSL)	India	Subsidiary[2]	54.03%	67.81%	90.00%	90.00%	0.21%	91.59	0.20%	91.32	-0.80%	35.72	-0.32%	20.60	0.00%	(0.10)	0.00%	0.02	91.75%	35.62	-0.19%	20.62
37	GMR Airports Limited (GAL)	India	Subsidiary[2]	75.01%	94.14%	75.01%	100.00%	36.90%	16,108.41	30.81%	13,777.96	-1.68%	74.86	1.16%	(74.81)	54.36%	2,437.61	-5.70%	243.21	6472.10%	2,512.47	-1.57%	168.40
38	GMR Nagpur International Airport Limited (GNIAL)	India	Subsidiary[14]	75.01%	NA	100.00%	NA	0.00%	(0.02)	0.00%	-	0.00%	(0.03)	0.00%	-	0.00%	-	0.00%	-	-0.07%	(0.03)	0.00%	-
39	GMR Kannur Duty Free Services Limited (GKDFSL)	India	Subsidiary[14]	75.01%	NA	100.00%	NA	0.00%	(0.02)	0.00%	-	0.00%	(0.03)	0.00%	-	0.00%	-	0.00%	-	-0.08%	(0.03)	0.00%	-
40	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.30%	129.56	0.30%	134.29	0.11%	(4.67)	0.06%	(3.71)	0.00%	(0.06)	0.00%	(0.01)	-12.18%	(4.73)	0.03%	(3.72)
41	GMR Krishnagiri SIR Limited (GKSIR)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.26%	111.81	0.26%	115.03	0.06%	(2.59)	0.04%	(2.71)	0.00%	-	0.00%	-	-6.66%	(2.59)	0.03%	(2.71)
42	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.70	0.00%	0.73	0.00%	(0.03)	0.00%	(0.14)	0.00%	-	0.00%	-	-0.07%	(0.03)	0.00%	(0.14)
43	Aklima Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.78	0.00%	0.81	0.00%	(0.02)	0.00%	(0.08)	0.00%	-	0.00%	-	-0.06%	(0.02)	0.00%	(0.08)
44	Amartya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.18	0.00%	0.82	0.01%	(0.63)	0.00%	(0.06)	0.00%	-	0.00%	-	-1.63%	(0.63)	0.00%	(0.06)
45	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.87	0.00%	0.90	0.00%	(0.02)	0.00%	0.03	0.00%	-	0.00%	-	-0.06%	(0.02)	0.00%	0.03
46	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.52	0.00%	1.69	0.00%	(0.17)	0.00%	(0.02)	0.00%	-	0.00%	-	-0.45%	(0.17)	0.00%	(0.02)
47	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.26	0.00%	0.40	0.00%	(0.15)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.38%	(0.15)	0.00%	(0.01)
48	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.01%	2.49	0.01%	2.52	0.00%	(0.03)	0.00%	(0.11)	0.00%	-	0.00%	-	-0.08%	(0.03)	0.00%	(0.11)
49	Eila Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.56	0.00%	0.78	0.01%	(0.22)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.57%	(0.22)	0.00%	(0.01)
50	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.50	0.00%	0.56	0.00%	(0.06)	0.00%	(0.02)	0.00%	-	0.00%	-	-0.15%	(0.06)	0.00%	(0.02)
51	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.81	0.00%	0.85	0.00%	(0.05)	0.00%	(0.02)	0.00%	-	0.00%	-	-0.12%	(0.05)	0.00%	(0.02)
52	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.09	0.00%	1.12	0.00%	(0.03)	0.00%	(0.06)	0.00%	-	0.00%	-	-0.09%	(0.03)	0.00%	(0.06)
53	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.65	0.00%	0.79	0.00%	(0.15)	0.00%	(0.03)	0.00%	-	0.00%	-	-0.37%	(0.15)	0.00%	(0.03)
54	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.77	0.00%	0.80	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.07%	(0.03)	0.00%	(0.01)
55	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.42	0.00%	1.47	0.00%	(0.06)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.15%	(0.06)	0.00%	(0.01)
56	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.00	0.00%	1.03	0.00%	(0.03)	0.00%	(0.03)	0.00%	-	0.00%	-	-0.08%	(0.03)	0.00%	(0.03)
57	Padmapriya Properties Private Limited (PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.66	0.00%	0.61	0.00%	0.05	0.00%	0.16	0.00%	-	0.00%	-	0.12%	0.05	0.00%	0.16

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	As % of total comprehensive income	Total comprehensive income*
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
58	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.73	0.00%	0.78	0.00%	(0.05)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.14%	(0.05)	0.00%	(0.01)
59	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.61	0.00%	0.73	0.00%	(0.12)	0.00%	(0.02)	0.00%	-	0.00%	-	-0.30%	(0.12)	0.00%	(0.02)
60	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.54	0.00%	0.66	0.00%	(0.12)	0.00%	(0.11)	0.00%	-	0.00%	-	-0.30%	(0.12)	0.00%	(0.11)
61	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.81	0.00%	0.84	0.00%	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.08%	(0.03)	0.00%	(0.01)
62	Sreepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.70	0.00%	0.84	0.00%	(0.14)	0.00%	(0.08)	0.00%	-	0.00%	-	-0.36%	(0.14)	0.00%	(0.08)
63	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.72	0.00%	0.76	0.00%	(0.04)	0.00%	(0.02)	0.00%	-	0.00%	-	-0.10%	(0.04)	0.00%	(0.02)
64	Asteria Real Estates Private Limited (AREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.20)	0.00%	(0.18)	0.00%	(0.01)	0.00%	(0.07)	0.00%	-	0.00%	-	-0.04%	(0.01)	0.00%	(0.07)
65	Lantana Properies Private Limited (Lantana)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.73)	0.00%	(0.69)	0.00%	(0.04)	0.00%	(0.07)	0.00%	-	0.00%	-	-0.10%	(0.04)	0.00%	(0.07)
66	Namitha Real Estates Private Limited (NREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(1.73)	0.00%	(1.59)	0.00%	(0.15)	0.00%	(0.23)	0.00%	-	0.00%	-	-0.38%	(0.15)	0.00%	(0.23)
67	Honey Flower Estates Private Limited (HFEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.09%	37.94	0.08%	37.90	0.00%	0.04	-0.01%	0.76	0.00%	-	0.00%	-	0.11%	0.04	-0.01%	0.76
68	GMR SEZ & Port Holdings Limited (GSPHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.37%	160.99	0.44%	195.39	0.77%	(34.39)	0.51%	(32.66)	0.00%	-	0.00%	-	-88.60%	(34.39)	0.30%	(32.66)
69	East Godavari Power Distribution Company Private Limited (EGPDCPL)	India	Subsidiary[10]	NA	100.00%	NA	100.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.01)
70	Suzone Properties Private Limited (SUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.01%	(3.10)	-0.01%	(2.43)	0.00%	(0.04)	0.01%	(0.47)	0.00%	-	0.00%	-	-0.11%	(0.04)	0.00%	(0.47)
71	GMR Utilities Private Limited (GUPL)	India	Subsidiary[10]	NA	100.00%	NA	100.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
72	Lilliam Properties Private Limited (LPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.01%	(2.22)	0.00%	(1.80)	0.00%	0.20	0.00%	(0.29)	0.00%	-	0.00%	-	0.52%	0.20	0.00%	(0.29)
73	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.04%	(18.22)	-0.03%	(13.62)	0.10%	(4.61)	0.11%	(7.23)	0.00%	-	0.00%	-	-11.87%	(4.61)	0.07%	(7.23)
74	Dhruvi Securities Private Limited (DSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.57%	247.97	0.75%	334.47	-0.65%	28.88	0.05%	(3.38)	0.62%	27.62	0.00%	-	145.54%	56.50	0.03%	(3.38)
75	Kakinada SEZ Limited (KSL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%	0.18%	79.42	0.18%	81.57	0.01%	(0.62)	-0.03%	1.84	0.00%	(0.08)	0.00%	(0.02)	-1.80%	(0.70)	-0.02%	1.83
76	GMR Business Process and Services Private Limited (GBPSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.02%	(8.76)	-0.03%	(11.92)	-0.07%	3.16	0.05%	(2.94)	0.00%	-	0.00%	-	8.14%	3.16	0.03%	(2.94)
77	Raxa Security Services Limited (RSSL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.14%	61.30	0.13%	56.33	-0.15%	6.54	-0.11%	7.26	-0.04%	(1.58)	0.03%	(1.36)	12.80%	4.97	-0.06%	5.90
78	GMR Infra Services Limited (GISL)	India	NA[2,7]	NA	100.00%	NA	100.00%	0.00%	-	4.22%	1,888.33	15.34%	(681.77)	2.66%	(171.71)	0.00%	-	0.00%	-	-1756.23%	(681.77)	1.60%	(171.71)
79	Kakinada Gateway Port Limted (KGPL)	India	Subsidiary	51.00%	51.00%	100.00%	100.00%	0.41%	176.99	0.34%	154.01	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-	-0.01%	(0.01)	0.00%	-
80	GMR Power and Urban Infra Limited (GPUIL)	India	Subsidiary[14]	100.00%	NA	100.00%	NA	0.00%	(0.29)	0.00%	-	0.01%	(0.39)	0.00%	-	0.00%	-	0.00%	-	-1.01%	(0.39)	0.00%	-
81	GMR Goa International Airport Limited (GIAL)	India	Subsidiary[2]	75.00%	94.13%	99.99%	99.99%	0.42%	184.60	0.26%	116.50	0.08%	(3.40)	0.03%	(2.21)	0.00%	-	0.00%	-	-8.76%	(3.40)	0.02%	(2.21)
82	GMR Infra Developers Limited (GIDL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	1.11%	484.27	4.61%	2,060.03	19.44%	(864.26)	0.00%	(0.02)	0.00%	-	0.00%	-	-2226.32%	(864.26)	0.00%	(0.02)
Foreign																							
83	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	-0.35%	(151.28)	-0.30%	(131.92)	0.36%	(16.06)	0.86%	(55.20)	-0.11%	(5.00)	0.23%	(9.79)	-54.24%	(21.06)	0.61%	(64.98)
84	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.55%	238.21	0.54%	243.46	0.24%	(10.69)	0.57%	(36.74)	-0.07%	(3.31)	0.15%	(6.31)	-36.07%	(14.00)	0.40%	(43.05)
85	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	NA6,7	NA	NA	NA	NA	0.00%	-	0.00%	NA	0.00%	-	0.10%	(6.25)	0.00%	-	0.00%	-	0.00%	-	0.06%	(6.25)
86	PT Duta Sarana Internusa (PTDSI)	Indonesia	NA6,7	NA	NA	NA	NA	0.00%	-	0.00%	NA	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	NA
87	PT Barasentosa Lestari (PTBSL)	Indonesia	NA6,7	NA	NA	NA	NA	0.00%	-	0.00%	NA	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	NA
88	PT Unsoco (PT)	Indonesia	NA6,7	NA	NA	NA	NA	0.00%	-	0.00%	NA	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	As % of total comprehensive income	Total comprehensive income*
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
89	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	-3.97%	(1,734.58)	-3.60%	(1,611.34)	1.90%	(84.37)	6.31%	(407.47)	-0.86%	(38.58)	1.84%	(78.72)	-316.71%	(122.95)	4.53%	(486.19)
90	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	3.77%	1,645.10	3.35%	1,498.05	-2.43%	108.20	-13.28%	857.04	0.67%	29.99	-0.64%	27.43	355.98%	138.19	-8.25%	884.47
91	GMR Coal Resources Pte Limited (GCRPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	-1.21%	(527.59)	-0.43%	(193.58)	3.32%	(147.44)	1.00%	(64.42)	-0.52%	(23.10)	1.24%	(53.16)	-439.32%	(170.55)	1.10%	(117.58)
92	GADL International Limited (GADLIL)	Isle of Man	Subsidiary	100.00%	94.14%	100.00%	100.00%	0.00%	0.12	-0.04%	(16.47)	0.00%	(0.03)	-0.02%	1.24	-0.01%	(0.38)	0.03%	(1.25)	-1.08%	(0.42)	0.00%	(0.01)
93	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary2	75.01%	100.00%	100.00%	100.00%	0.00%	0.01	0.00%	(0.04)	0.00%	0.05	0.00%	(0.09)	0.00%	(0.03)	0.00%	(0.07)	0.06%	0.02	0.00%	(0.16)
94	GMR Male International Airport Private Limited (GMIAL)	Maldives	Subsidiary	76.87%	76.87%	76.87%	76.87%	1.43%	625.89	1.50%	668.92	0.08%	(3.70)	0.21%	(13.34)	0.22%	9.65	-0.78%	33.43	15.33%	5.95	-0.19%	20.09
95	GMR Airports International B.V. (GAIBV)	Netherlands	Subsidiary2,5	75.01%	94.14%	100.00%	100.00%	-0.40%	(176.54)	-0.05%	(21.61)	3.42%	(151.96)	0.43%	(27.97)	-0.07%	(3.16)	0.01%	(0.59)	-399.57%	(155.11)	0.27%	(28.57)
96	GMR Airport Singapore PTE Limited (GASPL)	Singapore	Subsidiary14	75.01%	NA	100.00%	NA	0.00%	(0.71)	0.00%	-	0.08%	(3.73)	0.00%	-	0.00%	(0.05)	0.00%	-	-9.72%	(3.77)	0.00%	-
97	GMR Airports (Mauritius) Limited (GAML)	Mauritius	Subsidiary2	75.01%	94.14%	100.00%	100.00%	0.01%	2.94	0.01%	3.24	0.01%	(0.36)	0.01%	(0.33)	0.00%	0.04	0.00%	0.16	-0.82%	(0.32)	0.00%	(0.17)
98	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	2.02%	883.91	1.71%	762.59	-2.30%	102.04	1.22%	(78.74)	0.07%	3.35	-0.21%	9.11	271.49%	105.39	0.65%	(69.63)
99	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.25%	108.00	-0.05%	(21.25)	-0.04%	1.99	-0.04%	2.58	-0.47%	(21.07)	1.37%	(58.29)	-49.15%	(19.08)	0.52%	(55.71)
100	GMR Infrastructure Overseas Limited, Malta (GIOL)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.09%	41.20	0.09%	41.46	0.02%	(0.94)	10.75%	(693.76)	0.01%	0.51	-0.06%	2.62	-1.10%	(0.43)	6.44%	(691.14)
101	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	1.54	0.00%	1.35	0.08%	(3.74)	0.05%	(3.03)	-0.19%	(8.68)	-0.12%	5.31	-32.00%	(12.42)	-0.02%	2.28
102	GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	2.39%	1,044.88	2.28%	1,020.81	-0.01%	0.51	0.00%	(0.01)	0.03%	1.52	-0.10%	4.16	5.21%	2.02	-0.04%	4.15
103	GMR Energy (Global) Limited (GEGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	(0.28)	0.00%	(0.21)	0.00%	(0.07)	0.00%	(0.07)	-0.53%	(23.58)	1.52%	(64.96)	-60.93%	(23.65)	0.61%	(65.03)
104	Indo Tausch Trading DMCC (Indo Tausch)	United Arab Emirates	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.00%	0.82	0.00%	0.94	0.01%	(0.27)	0.00%	(0.26)	0.00%	(0.02)	0.00%	(0.05)	-0.77%	(0.30)	0.00%	(0.31)
105	GMR Infrastructure (Overseas) Limited (GI(O)L)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	-2.15%	(938.58)	-3.10%	(1,386.49)	-10.18%	452.67	26.89%	(1,735.93)	-0.74%	(33.03)	0.23%	(9.87)	1080.99%	419.64	16.28%	(1,745.80)
Joint ventures (investment as per equity method)																							
Indian																							
106	GMR Energy Limited (GEL)	India	Joint Venture1,9	69.58%	69.58%	51.73%	51.73%	4.35%	1,897.31	6.91%	3,087.96	26.76%	(1,189.62)	19.36%	(1,249.91)	-0.02%	(0.71)	0.00%	(0.21)	-3066.28%	(1,190.33)	11.66%	(1,250.13)
107	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Joint Venture	9.67%	12.57%	20.14%	20.86%	0.22%	95.35	0.28%	124.45	0.65%	(29.06)	0.01%	(0.82)	0.00%	(0.03)	0.00%		-74.95%	(29.10)	0.01%	(0.82)
108	Delhi Duty Free Services Private Limited (DDFS)	India	Joint Venture2	36.73%	46.10%	66.93%	66.93%	0.75%	326.92	0.67%	300.16	-1.93%	85.93	-1.42%	91.94	-0.01%	(0.27)	0.00%	(0.12)	220.66%	85.66	-0.86%	91.82
109	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	India	Joint Venture2	23.16%	29.06%	49.00%	49.00%	0.05%	22.74	0.04%	18.21	-0.10%	4.50	-0.06%	3.75	0.00%	0.02	0.00%	(0.02)	11.64%	4.52	-0.03%	3.73
110	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture2	24.00%	30.12%	50.00%	50.00%	0.05%	21.86	0.05%	20.57	-0.10%	4.43	-0.06%	4.04	0.00%	(0.01)	0.00%	-	11.39%	4.42	-0.04%	4.04
111	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Joint Venture2	12.48%	15.66%	26.00%	26.00%	0.16%	70.64	0.14%	63.98	-0.23%	10.07	-0.20%	12.81	0.00%	-	0.00%	-	25.94%	10.07	-0.12%	12.81
112	WAISL Limited (WAISL)	India	NA2,,7,17	NA	15.66%	NA	26.00%	0.00%	-	0.01%	4.78	-0.05%	2.41	-0.05%	3.35	0.00%	-	0.00%	-	6.21%	2.41	-0.03%	3.35
113	GIL SIL JV	India	Joint Venture19	51.00%	NA	51.00%	NA	0.01%	2.72	0.00%	-	-0.06%	2.72	0.00%	-	0.00%	-	0.00%	-	7.01%	2.72	0.00%	-
114	GMR Mining & Energy Private Limited (GMEL)	India	NA16	NA	40.00%	NA	40.00%	0.00%	-	0.00%	(0.74)	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.02)
Foreign																							
115	GMR Megawide Cebu Airport Corporation (GMCAC)	Philippines	Joint Venture2,18	30.00%	37.66%	40.00%	40.00%	1.22%	531.89	1.04%	466.60	-0.72%	32.06	-0.76%	48.83	0.00%	(0.22)	0.00%	0.16	82.02%	31.84	-0.46%	48.99

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of consolidated net assets	Net assets, i.e, total assets minus total liabilities*	As % of total profit after tax	Profit after tax*	As % of total profit after tax	Profit after tax*	As % of other comprehensive income	Other comprehensive income*	As % of other comprehensive income	Other comprehensive income*	As % of total comprehensive income	Total comprehensive income*	As % of total comprehensive income	Total comprehensive income*
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
116	Limak GMR Joint Venture (CJV)	Turkey	Joint Venture	50.00%	50.00%	50.00%	50.00%	0.00%	(0.96)	0.00%	(0.23)	0.01%	(0.64)	-0.01%	0.54	0.00%	-	0.00%	-	-1.65%	(0.64)	-0.01%	0.54
117	Megawide GISPL Construction Joint Venture (MGCJV)	Philippines	Jointly Controlled Operations	50.00%	50.00%	50.00%	50.00%	0.02%	8.83	0.06%	27.38	-0.10%	4.56	-0.44%	28.45	0.02%	0.96	0.03%	(1.37)	14.22%	5.52	-0.25%	27.08
118	Megawide GMR Construction JV, Inc. (MGCJV Inc.)	Philippines	Joint Venture5	45.00%	45.00%	45.00%	45.00%	0.13%	54.86	0.05%	20.55	-0.72%	31.89	-0.15%	9.59	0.00%	-	0.00%		82.15%	31.89	0.02%	9.59
119	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Joint Venture8	30.00%	30.00%	30.00%	30.00%	8.27%	3,611.20	7.70%	3,443.26	-3.10%	137.81	-3.14%	202.46	-0.05%	(2.29)	0.00%	(0.11)	349.10%	135.52	-1.89%	202.35
120	Heraklioncrete International Airport SA (Crete)	Greece	Joint Venture2,5	16.23%	9.41%	21.64%	10.00%	0.50%	217.88	0.01%	4.04	0.08%	(3.37)	0.00%	-	0.00%	-	0.00%	-	-8.68%	(3.37)	0.00%	-
Associate																							
121	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	India	Associate2	12.48%	15.66%	26.00%	26.00%	0.16%	68.26	0.13%	57.99	-0.23%	10.30	-0.09%	5.78	0.00%	0.01	0.00%	(0.03)	26.56%	10.31	-0.05%	5.75
122	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Associate2	19.20%	24.10%	40.00%	40.00%	0.02%	8.50	0.01%	5.96	-0.06%	2.87	-0.02%	1.53	0.00%	(0.05)	0.00%	0.02	7.26%	2.82	-0.01%	1.55
123	TIM Delhi Airport Advertising Private Limited (TIM)	India	Associate2	23.96%	30.06%	49.90%	49.90%	0.09%	41.01	0.09%	39.47	-0.24%	10.55	-0.20%	13.13	0.00%	0.21	0.00%	0.05	27.72%	10.76	-0.12%	13.18
124	GMR Chhattisgarh Energy Limited (GCEL)	India	NA15	NA	47.62%	NA	47.62%	0.00%	-	0.00%	-	0.00%	-	23.01%	(1,485.33)	0.00%	-	0.00%	0.08	0.00%	-	13.85%	(1,485.25)
125	GMR Rajahmundry Energy Limited (GREL)	India	Associate	45.00%	45.00%	45.00%	45.00%	-0.78%	(339.26)	-1.38%	(615.34)	1.77%	(78.74)	-0.50%	31.97	0.00%	0.01	0.00%	0.03	-202.81%	(78.73)	-0.30%	32.00
126	DIGI Yatra Foundation (DIGI)	India	Associate2,5	17.65%	22.29%	37.00%	37.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Sub Total							**100.00%**	**43,659.46**	**100.00%**	**44,712.19**	**100.00%**	**(4,445.71)**	**100.00%**	**(6,455.51)**	**100.00%**	**4,484.53**	**100.00%**	**(4,269.99)**	**100.00%**	**38.82**	**100.00%**	**(10,725.50)**
	Less: Non controlling interests in all subsidiaries								**(2,674.58)**		**(1,695.02)**		**(227.19)**		**(224.29)**		**(55.87)**		**(13.34)**		**(283.06)**		**(237.63)**
	Consolidation adjustments/eliminations**								**(40,768.99)**		**(41,775.28)**		**2,243.52**		**3,099.22**		**(4,460.38)**		**4,443.62**		**(2,216.86)**		**7,542.84**
	Total								**215.89**		**1,241.89**		**(2,429.38)**		**(3,580.58)**		**(31.72)**		**160.29**		**(2,461.10)**		**(3,420.29)**

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

The reporting dates of the subsidiaries, joint ventures and associates coincide with that of the parent Company except in case of foreign subsidiaries (refer Sl. No 83 to 105) and foreign joint ventures (refer Sl. No 115 to 120) whose financial statements for the year ended on and as at December 31, 2019 were considered for the purpose of consolidated financial statements of the Group.

The financial statements of other subsidiaries / joint ventures / associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2020.

Notes:

1 During the year ended March 31, 2019, the Group has accounted for the put option to acquire additional 17.85% stake from investors in regard to GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights as at March 31, 2020 and March 31, 2019.

2 "During the year ended March 31, 2020 change in holding % of GAL is on account of sale of subisidiary (GISL) to ADP Groupe and subsequently effectively holding in GAL reduced to 75.01%. Refer note 45 (xvii) for additional details. During the year ended March 31, 2019, change in holding % of GAL on account of CCPS settlement. Refer note 45 (xi) for additional details."

3 Additional stake acquired in subsidiary during the year ended March 31, 2019.

4 Disposed during the year ended March 31, 2019.

5 Incorporated during the year ended March 31, 2019.

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

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

8 The amounts for net assets / (liabilities) and net profit / (loss) of PTGEMS and its joint ventures have been presented on a consolidated basis. (Refer note 21 below.)

9 The amounts for net assets / (liabilities) and net profit / (loss) of GEL and its subsidiaries and joint ventures have been presented on a consolidated basis. (Refer note 20 below.)

10 During the year ended March 31, 2020 entity has been liquidated/ strike off.

11 During the year ended March 31, 2020 GPCL, GCEPL, GKEPL, SJK and GGEAL have been mergred with GGAL. (Refer note 47(ii).)

12 During the year ended March 31, 2020 GHACLPL and GATL (MRO Division) mergred with GAEL and subseqently renamed to GACAEL.

13 During the year ended March 31, 2020 GKAUEL has been merged with GMRHL.

14 Incorporated during the year ended March 31, 2020.

15 Pursuant to sale of holding in GCEL, ceased to be associate of the Group.

16 Pursuant to purchase of additional stake in GMEL, the entity ceased to be an associate of the Group and became a subsidiary.

17 Pursuant to sale of holding in WAISL, ceased to be joint venture of the Group.

18 The amounts for net assets / (liabilities) and net profit / (loss) of GMCAC and its joint ventures have been presented on a consolidated basis. (Refer note 22 below.)

19 Entity has been assessed as joint venture during the year ended March 31, 2020.

20 The entities consolidated with GEL are listed below.

Sl. No.	Name of the entity	Country of incorporation	Relationship with GIL as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2020	March 31, 2019
1	GMR Vemagiri Power Generation Limited (GVPGL)	India	Joint Venture	69.58%	69.58%
2	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Joint Venture	69.61%	69.61%
3	GMR Warora Energy Limited (GWEL)	India	Joint Venture	69.58%	69.58%
4	GMR Gujarat Solar Power Limited (GGSPL)	India	Joint Venture	69.58%	69.58%
5	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Joint Venture	69.58%	69.58%
6	GMR Tenaga Operations and Maintenance Private Limited (GTOM)	India	Joint Venture	34.79%	34.79%
7	GMR Maharashtra Energy Limited (GMAEL)	India	Joint Venture	69.58%	69.58%
8	GMR Rajam Solar Power Private Limited (GRSPPL)	India	Joint Venture	69.58%	69.58%
9	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Joint Venture	69.58%	69.58%
10	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Joint Venture	69.58%	69.58%
11	GMR Consulting Services Limited (GCSL)	India	Joint Venture	69.58%	69.58%
12	GMR Kamalanga Energy Limited (GKEL)	India	Joint Venture	60.83%	60.83%
13	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Joint Venture	55.57%	55.07%
14	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture	12.10%	12.10%
15	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Joint Venture	71.10%	71.10%
16	Karnali Transmission Company Private Limited (KTCPL)	Nepal	Joint Venture	71.10%	71.10%

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Name of the entity	Country of incorporation	Relationship with GIL as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2020	March 31, 2019
17	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	Joint Venture	NA	71.10%
18	GMR Lion Energy Limited (GLEL)	Mauritius	Joint Venture	71.10%	71.10%
19	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Joint Venture	51.90%	51.90%

21 The entities consolidated with PTGEMS are listed below.

1	PT Roundhill Capital Indonesia (RCI)	Indonesia	Joint Venture	29.70%	29.70%
2	PT Borneo Indobara (BIB)	Indonesia	Joint Venture	29.43%	29.43%
3	PT Kuansing Inti Makmur (KIM)	Indonesia	Joint Venture	30.00%	30.00%
4	PT Karya Cemerlang Persada (KCP)	Indonesia	Joint Venture	30.00%	30.00%
5	PT Bungo Bara Utama (BBU)	Indonesia	Joint Venture	30.00%	30.00%
6	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Joint Venture	30.00%	30.00%
7	PT Berkat Nusantara Permai (BNP)	Indonesia	Joint Venture	30.00%	30.00%
8	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Joint Venture	30.00%	30.00%
9	PT Trisula Kencana Sakti (TKS)	Indonesia	Joint Venture	21.00%	21.00%
10	PT Era Mitra Selaras (EMS)	Indonesia	Joint Venture	30.00%	30.00%
11	PT Wahana Rimba Lestari (WRL)	Indonesia	Joint Venture	30.00%	30.00%
12	PT Berkat Satria Abadi (BSA)	Indonesia	Joint Venture	30.00%	30.00%
13	GEMS Trading Resources Pte Limited (GEMSCR)	Singapore	Joint Venture	30.00%	30.00%
14	PT Karya Mining Solution (KMS)	Indonesia	Joint Venture	30.00%	30.00%
15	PT Kuansing Inti Sejahtera (KIS)	Indonesia	Joint Venture	30.00%	30.00%
16	PT Bungo Bara Makmur (BBM)	Indonesia	Joint Venture	30.00%	30.00%
17	PT GEMS Energy Indonesia (PTGEI)	Indonesia	Joint Venture	30.00%	30.00%
18	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	Joint Venture	30.00%	30.00%
19	PT Unsoco (Unsoco)	Indonesia	Joint Venture	30.00%	30.00%
20	PT Barasentosa Lestari (PTBSL)	Indonesia	Joint Venture	30.00%	30.00%
21	PT Duta Sarana Internusa (PTDSI)	Indonesia	Joint Venture	30.00%	30.00%

22 The entities consolidated with GMCAC are listed below.

Sl. No.	Name of the entity	Country of incorporation	Relationship with GIL as at March 31, 2020	Percentage of effective ownership interest held (directly and indirectly) by GIL as at	
				March 31, 2020	March 31, 2019
1	Mactan Travel Retail Group Co. (MTRGC)	Philippines	Joint Venture	18.75%	23.54%
2	SSP-Mactan Cebu Corporation (SMCC)	Philippines	Joint Venture	18.75%	23.54%

Notes to the consolidated financial statements for the year ended March 31, 2020

3. Property, plant and equipment

(₹ in crore)

Particulars	Freehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, culverts, bunders etc.	Plant and machinery	Leas-ehold impro-vements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Total	Capital work in progress	Total
Gross block												
At Cost/Deemed Cost												
As at April 01, 2018	38.06	2,099.60	5,626.71	322.97	2,482.78	162.87	102.44	1,128.45	244.09	12,207.97	587.84	12,795.81
Additions	0.11	187.24	323.43	0.01	359.21	16.15	58.01	133.58	8.77	1,086.51	269.19	1,355.70
Disposals	-	-	-	-	(0.54)	(2.36)	(0.39)	(0.53)	(1.62)	(5.44)	-	(5.44)
Exchange differences (Refer note 3.2)	-	6.56	14.09	-	6.74	-	-	2.67	-	30.06	-	30.06
Other adjustments (Refer note 3.5)	-	3.00	(0.75)	-	(1.68)	(0.54)	(0.18)	(0.15)	-	(0.30)	-	(0.30)
As at March 31, 2019	**38.17**	**2,296.40**	**5,963.48**	**322.98**	**2,846.51**	**176.12**	**159.88**	**1,264.02**	**251.24**	**13,318.80**	**857.03**	**14,175.83**
Additions	-	391.41	145.08	-	62.36	6.47	48.90	103.71	9.13	767.06	2,951.99	3,719.05
Disposals	-	-	(23.83)	-	(17.81)	-	(13.03)	(6.63)	(2.86)	(64.16)	-	(64.16)
Exchange differences (Refer note 3.2)	-	1.71	5.28	-	2.77	-	0.01	0.99	-	10.76	-	10.76
Other adjustments (Refer note 3.5)	-	(32.18)	(40.42)	0.72	(5.73)	(1.26)	(1.70)	(1.67)	(0.03)	(82.27)	-	(82.27)
As at March 31, 2020	**38.17**	**2,657.34**	**6,049.59**	**323.70**	**2,888.10**	**181.33**	**194.06**	**1,360.42**	**257.48**	**13,950.19**	**3,809.02**	**17,759.21**
Accumulated Depreciation												
As at April 01, 2018	**-**	**331.40**	**849.49**	**39.87**	**816.06**	**34.66**	**40.16**	**619.41**	**54.57**	**2,785.62**	**-**	**2,785.62**
Charge for the year	-	117.54	264.69	13.35	281.03	13.93	24.38	146.79	16.99	878.70	-	878.70
Disposals	-	-	-	-	(0.20)	(0.91)	(0.37)	(0.46)	(1.62)	(3.56)	-	(3.56)
Adjsutment on account of changes in useful life in PPE due to AERA Order (Refer note 3.6)	-	-	17.30	-	8.16	-	-	18.77	-	44.23	-	44.23
Other adjustments	-	-	-	-	(0.44)	(0.13)	(0.04)	-	-	(0.61)	-	(0.61)
As at March 31, 2019	**-**	**448.94**	**1,131.48**	**53.22**	**1,104.61**	**47.55**	**64.13**	**784.51**	**69.94**	**3,704.38**	**-**	**3,704.38**
Charge for the year	-	128.25	271.77	13.39	291.57	14.67	34.06	132.44	17.47	903.62	-	903.62
Disposals	-	-	(3.14)	-	(12.42)	-	(12.68)	(6.16)	(2.81)	(37.21)	-	(37.21)
Other adjustments	-	-	-	-	0.05	-	(0.33)	-	-	(0.28)	-	(0.28)
As at March 31, 2020	**-**	**577.19**	**1,400.11**	**66.61**	**1,383.81**	**62.22**	**85.18**	**910.79**	**84.60**	**4,570.51**	**-**	**4,570.51**
Net Block												
As at March 31, 2019	**38.17**	**1,847.46**	**4,832.00**	**269.76**	**1,741.90**	**128.57**	**95.75**	**479.51**	**181.30**	**9,614.42**	**857.03**	**10,471.45**
As at March 31, 2020	**38.17**	**2,080.15**	**4,649.48**	**257.09**	**1,504.29**	**119.11**	**108.88**	**449.63**	**172.88**	**9,379.68**	**3,809.02**	**13,188.70**

Notes:

1. Buildings (including roads) with gross block of ₹ 5,908.54 crore (March 31, 2018-2019: ₹ 5,819.87 crore), runways, taxiways, aprons, bridges, culverts, bunders etc.are on leasehold land.

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

   a. Foreign exchange gain of ₹ 0.02 crore (March 31, 2018-2019: gain of ₹ 0.02 crore) on account of translating the financial statement items of foreign entities using the exchange rate at the balance sheet date.

   b. The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which

Notes to the consolidated financial statements for the year ended March 31, 2020

they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, Foreign exchange loss of ₹ 10.74 crore (March 31, 2019: loss of ₹ 30.04 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets have been adjusted against property, plant and equipment.

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

4. Depreciation for the year of ₹ 1.58 crore (March 31, 2019: ₹ 0.38 crore) related to certain consolidated entities in the project stage, which are included in capital work-in-progress.

5. Other Adjustments include reversal of input credit of GST in GHIAL and DIAL amounting to ₹ 77.90 crore (March 31, 2019: Nil) and ₹ 2.11 crore (March 31, 2019: ₹ 2.99 crore) pertaining to project construction which are no longer payable now. It also includes capitalisation of interest of GHIAL amounting to ₹ Nil (March 31, 2019: ₹ 5.11 crore).

6. On account of change in useful life of asset during March 31, 2019 as per Airport Economic Regulatory Authority Order No. 35/2017-18 dated January 12, 2018 and amended on April 09, 2018 in the matter of useful life of airport assets, effective from April 01, 2018, additional depreciation of ₹ 44.23 crore was charged in the retained earnings during the previous year ended March 31, 2019.

7. Also refer note 41(a) and note 45(i).

Notes to the consolidated financial statements for the year ended March 31, 2020

4. Right of use assets

(₹ in crore)

Particulars	Land	Buildings (including roads)	Plant and machinery	Leasehold improv-ements	Office equipments (including computers)	Vehicles and aircrafts	Furniture and fixtures (including electrical installations and equipments)	Total
As at April 01, 2019	**0.65**	**102.13**	**4.29**	**11.30**	**1.21**	**0.10**	**4.70**	**124.38**
Additions	-	0.95	-	-	-	-	-	0.95
Disposals	-	(2.98)	-	-	-	-	-	(2.98)
As at March 31, 2020	**0.65**	**100.10**	**4.29**	**11.30**	**1.21**	**0.10**	**4.70**	**122.35**
Accumulated depreciation								
As at April 01, 2019	-	-	-	-	0.28	-	-	0.28
Charge for the year	0.26	8.56	2.03	0.26	0.47	0.03	4.27	15.88
As at March 31, 2020	**0.26**	**8.56**	**2.03**	**0.26**	**0.75**	**0.03**	**4.27**	**16.16**
Net book value								
As at March 31, 2020	**0.39**	**91.54**	**2.26**	**11.04**	**0.46**	**0.07**	**0.43**	**106.19**

Notes

1 Accumulated depreciation as on April 01, 2019 represents asset taken on finance lease which was earlier classified in property, plant and equipments.

2 Depreciation of ₹ 0.17 crore has been charged to capital work in progress.

5 Investment property

(₹ in crore)

Particulars	Investment property		Investment property under construction	Total
	Land	Buildings		
Gross Block/ Cost				
As at April 01, 2018	**208.71**	**39.56**	**2,558.35**	**2,806.62**
Acquisitions during the year	0.05	0.20	-	0.25
Expenses capitalised during the year	-	-	336.37	336.37
Disposals	(0.56)	-	-	(0.56)
As at March 31, 2019	**208.20**	**39.76**	**2,894.72**	**3,142.68**
Acquisitions during the year	1.00	-	1.14	2.14
Expenses capitalised during the year	-	-	356.70	356.70
Disposals	(6.46)	-	-	(6.46)
As at March 31, 2020	**202.74**	**39.76**	**3,252.56**	**3,495.06**
Accumulated depreciation				
As at April 01, 2018	**-**	**2.01**	**-**	**2.01**
Charge for the year	-	0.88	-	0.88
As at March 31, 2019	**-**	**2.89**	**-**	**2.89**
Charge for the year	-	0.89	-	0.89
As at March 31, 2020	**-**	**3.78**	**-**	**3.78**

Notes to the consolidated financial statements for the year ended March 31, 2020

Net block				
As at March 31, 2019	**208.20**	**36.87**	**2,894.72**	**3,139.79**
As at March 31, 2020	**202.74**	**35.98**	**3,252.56**	**3,491.28**

Notes :

(a) Information regarding income and expenditure of Investment property:

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Rental income derived from investment property	9.10	7.36
Less: Direct operating expenses (including repairs and maintenance) generating rental income	(3.33)	(3.33)
Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	(3.84)	(2.90)
Profit arising from investment properties before depreciation	**1.93**	**1.13**
Less: Depreciation for the year	(0.89)	(0.88)
Profit arising from investment properties	**1.04**	**0.25**

(b) Investment property under construction as at March 31, 2020 represents 10,833 acres (March 31, 2019 : 10,865 acres) of land held by the Group consisting of 8,241 acres (March 31, 2019 : 8,241 acres) of land held by KSL for the purpose of SEZ and industrial in Kakinada, 1,325 acres (March 31, 2019 : 1,325 acres) of land held by GKSIR for the purpose of SEZ at Krishnagiri and 1,267 acres (March 31, 2019 : 1,299 acres) of land held by various other entities.

(c) State Industries Promotion Corporation of Tamil Nadu (SIPCOT) has issued notification / notice for acquisition of 595.15 acres (March 31, 2019 : 592 acres) of land for industrial purpose. The management of the Group does not foresee any financial loss arising out of such notification / notice.

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

(e) Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 42 for details on future minimum lease rentals.

(f) Refer to note 41 (a) for disclosure of contractual commitments for investment property.

(g) Fair value hierarchy disclosures for investment property have been provided in Note 52.

6. Goodwill on Consolidation

(₹ in crore)

Particulars	
Cost	
As at April 01, 2018	458.56
As at March 31, 2019	458.56
As at March 31, 2020	**458.56**
Accumulated impairment	
As at April 01, 2018	**-**
Charge / other adjustments for the year	-
As at March 31, 2019	**-**
Charge / other adjustments for the year	21.88
As at March 31, 2020	**21.88**
Net book value	
As at March 31, 2019	458.56
As at March 31, 2020	**436.68**

Notes:

i) Allocation of Goodwill to reportable segments:

The goodwill amounting to ₹ 436.68 crores (March 31, 2019 : ₹ 458.56 crores) acquired through business combination has been entirely allocated to 'Airport' segment of the Group.

Notes to the consolidated financial statements for the year ended March 31, 2020

ii) Allocation of goodwill to cash generating units (CGU):

Goodwill has been allocated to the following CGUs for impairment testing purpose with carrying amount of goodwill being significant in comparison with the entity's total carrying amount of goodwill with indefinite useful lives :

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Goodwill relating to GAL	346.89	346.89
Goodwill relating to DIAL	57.13	79.01
Goodwill relating to DAPSL	32.66	32.66
Total	**436.68**	**458.56**

The recoverable amount of the above mentioned Groups, for impairment testing is determined based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management covering a period ranging from 60-62 years, as based on the agreements with respective authorities.

iii) Key assumptions used for value in use calculations are as follows: *#

The Group prepares its cash flow forecasts based on the most recent financial budgets approved by management with projected revenue growth rate ranges from 0% to 48% for the forecast period. The rate used to discount the forecasted cash flows ranges from 15% to 15.50%.

*** Discount rates -** Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC).

 # Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.

7. Other intangible assets

(₹ in crore)

Particulars	Airport concessionaire rights	Capitalised software	Carriageways	Technical know-how	Power Plant concessionaire rights	Right to Cargo facility	Total
Gross block							
At Cost/Deemed Cost							
As at April 01, 2018	**430.47**	**20.70**	**2,728.98**	**8.98**	**14.82**	**21.03**	**3,224.98**
Additions	-	4.61	3.71	-	-	5.66	13.98
Disposals	-	-	-	-	-	(0.35)	(0.35)
As at March 31, 2019	**430.47**	**25.31**	**2,732.69**	**8.98**	**14.82**	**26.34**	**3,238.61**
Additions	-	15.01	1.68	-	-	3.72	20.41
Disposals	-	(0.20)	-	-	-	(0.05)	(0.25)
As at March 31, 2020	**430.47**	**40.12**	**2,734.37**	**8.98**	**14.82**	**30.01**	**3,258.77**
Accumulated amortisation and impairment							
As at April 01, 2018	**36.90**	**13.07**	**196.21**	**8.98**	**5.30**	**6.57**	**267.03**
Charge for the year	8.20	2.67	89.04	-	0.92	3.93	104.76
Disposals	-	-	-	-	-	(0.23)	(0.23)
As at March 31, 2019	**45.10**	**15.74**	**285.25**	**8.98**	**6.22**	**10.27**	**371.56**
Charge for the year	8.21	3.60	106.22	-	0.82	4.88	123.73
Disposals	-	(0.14)	-	-	-	(0.05)	(0.19)
As at March 31, 2020	**53.31**	**19.20**	**391.47**	**8.98**	**7.04**	**15.10**	**495.10**
As at March 31, 2019	**385.37**	**9.57**	**2,447.44**	**-**	**8.60**	**16.07**	**2,867.05**
As at March 31, 2020	**377.16**	**20.92**	**2,342.90**	**-**	**7.78**	**14.91**	**2,763.67**

Notes to the consolidated financial statements for the year ended March 31, 2020

8A. Interest in Joint ventures

(a) Details of joint ventures :

Name of the Entity	Country of incorporation / Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019		
a) **Material Joint Ventures :** GMR Megawide Cebu Airport Corporation (GMCAC) [5, 3]	Philippines	30.00%	37.66%	40.00%	40.00%	Operates the Mactan Cebu International Airport.	Equity Method
Delhi Duty Free Services Private Limited (DDFS) [3]	India	36.73%	46.10%	66.93%	66.93%	Operates Duty free shop at Indira Gandhi International Airport, New Delhi.	Equity Method
GMR Energy Limited (GEL) and its components [4]	India	69.58%	69.58%	51.73%	51.73%	Owns / operates / constructs thermal, solar and hydro power plants through its subsidiaries and joint ventures.	Equity Method
PT Golden Energy Mines TBK (PTGEMS) and its components [5]	Indonesia	30.00%	30.00%	30.00%	30.00%	Coal mining and trading operations in Indonesia .	Equity Method
b) **Others :** Delhi Aviation Services Private Limited (DASPL)[3]	India	24.00%	30.12%	50.00%	50.00%	Manages the operation of bridge mounted equipment and supply potable water at Indira Gandhi International Airport, New Delhi.	Equity Method
Delhi Aviation Fuel Facility Private Limited (DAFFPL)[3]	India	12.48%	15.66%	26.00%	26.00%	Operates aircraft refueling facility at Indira Gandhi International Airport, New Delhi.	Equity Method
WAISL Limited (WAISL)[3,8]	India	NA	15.66%	NA	26.00%	Provides IT infrastructure services at Indira Gandhi International Airport, New Delhi.	Equity Method
Laqshya Hyderabad Airport Media Private Limited (Laqshya)[3]	India	23.16%	29.06%	49.00%	49.00%	Provides outdoor media services for display of advertisement at Hyderabad Airport.	Equity Method
GMR Bajoli Holi Hydropower Private Limited (GBHHPL) [3, 6]	India	9.67%	12.57%	20.14%	20.86%	180 MW hydro based power project under construction	Equity Method
Limak GMR Joint Venture (Limak) [5]	Turkey	50.00%	50.00%	50.00%	50.00%	Joint venture formed for construction of ISG airport, Turkey.	Equity Method
GMR Mining & Energy Private Limited (GMEL) [7]	India	NA	40.0%	NA	40.00%	Engaged in mining.	Equity Method
Megawide GMR Construction JV, Inc. (MGCJV Inc.) [5]	Philippines	45.00%	45.00%	45.00%	45.00%	Joint venture formed for construction of Clark Airport, Phillipines.	Equity Method
GIL SIL JV	India	51.00%	NA	51.00%	NA	Engaged in Engineering, Procurement and Construction (EPC) activites	Equity Method
Heraklion Crete International Airport S.A. (Crete) [5]	Greece	16.23%	9.41%	21.64%	10.00%	Develop, construct, operate and management of the New Heraklion Airport.	Equity Method

Notes :

1 Aggregate amount of unquoted investment in joint ventures ₹ 3,283.77 crore (March 31, 2019 : ₹ 4,113.19 crore).

2 Aggregate amount of quoted investment in joint ventures ₹ 3,611.21 crores (March 31, 2019 : ₹ 3,443.26 crore) ; Market value of quoted investments in joint ventures : December 31, 2019 : ₹ 2,313.15 (December 31, 2018 : ₹ 2,139.71) based on last trading. The trading of shares is suspended since January, 2018. Also refer Note 8(b)(13)(iii).

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

Notes to the consolidated financial statements for the year ended March 31, 2020

4 During the year ended March 31, 2019, the Group has accounted for the put option to acquire additional 17.85% stake from investors in regard to GMR Energy Limited at an agreed amount. However, the same has been considered for effective holding but not for voting rights as at March 31, 2020 and March 31, 2019. GEL and its components together have been referred to as 'GEL Group'.

5 The reporting dates of the joint ventures entities coincide with the parent Company except in case of GMCAC, PTGEMS and its components, Limak, MGCJV Inc. and Crete whose financial statements for the year ended on and as at December 31, 2018 and December 31, 2019 as applicable were considered for the purpose of consolidated financial statements of the Group as these are the entities incorporated outside India and their financials are prepared as per calender year i.e. January to December.

6 Shareholding excludes the shares held by GEL in GBHHPL.

7 Shareholding excludes the shares held by GCEL in GMEL. During the year ended March 31, 2020 the Group has sold its investment in GCEL and one of the subsidiary of the Group has purchased the remaining share of GMEL from GCEL. Accordingly GMEL became a subsidiary of the Group.

8 DIAL sold its entire investment in WAISL on June 26, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2020

2. **Summarised financial information for material joint ventures**

(₹ in crore)

Particulars	GEL and its components**		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Current assets										
Cash and cash equivalents	31.43	15.66	6.96	20.01	164.60	253.94	960.20	549.12	1,163.19	838.73
Current tax assets	-	-	-	-	-	-	-	3.47	-	3.47
Other assets	907.99	1,012.45	335.74	269.11	185.41	130.71	1,665.08	1,733.07	3,094.22	3,145.34
Total current assets	**939.42**	**1,028.11**	**342.70**	**289.12**	**350.01**	**384.65**	**2,625.28**	**2,285.66**	**4,257.41**	**3,987.54**
Non current assets										
Non current tax assets	13.40	16.85	1.76	0.71	-	-	-	-	15.16	17.56
Deferred tax assets	-	247.24	10.26	11.67	-	-	50.87	42.00	61.13	300.91
Other non current assets	5,649.56	6,012.73	308.94	297.15	4,680.90	4,247.65	2,896.49	2,563.89	13,535.89	13,121.42
Total non current assets	**5,662.96**	**6,276.82**	**320.96**	**309.53**	**4,680.90**	**4,247.65**	**2,947.36**	**2,605.89**	**13,612.18**	**13,439.89**
Current liabilities										
Financial liabilities (excluding trade payable)	2,342.09	2,180.54	60.88	111.88	76.61	12.36	393.60	477.43	2,873.18	2,782.21
Current tax liabilities	27.75	27.76	1.79	2.25	-	-	31.08	33.62	60.62	63.63
Other liabilities (including trade payable)	379.65	389.16	188.70	109.05	194.88	127.86	1,559.81	1,220.92	2,323.04	1,846.99
Total current liabilities	**2,749.49**	**2,597.46**	**251.37**	**223.18**	**271.49**	**140.22**	**1,984.49**	**1,731.97**	**5,256.84**	**4,692.83**
Non current liabilities										
Financial liabilities (excluding trade payable)	2,761.80	2,972.22	36.75	41.64	3,343.74	3,209.80	796.56	756.93	6,938.85	6,980.59
Deferred tax liabilities	40.51	0.50	-	-	70.62	45.62	167.58	164.38	278.71	210.50
Other liabilities (including trade payable)	188.51	177.15	6.68	4.94	36.92	70.17	66.52	34.70	298.63	286.96
Total non current liabilities	**2,990.82**	**3,149.87**	**43.43**	**46.58**	**3,451.28**	**3,325.59**	**1,030.66**	**956.01**	**7,516.19**	**7,478.05**
Less : Non controlling interest	**(13.43)**	**(14.02)**	**-**	**-**	**-**	**-**	**(16.71)**	**(8.45)**	**(30.14)**	**(22.47)**
Net assets	**848.64**	**1,543.58**	**368.86**	**328.89**	**1,308.14**	**1,166.49**	**2,540.78**	**2,195.12**	**5,066.42**	**5,234.08**

** Refer note 8a(1)(4)

Notes to the consolidated financial statements for the year ended March 31, 2020

3. Reconciliation of carrying amounts of material joint ventures

(₹ in crore)

Particulars	GEL and its components**		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Opening net assets	1,543.58	1,431.09	328.89	263.70	1,166.49	975.63	2,195.13	1,884.92	5,234.09	4,555.34
Profit / (loss) for the year	(731.35)	(4.20)	146.47	152.17	68.40	122.07	459.36	674.86	(57.12)	944.90
Other Comprehensive income	(0.80)	2.35	(0.40)	(0.18)	(0.55)	0.41	(7.62)	(0.36)	(9.36)	2.22
Dividends paid	-	-	(88.00)	(72.00)	-	-	(161.53)	(512.45)	(249.53)	(584.45)
Dividend distribution tax	-	-	(18.10)	(14.80)	-	-	-	-	(18.10)	(14.80)
Foreign currency translation difference account	-	-	-	-	73.80	32.96	55.43	148.15	129.23	181.11
Additional issue of shares during the year	-	-	-	-	-	35.42	-	-	-	35.42
Other adjustments	37.21	114.34	-	-	-	-	-	-	37.21	114.34
Closing net assets	**848.64**	**1,543.58**	**368.86**	**328.89**	**1,308.14**	**1,166.49**	**2,540.78**	**2,195.12**	**5,066.42**	**5,234.08**
Proportion of the Group's ownership**	69.58%	69.58%	66.93%	66.93%	40.00%	40.00%	30.00%	30.00%		
Group's share	590.49	1,074.02	246.88	220.13	523.26	466.60	762.23	658.54	2,122.86	2,419.29
Adjustments to the equity values										
a) Fair valuation of Investments	2,862.53	2,862.53	-	-	-	-		-	2,862.53	2,862.53
b) Goodwill	-	-	80.03	80.03	-	-	2,848.98	2,784.72	2,929.01	2,864.75
c) Additional Impairment Charge (Refer note 8b(13)(i))	(1,923.63)	(1,242.72)	-	-	-	-		-	(1,923.63)	(1,242.72)
d) Acquisition of 17.85% stake	400.25	400.25	-	-	-	-		-	400.25	400.25
e) Other adjustments	(32.01)	(6.12)	-	-	-	-		-	(32.01)	(6.12)
Carrying amount of the investment	**1,897.63**	**3,087.96**	**326.91**	**300.16**	**523.26**	**466.60**	**3,611.21**	**3,443.26**	**6,359.01**	**7,297.98**

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

4. Summarised statement of profit & loss for material joint ventures

(₹ in crore)

Particulars	GEL and its components		DDFS		GMCAC		PTGEMS and its components		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Revenue from operations	1,880.50	1,932.42	1,414.59	1,358.30	501.95	388.61	7,777.59	7,140.50	11,574.63	10,819.83
Interest income	7.39	57.95	17.44	43.10	10.61	3.06	90.34	53.48	125.78	157.59
Depreciation and amortisation expenses	180.03	172.34	36.79	24.91	8.10	5.49	158.20	54.57	383.12	257.31
Finance Cost	651.24	659.17	9.83	9.32	130.27	72.26	80.05	35.96	871.39	776.71
Other expenses (net of other income)	1,417.45	1,283.63	1,189.39	1,129.58	280.43	169.43	6,920.15	6,173.23	9,807.42	8,755.87
Tax expenses / (income)	287.48	(221.31)	49.55	85.42	25.36	22.42	240.64	243.21	603.03	129.74
Profit / (loss) from continuing operations	(648.31)	96.54	146.47	152.17	68.40	122.07	468.89	687.01	35.45	1,057.79
Profit / (loss) from discontinued operations	(83.63)	13.50	-	-	-	-	-	-	(83.63)	13.50
Profit / (loss) for the year	(731.94)	110.04	146.47	152.17	68.40	122.07	468.89	687.01	(48.18)	1,071.29
Less : Non controlling interest	0.59	0.07	-	-	-	-	(9.53)	(12.15)	(8.94)	(12.08)
Profit / (loss) for the year attributable to parent	(731.35)	110.11	146.47	152.17	68.40	122.07	459.36	674.86	(57.12)	1,059.21
Other comprehensive income	(0.80)	2.35	(0.40)	(0.18)	(0.55)	0.41	(7.97)	(0.42)	(9.72)	2.16
Less : Non controlling interest	-	-	-	-	-	-	0.35	(0.06)	0.35	(0.06)
Other comprehensive income attributable to parent	(0.80)	2.35	(0.40)	(0.18)	(0.55)	0.41	(7.62)	(0.36)	(9.37)	2.22
Total comprehensive income to parent	(732.15)	112.46	146.07	151.99	67.85	122.48	451.74	674.50	(66.49)	1,061.43
Less : DDT paid	-	-	(18.09)	(14.80)	-	-	-	-	(18.09)	(14.80)
Total comprehensive income to parent net of DDT	(732.15)	112.46	127.98	137.19	67.85	122.48	451.74	674.50	(84.58)	1,046.63
Less : Profit on sale of Himtal attributable to recovery of Goodwill	-	(114.31)	-	-	-	-	-	-	-	(114.31)
Total comprehensive income to parent net of DDT and other adjustments	(732.15)	(1.85)	127.98	137.19	67.85	122.48	451.74	674.50	(84.58)	932.32
Group share of profit / (loss) for the year	(509.43)	(1.29)	85.66	91.82	27.14	48.99	135.52	202.35	(261.11)	341.87
Additional impairment charge	(680.91)	(1,242.72)	-	-	-	-	-	-	(680.91)	(1,242.72)
Dividend received by Group from joint ventures	-	-	58.90	48.18	-	-	48.46	153.73	107.36	201.91

Notes to the consolidated financial statements for the year ended March 31, 2020

5. Financial information in respect of oher joint ventures

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Aggregate carrying amount of investments in individually immaterial joint ventures	535.97	258.47
Aggregate amount of Group's share of :		
- Profit / (loss) for the year from continuing operations	29.00	34.59
- Other comprehensive income for the year	(0.03)	(0.03)
- Total comprehensive income for the year	28.97	34.56
- Less : DDT paid	(1.34)	(1.21)
- Total comprehensive income for the year (net of DDT)	27.63	33.35

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

a) Contingent liabilities (Group's share)

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Contingent Liabilities		
Corporate guarantees	528.81	1,015.87
Bank guarantees outstanding / Letter of credit outstanding	448.93	383.73
Disputed entry tax liabilities	102.67	102.67
Claims against the Group not acknowledged as debts	1,210.18	1,215.35
Disputed arrears of electricity charges	54.08	61.26
Matters relating to income tax under dispute	6.62	62.10
Matters relating to indirect taxes duty under dispute	41.52	41.56
Disputed demand for deposit of fund setup by water resource department	37.66	36.50
Total	**2,430.47**	**2,919.04**

b) Notes

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

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

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

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

v) GEL had entered into a Power Purchase Agreements ('PPAs') with Karnataka Power Transmission Corporation Limited for supply of energy during the period December 15, 1997 to July 7, 2008. GEL had a Fuel Supply Agreement ('FSA') with a fuel supplier towards purchase of Naphtha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a demand towards liquidated damages amounting to ₹ 296.16 crore along with an interest of ₹ 5.55 crore towards failure of GEL to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008 under the erstwhile FSA. GEL had disputed the demand from the supplier towards the aforementioned damages. Further, GEL has

Notes to the consolidated financial statements for the year ended March 31, 2020

filed its statement of defense and counter claim amounting to ₹ 35.96 crore along with interest at the rate of 18% p.a.

The matter was under arbitration. During the year ended March 31, 2017, the Arbitration Tribunal issued its arbitral award directing the fuel supplier to pay ₹ 32.21 crore to GEL towards its counter claim filed by GEL and rejected the claims of the fuel supplier. Subsequently, the fuel supplier filed an appeal before the District Civil Court of Bangalore for setting aside the entire arbitration award. The fuel supplier has also filed an interim application under Section 36 of the Arbitration and Conciliation Act for grant of interim stay on execution of the Arbitration award. The District City Civil Court vide its order issued the stay order on the operation of the Arbitration Award on furnishing of a bank guarantee by the fuel supplier equivalent to 50% of counter claim amount. Fuel supplier has filed writ petition before Karnataka High Court for setting aside the interim stay order dated March 04, 2017. Karnataka high court has dismissed the objection petition. GEL has filed execution petition before Delhi High Court for execution of Arbitral award, the outcome of which is awaited.

Fuel supplier has filed an appeal before Bangalore High court against the order passed by the District Civil Court. Hon'ble High Court, ordered stay of the Award subject to Fuel supplier depositing 50% of the Award amount. Hon'ble High Court has allowed GEL to withdraw the amount on furnishing BG of equivalent amount. GEL has filed application for permission to withdraw amount upon submission of Corporate Guarantees. During the year ended March 31, 2020, High court allowed GEL's Application with the condition that GEL Group give Affidavit-cum-Undertaking to state that it will not encumber/sell its land offered as security, till the disposal of the Appeal of fuel supplier.

Further, based on submission of two Corporate Guarantee copies by GEL and GGAL and Affidavit of undertaking by GBEL the court had permitted GEL to withdraw the amount which has been deposited by the fuel supplier on a condition that GEL shall re-deposit the aforesaid amount before the court, within a time frame to be stipulated by the Court at the time of final disposal if the fuel supplier is successful in the appeal. The amount withdrawn by GEL has been shown as payable under other financial liabilities.

The final outcome of the case is pending conclusion. However, based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to the consolidated financial statements of the Group and the claim from the fuel supplier has been considered as a contingent liability.

vi) Further, during the year ended March 31, 2019, GEL has received a notice of arbitration from one of the joint venture shareholders of GKEL seeking GEL to purchase their 10.20% stake in GKEL for ₹ 288.18 crore as per the terms of the shareholding agreement. The matter is currently under arbitration. In view of ongoing arbitration, and considering the uncertainty regarding the settlement price of Equity shares, no adjustments have been made in the consolidated financial statements.

vii) As at March 31, 2020, the amount payable in foreign currency by the GEL Group to certain vendors of USD 0.88 crore is outstanding for more than 3 years. The GEL Group is in the process of filing the application with RBI for condonation of delay and it is confident that such delays will not require any adjustments to the consolidated financial statements.

viii) GEL and GVPGL have entered into Technical Service Agreement ('TSA') and Parts and Repair Work Supply Agreement ('PRWST') with General Electric International Inc. (GE) for scheduled maintenance of gas turbines in gas based power plants. GE has raised invoices on respective companies as per the terms in the agreement, which are outstanding as at March 31, 2020. During the current period, GE served demand notice under section 8 of the Insolvency and Bankruptcy Code, 2016 of India demanding payment of outstanding amount.

Pursuant to the above, the GEL Group and GE, entered into a settlement, wherein GEL Group has agreed to pay the outstanding dues to GE as per the proposed payment plan mentioned in the settlement agreement. In case GEL fail to make payment as per the agreed schedule, the GEL Group agreed to pay additional interest as per the TSA. However, the GEL Group has not paid the liability and not accounted for interest thereon considering they are in the process of filling the application with the RBI for condonation of delay and hence no adjustments have been made in the consolidated financial statements.

ix) The Government of Karnataka vide its Order No. EN 540 NCE 2008 dated January 1, 2009 ('the Order') invoked Section 11 of the Electricity Act, 2003 ('the Electricity Act') and directed GEL to supply power to the State Grid during the period January 01, 2009 to May 31, 2009 at a specified rate. The period was subsequently extended up to June 5, 2009 vide Order No. EN 325 NCE 2009 dated September 22, 2009. GEL had a contract with a buyer till January 31, 2009 at a selling rate higher than such specified rate and, as such, filed a petition before the Hon'ble High Court of Karnataka challenging the Order. Revenue in respect of power supplied during January 2009 has been recognised in the books as per the original contracted rate, based on a legal opinion. The differential revenue, so recognised in the books, amounts to ₹ 44.76 crore.

Based on the interim directions of the Hon'ble High Court of Karnataka in the month of March 2009, Karnataka Electricity Regulatory Commission ('KERC') has recommended a higher band of tariff than the specified rate in the Order. However, revenue for the four months period ended June 05, 2009 has been recognised, on a prudent basis, as per the rate specified in the Order.

Notes to the consolidated financial statements for the year ended March 31, 2020

The Hon'ble High Court of Karnataka, in its order dated March 26, 2010, dismissed the petition of GEL challenging the Order invoking section 11(1) of the Electricity Act with a direction that if the Order had any adverse financial impact on GEL, then a remedy is provided to GEL to approach the appropriate commission under the Electricity Act empowered to offset the adverse financial impact in such manner as it considers appropriate. GEL had filed a Special Leave Petition ('SLP') before the Hon'ble Supreme Court of India to appeal against the said Order of the Hon'ble High Court of Karnataka, and has sought ex-parte ad-interim order staying the operation of the said Order and to direct Electricity Supply Companies to pay minimum rate prescribed by KERC.

Additionally, GEL filed a petition before KERC to decide on the adverse financial impact suffered by GEL because of invoking of powers u/s 11 (1), in reply to which the Government of Karnataka undertakings ('respondents') filed their reply on April 26, 2012 contesting GEL's claim of ₹ 166.75 crore and made a counter claim of ₹ 223.53 crore against GEL on account of adverse impact suffered by the respondents. In response to counter claim made by the respondent, GEL filed an updated petition with KERC on September 6, 2012.

In reply to the petition filed by GEL, KERC, vide their order dated November 30, 2012 through a majority judgment directed for a tariff of ₹ 6.90 / Kwh for the entire period for which the Order was in force to offset the adverse financial impact suffered by GEL. GEL has filed an appeal before the APTEL, New Delhi challenging the KERC's order to the limited extent that KERC has failed to fully offset the adverse financial impact suffered by GEL. Further, during the year ended March 31, 2013, GEL has withdrawn its SLP filed before the Hon'ble Supreme Court of India.

During the year ended March 31, 2014, respondents filed a review petition before KERC against the majority judgment passed by it, which was rejected by KERC.

During the year ended March 31, 2015, GEL has received an order dated May 23, 2014 from APTEL allowing them tariff of ₹ 6.90 per unit for all electricity supplied from January 1, 2009 to May 31, 2009 and directed the respondents to pay interest at the rate of 12% from the date of KERC order. The respondents have filed a civil appeal before the Hon'ble Supreme Court of India against APTEL order and GEL has filed an execution petition seeking execution of the above mentioned order of APTEL.

During the year ended March 31, 2016, the Hon'ble Supreme Court of India has passed the interim orders directing the customer to pay the dues to GEL against GEL furnishing security of immovable property/ bank security. GEL has received an amount of Rs 67.16 crore from the customers, pursuant to which it has recognised differential revenue of ₹ 22.39 crore during the year ended March 31, 2016. Further, the final order from Hon'ble Supreme Court of India is pending receipt. In view of the above, the management of GEL is confident that there will not be any adverse financial impact on GEL with regard to the aforementioned transactions and accordingly, no adjustments have been made to the consolidated financial statements of the Group for the year ended March 31, 2020.

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

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

xii) GKEL had appointed SEPCO Electric Power Construction Corporation (SEPCO) as the engineering, procurement and construction contractor for the power project pursuant to an international competitive bidding process and executed the EPC Contract capturing the entire scope of works for the project and other arrangements. GKEL had invoked the bank guarantees of SEPCO amounting to ₹ 579.26 crore on November 12, 2014 for liquidated damages and other claims. GKEL's stand of invocation of bank guarantees has been upheld by the order of District Court of Dhenkanal during the previous year 2018-19.

The delays under the EPC Contract and other disputes arising between SEPCO and GKEL, has resulted in SEPCO invoking the arbitration clause of the EPC Contracts. The Arbitral Tribunal has been constituted and pursuant to the invocation of Arbitration clause and consequently SEPCO has filed its statement of claims, claiming a sum of approximately ₹ 1,967.00 crore as per legal counsel (USD 0.05 crore + ₹ 705.18 crore + CNY 135.25 crore) being the amount due from GKEL towards its claims on cost incurred by SEPCO due to delays, payments towards Reliability Run Test (RRT) and Performance Guarantee Test (PGT), loss of profit, etc. GKEL has also filed its reply to the statement of claims of SEPCO and filed its counter claims approximating to ₹ 1,218.40 crore and CNY 43.90 crore (legal counsel estimation).

The arbitration proceedings has been initiated and would be continuing in the ensuing months and expected to be closed in the next year. The management has received legal advice that the claims filed before the Arbitral Tribunal by SEPCO is contractually weak and the outcome of Arbitral proceedings will therefore, to a great extent depend on the evidence which will be presented by each party in support of their claims before the Arbitral Tribunal. In view of the same, the GKEL is hopeful of getting favourable order and the management of the Group does not foresee any impact on the consolidated financial statements of the Group.

Notes to the consolidated financial statements for the year ended March 31, 2020

xiii) The management is of the opinion that the grant of Long Term Open Access ('LTOA') is beyond the generation capacity of the plant and requirement of reduction of LTOA was not on GKEL, own accord but was forced due to reasons attributable to implementing agencies. The management is hopeful of getting relief as requested in its petition before Appellate Tribunal of Electricity ('APTEL') and does not foresee any financial implication on such relinquishment that requires any adjustment in consolidated financial statements.

GKEL has entered into a Bulk Power Transmission Agreement ('BPTA') with PGCIL for availing LTOA for inter-state transmission of 220MW of power to western region from its fourth unit of generating station on long term basis in future. The said BPTA was amended with revision in its commissioning schedule to September 2017. GKEL provided bank guarantees of Rs. 11 crores against the said BPTA. GKEL was unable to get longer term or medium term PPA for the generation of 4th Unit and had to temporarily suspend its construction and since the matter was beyond the control of GKEL, surrendered the transmission facility under force majeure conditions. GKEL had filed a petition with CERC to consider the relinquishment under force majeure without any liability to it.

CERC had informed to take up the matter for adjudication after its decision in petition no. 92/MP/2015. The order in case of 92/MP/2015 was pronounced during the year wherein the CERC has decided that relinquishment charges have been payable in certain circumstances and methodology of such computation of relinquishment charges. It further ordered Power Grid Corporation that the transmission capacity which is likely to be stranded due to relinquishment of LTA shall be assessed based on load flow studies and directed it to calculate the stranded capacity and the compensation (relinquishment charges) payable by each relinquishing long term customer as per methodology specified in the Order respectively within one month of date of issue of the Order and publish the same on its website. The CERC order held that the relinquishment charges were liable to be paid for the abandoned projects.

As per calculations furnished by Power Grid Corporation of India Limited ('PGCIL') in terms of order in 92/MP the relinquishment charges for the 220 MW surrendered capacity is Rs 3.05 crore (at sr. no. 48 of the list published on the website of PGCIL). However PGCIL have not yet raised any demand against this Order. Further GKEL has challenged the Order and filed an Appeal in association with APP before APTEL in appeal no 417/2019.

Notes to the consolidated financial statements for the year ended March 31, 2020

8b. Interest in Associates

1. Details of Associates :

Name of the Entity	Country of incorporation / Place of Business	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019		
a) **Material associates :** GMR Chhattisgarh Energy Limited (GCEL)[3]	India	NA	47.62%	NA	47.62%	Owns and operates 1,370 MW coal based thermal power plant in Raipur district of Chattisgarh.	Equity Method
GMR Rajahmundry Energy Limited (GREL)	India	45.00%	45.00%	45.00%	45.00%	Owns and operates 768 MW combined cycle gas based power plant at Rajahmundry, Andhra Pradesh.	Equity Method
b) **Other associates :** TIM Delhi Airport Advertising Private Limited (TIMDAA) [2]	India	23.95%	30.06%	49.90%	49.90%	Provides advertisement services at Indira Gandhi International Airport, New Delhi.	Equity Method
Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM) [2]	India	12.48%	15.66%	26.00%	26.00%	Provides Cargo services at Indira Gandhi International Airport, New Delhi.	Equity Method
Travel Food Services (Delhi Terminal 3) Private Limited (TFS) [2]	India	19.20%	24.10%	40.00%	40.00%	Provides food and beverages services at Indira Gandhi International Airport, New Delhi.	Equity Method
DIGI Yatra Foundation (Digi) [2]	India	17.65%	22.29%	37.00%	37.00%	A central platform for identity management of passengers as Joint Venture of private airport operators and Airport Authority of India.	Equity Method

Notes :

1. Aggregate amount of unquoted investment in associates ₹ 117.77 crore (March 31, 2019 : ₹ 103.49 crore).
2. Change in holding % of GAL on account of CCPS settlement during the year. Refer note 45(xi) for additional details.
3. Pursuant to sale of investment, GCEL ceased to be an associate of the Group.

2. Summarised financial information for material associates (₹ in crore)

Particulars	GCEL**	GREL		Total	
	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current assets					
Cash and cash equivalents	15.93	2.38	58.21	2.38	74.14
Current tax assets	-	-	0.42	-	0.42
Other assets	206.64	18.39	56.46	18.39	263.10
Total current assets	**222.57**	**20.77**	**115.09**	**20.77**	**337.66**
Non current assets					
Non current tax assets	0.68	0.13	-	0.13	0.68
Deferred tax assets	-	-	-	-	-
Other non current assets	9,720.21	2,063.18	2,168.53	2,063.18	11,888.74
Total non current assets	**9,720.89**	**2,063.31**	**2,168.53**	**2,063.31**	**11,889.42**

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	GCEL**	GREL		Total	
	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current liabilities					
Financial liabilities (excluding trade payable)	3,008.75	151.78	493.57	151.78	3,502.32
Current tax liabilities	-	-	0.31	-	0.31
Other liabilities (including trade payable)	171.79	44.23	64.56	44.23	236.35
Total current liabilities	**3,180.54**	**196.01**	**558.44**	**196.01**	**3,738.98**
Non current liabilities					
Financial liabilities (excluding trade payable)	4,686.12	2,471.44	2,135.35	2,471.44	6,821.47
Deferred tax liabilities	-	0.45	0.45	0.45	0.45
Other liabilities (including trade payable)	40.72	14.06	12.31	14.06	53.03
Total non current liabilities	**4,726.84**	**2,485.95**	**2,148.11**	**2,485.95**	**6,874.95**
Net assets	**2,036.08**	**(597.88)**	**(422.93)**	**(597.88)**	**1,613.15**

3. Reconciliation of carrying amounts of material associates (₹ in crore)

Particulars	GCEL**	GREL		Total	
	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening net assets	3,118.96	(422.93)	(644.98)	(422.93)	2,473.98
Profit /(loss) for the year	(1,083.04)	(174.97)	221.98	(174.97)	(861.06)
Other Comprehensive income	0.16	0.02	0.07	0.02	0.23
Closing net assets	**2,036.08**	**(597.88)**	**(422.93)**	**(597.88)**	**1,613.15**
Proportion of the group's ownership	47.62%	45.00%	45.00%		
Group's share	969.58	(269.05)	(190.32)	(269.05)	779.26
Adjustments to the equity values					
a) Additional impairment charge (refer note 8(b)13(ii) and (v))	(969.58)	(425.04)	(425.04)	(425.04)	(1,394.62)
b) Loans adjusted against provision for loss in associates	-	354.83	-	354.83	-
c) Amount shown under provisions (note 21) *	-	339.26	615.36	339.26	615.36
Carrying amount of the investment	**-**	**-**	**-**	**-**	**-**

* The Group has recognised the liability to the extent of its constructive obligation in GREL.

4. Summarised Statement of Profit & Loss for material associates (₹ in crore)

Particulars	GCEL**	GREL		Total	
	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue from operations	800.88	-	-	-	800.88
Interest income	7.43	13.47	0.67	13.47	8.10
Depreciation and amortisation expenses	361.40	108.95	98.83	108.95	460.23
Finance Cost	795.30	129.31	68.40	129.31	863.70
Other expenses (net of other income)	734.73	(49.82)	11.82	(49.82)	746.55
Tax expenses / (income)	(0.08)	-	-	-	(0.08)
Exceptional /Prior period items	-	-	400.36	-	400.36
Profit / (loss) for the year	(1,083.04)	(174.97)	221.98	(174.97)	(861.06)
Other comprehensive income	0.16	0.02	0.07	0.02	0.23
Total comprehensive income	(1,082.88)	(174.95)	222.05	(174.95)	(860.83)
Total comprehensive income to parent net of DDT	(1,082.88)	(174.95)	222.05	(174.95)	(860.83)
Group share of profit / (loss) for the year	(515.67)	(78.73)	99.92	(78.73)	(415.75)
Additional loans given which has been impaired	-	-	(67.92)	-	(67.92)
Net Group share of profit / (loss) for the year	(515.67)	(78.73)	32.00	(78.73)	(483.67)
Addition (loss)/ profit shown under exceptional item	(969.58)	-	-	-	(969.58)

** Pursuant to sale of investment, GCEL ceased to be an associate of the Group.

Notes to the consolidated financial statements for the year ended March 31, 2020

5. Financial information in respect of other associates (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Aggregate carrying amount of investments in individually immaterial associates	117.77	103.49
Aggregate amount of group's share of :		
- Profit / (loss) for the year from continuing operations	25.67	22.70
- Other comprehensive income for the year	0.16	0.04
- Total comprehensive income for the year	**25.83**	**22.74**
- Less : DDT paid	(1.95)	(2.18)
- Total comprehensive income for the year (net of DDT)	**23.88**	**20.56**

6. Carrying amount of investments in joint ventures, associates and others* (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Aggregate amount of individually material joint ventures (refer note 8(a))	6,359.01	7,297.98
Aggregate amount of individually material associates (refer note 8(b))	-	-
Aggregate amount of individually immaterial joint ventures (refer note 8(a))	535.97	258.47
Aggregate amount of individually immaterial associates (refer note 8(b))	117.77	103.49
Total (A)	**7,012.75**	**7,659.94**
Other non-current investments (refer note 8(c)) (B)	147.39	105.13
Total (A+B)	**7,160.14**	**7,765.07**

*the movement in carrying amount in joint ventures and associates also includes movement due to new investments made during the year and foreign exchange translation reserve.

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

Particulars	March 31, 2020	March 31, 2019
Material joint ventures	(261.11)	341.87
Material associates	(78.73)	(483.67)
Other joint ventures	27.63	33.35
Other associates	23.88	20.56
Total	**(288.33)**	**(87.89)**

8. Exceptional items (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Material joint venture and associates (refer note 8b(13)(ii) and 8b(13)(v))	(680.91)	(2,212.30)
Total	**(680.91)**	**(2,212.30)**

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

Particulars	March 31, 2020	March 31 2019
Bank guarantees outstanding	3.91	1,021.24
Claims against the Group not acknowledged as debts	0.80	31.08
Matters relating to income tax under dispute	4.12	0.02
Matters relating to indirect taxes duty under dispute	-	0.02
Total	**8.83**	**1,052.36**

Notes:

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

ii) The environmental clearance for Talabira - 1 Coal Mine vested to the Group from Hindalco Industries Limited ('prior allotee') in terms of the Vesting Order received from the Nominated Authority, Ministry of Coal, GOI has been challenged at the National Green Tribunal, Eastern Bench, Kolkata. The said dispute is continuing from the time of Hindalco industries Limited and is pending as on the date. Further an application has been filed by another party alleging that the conditions under the Environmental Clearance (EC) and the Consent To Operate ('CTO') granted to the Company has been violated and are liable for suspension. However, the management of the Group is of the opinion that both the disputes raised do not have any legal validity and accordingly no adjustments are required to be made in these consolidated financial statements for the year ended March 31, 2019. However during the year ended March 31, 2020 the Group has disposed off its investment in GCEL.

iii) Also refer note 8b(13)(v).

Notes to the consolidated financial statements for the year ended March 31, 2020

10. Capital Commitments in respect of joint ventures and associates

a) Capital commitments in respect of joint ventures

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	159.36	394.43

b) Capital commitments in respect of associates

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	0.21	18.28

11. Other Commitments of / towards joint ventures and associates

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

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

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

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

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

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

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

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

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

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

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

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

xiii) The Group has committed to provide continued financial support to some of the joint ventures and associates, to ensure that these entities are able to meet their debts and liabilities as they fall due and they continue as going concerns.

Notes to the consolidated financial statements for the year ended March 31, 2020

xiv) Certain entities in power sector have made a commitment towards expenditure on corporate social responsibility activities amounting to ₹ 32.69 crores (March 31, 2019 : 73.91 crores).

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

xvi) In terms of the prescribed new environmental norms notified as per Environment (Protection) Amendment Rules, 2015, GWEL is required to install the Flue Gas Desulphurization Systems (FGD) to control emission from the power plant for by 2022.

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

12. Trade receivables in respect of joint ventures and associates

i) GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly, as at March 31, 2020, GWEL has raised claim of ₹ 535.77 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2020. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ₹ 535.77 crore relating to the period from March 17, 2014 to March 31, 2020 (including ₹ 121.68 crore for the year ended March 31, 2020) in the consoldiated statement of profit and loss.

13. Others

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

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

ii) The Group has investments of ₹ 1,897.63 crore (March 31, 2019 ₹ 3,087.96 crore) in GEL, a joint venture of the Group as at March 31, 2020. GEL has certain underlying subsidiaries / joint ventures which are engaged in energy sector. GEL and some of its underlying subsidiaries / joint ventures as further detailed in notes (iv), (vi), (vii) and (viii) below have been incurring losses. Based on the valuation assessment by the external expert during the year ended March 31, 2020 and the sensitivity analysis carried out for some of the aforesaid assumptions, the value so determined after discounting the projected cash flows using discount rate ranging from 10.79% to 19.92% across various entities, the management has accounted for an impairment loss of Rs 680.91 crore (March 31, 2019 1,242.72 crore) in the value of Group's investment in GEL and its subsidiaries/joint ventures which has been disclosed as an exceptional item in the consolidated financial statement of the Group for the year ended March 31, 2020.

iii) The Group has investments of ₹ 3,611.21 crore in PTGEMS, a joint venture of the Group as at March 31, 2020. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The cost of investments made by the Group is significantly higher than the book value of assets of PTGEMS and includes certain future benefits including Coal Supply Agreement ('CSA') of GCRPL with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount other than profit from mining operations. Though the shares of PTGEMS are listed on the overseas exchanges, the management is of the view that the quoted prices are not reflective of the underlying value of the mines as in the past few years the shares have been very thinly traded. Based on profitable mining operations, ramp up of production volumes and other assumptions around off take at a discounted price and trading thereof in valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Group believes that the carrying value of aforesaid investments in PTGEMS as at March 31, 2020 is appropriate.

Notes to the consolidated financial statements for the year ended March 31, 2020

iv) In view of lower supplies / availability of natural gas to the power generating companies in India, GEL, GVPGL and GREL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013. GVPGL and GREL emerged as successful bidders in the auction process organised by the Ministry of Power and operated on an intermittent basis from August 2015 and October 2015 respectively till September 2016 by using Regasified Liquefied Natural Gas ('RLNG') as natural gas. These entities have ceased operations and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply.

GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015. As a result, the consortium of lenders of GREL decided to implement Strategic Debt Restructuring Scheme ('SDR'). Pursuant to the scheme, borrowings aggregating to ₹ 1,308.57 crore and interest accrued thereon amounting to ₹ 105.42 crore was converted into equity shares of GREL for 55% stake in equity share capital of GREL and the Group had given a guarantee of Rs 2,571.71 crore to the lenders against the remaining debt. Under the SDR Scheme, the bankers had to find new promoters for GREL within the period as prescribed under the scheme, which expired during the year ended March 31, 2018. Consequent to the SDR and the conversion of loans into equity share capital by the consortium of lenders, GREL ceased to be a subsidiary of the Group and the Group has accounted its investments in GREL under the Equity Method as per the requirements of Ind AS - 28.

During the year ended March 31,2019, considering that GREL continued to incur losses in absence of commercial operations, the consortium of lenders has decided to implement a revised resolution plan which has been approved by all the lenders and accordingly the lenders have restructured the debt. The Group has provided guarantees to the lenders against the servicing of sustainable debts having principal amounting to ₹ 1,127.91 crore and all interests there on, including any other obligation arising out of it and discharge of the put option in regard to Cumulative Redeemable Preference Shares ('CRPS') (unsustainable debt) amounting to Rs 940.59 crore, if any exercised by the CRPS lenders, as per the terms of the revised resolution plan.

During the year ended March 31, 2018, pursuant to the appeal filed by Andhra Pradesh Discoms ('APDISCOMs'), the Hon'ble Supreme Court held that RLNG is not natural gas and accordingly GVPGL cannot be entitled for capacity charges based on availability declaration for generation of power on the basis of RLNG. GVPGL had also filed petition claiming losses of ₹ 447.00 crore pertaining to capacity charges pertaining to period 2006 to 2008 before Andhra Pradesh Electricity Regulatory Commission ('APERC'). Over the years, the case was heard for deciding the jurisdiction to adjudicate the proceedings. During the year ended March 31, 2019, the Hon'ble High Court of Andhra Pradesh passed its Judgment and held that the Central Electricity Regulatory Commission ('CERC') has the jurisdiction to adjudicate the present dispute. The Supreme Court vide its order dated February 4, 2020 dismissed the aforesaid petition of the DISCOMs and held that CERC will have jurisdiction to adjudicate the disputes in the present case and directed CERC to dispose off the petition filed before it within six months. The matter is pending to be heard before the CERC as at March 31, 2020.

Additionally, during the year ended March 31, 2020, in case of GVPGL's litigation with APDISCOMs, wherein APDISCOMS refused to accept declaration of capacity availability on the basis of deep water gas citing that natural gas for the purpose of PPA does not include Deep Water Gas and consequent refusal to schedule power from GVGPL and pay applicable tariff including capacity charges, CERC has passed order dated January 28, 2020, declaring that natural gas for the purpose of PPA includes Deep Water Gas. Accordingly, GVGPL is entitled to claim capacity charges from APDISCOMs from October 2016 based on availability declaration for generation of power on the basis of deep water gas, along with late payment surcharge.

GVGPL has calculated a claim amount of ₹ 741.31 crore for the period from October 2016 till February 2020, out of which GVPGL has claimed by submitting invoices to APDISCOMs of ₹ 363.42 crore for the period from October 2016 to January 2018 and is in the process of submitting invoices for the remaining amounts.

During the year, GEL entered into a Sale and Purchase Agreement with a prospective buyer for a consideration of USD 1.55 crore for sale of the Barge Mounted Power Plant ('Barge Plant') on as is where is basis, out of which USD 0.30 crore has been received till March 31, 2020. The transaction was expected to be completed by May 31, 2020. However, the dismantling work is on hold due to COVID - 19. However, the management is confident of completing the transfer of Barge by December 31, 2020. Since the estimate of realizable value amounting ₹ 112.02 crore done by the management as at March 31, 2020 is consistent with the consideration for the Barge Plant as per the agreement, no further impairment charge is required.

Further, the management of the Group is evaluating various approaches / alternatives to deal with the situation and is confident that Government of India ('GoI') would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Group carried out a valuation assessment of GREL and GVPGL during the year ended March 31, 2020 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 and current period from the customer and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The business plan of GREL considered for valuation assessment has been approved by the consortium of lenders at the time of execution of the resolution plan. The management of the Group will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise and GEL will be able to dispose off the Barge Power Plant as per the aforementioned Sale and Purchase agreement. Based on the aforementioned reasons, claims for capacity charges and business plans, the management is of the view that the carrying value of net assets of GVPGL by GEL as at

Notes to the consolidated financial statements for the year ended March 31, 2020

March 31, 2020 is appropriate. The Group has provided for its investment in full in GREL and the management is confident that no further obligation would arise for the guarantees provided to the lenders against the servicing of sustainable and unsustainable debts."

v) During the year ended March 31, 2017, under a Framework for Revitalizing Distressed Assets in the Economy by RBI, the lenders of GMR Chhattisgarh Energy Limited ('GCEL') have implemented the Strategic Debt Restructuring ('SDR') Scheme pursuant to which borrowings of GCEL aggregating to ₹ 2,992.22 crore (including interest accrued thereon of ₹ 654.73 crore) got converted into equity shares. Consequent to the SDR as stated above, GCEL ceased to be a subsidiary of the Group and has been considered as an associate as per the requirement of Ind AS -28.

The management had accounted for an impairment loss of ₹ 969.58 crore in the value of Group's investment in GCEL which was disclosed as an exceptional item in the consolidated financial results of the Group for the quarter and year ended March 31, 2019.

The Consortium of lenders were in the process of identifying investors for GCEL so as to revive the operational and financial position of GCEL as at March 31, 2019. During the quarter ended June 30, 2019, the consortium of lenders of GCEL had accepted Adani Power Limited ("APL") as the final bidder.

As part of the above restructuring, GMR Generation Asset Limited ("GGAL"), a wholly owned subsidiary of the Company, has sold to APL its entire 47.72% stake in GCEL for Re 1. As per the said agreement, the corporate / bank guarantees to the extent of Rs 1,155.64 crore furnished by GMR group companies i.e. GEL and GPCL shall be released in due course as per the terms and conditions as stated in the agreement and if any liabilities arise on account of invocation of guarantees from the closing date as defined in the said agreement,it will be reimbursed by APL. Further, APL has also agreed to pay the dues payable by GCEL to GMR group companies to the extent of ₹ 93.32 crore and payable to Doosan Power Systems India Private Limited ('DPS') / EPC contractor to the extent of ₹ 138.11 crore. During the year ended March 31, 2020, corporate guarantees to the extent of ₹ 700.00 crore have been released and an amount of ₹ 60.00 crore has been realized towards group companies dues and DPS liability.

The management of the Group is of the view that the no consequential liability would arise on account of aforesaid matters in view of the binding agreement that has been entered into with APL and the shares have been transferred to APL on July 26, 2019. "

vi) GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of GEL is in the process of setting up 300 MW hydro based power plant in Alaknanda River, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. During the year ended March 31, 2018, the validity of Environmental Clearance ('EC') granted to GBHPL by the MoEF ceased to exist. Pursuant to an application made by GBHPL, the MoEF vide its letter dated April 17, 2018, proposed to extend the EC granted to GBHPL for a period of 3 years, subject to the final outcome of the matter pending before the Court. Based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert during the year ended March 31, 2020, the management of the Group is of the view that the carrying value of net assets of GBHPL by GEL as at March 31, 2020 is appropriate.

vii) GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of ₹ 640.76 crore as at March 31, 2020 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 Rs 560.49 crore and the payment from the customers against the claims including interest on such claims is substantially pending receipt. Based on certain favourable interim regulatory orders, the management is confident of a favourable outcome towards the outstanding receivables. Though the net worth of GWEL is substantially eroded, the management of GWEL expects that the plant will generate sufficient profits in the future years and will be able to recover the receivables and based on business plans and valuation assessment by an external expert during the year ended March 31, 2020, the management of the Group is of the view that the carrying value of the net assets in GWEL by GEL as at March 31, 2020 is appropriate.

viii) 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 ₹ 1,803.49 crore as at March 31, 2020, 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 ₹ 1,502.86 crore as at March 31, 2020, 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 favorable interim regulatory orders with regard to its petition for 'Tariff Determination' and 'Tariff Revision' with its customers, the management is confident of a favorable outcome towards the outstanding receivables of GKEL. GKEL in view of the Supreme Court Order in Energy Watchdog vs CERC and others and CERC order in its own case for Haryana Discoms had sought legal opinion from the legal counsel on certainty of the claims with Bihar Discoms. Considering opinion received from legal counsels that GKEL has good tenable case with virtual certainty with respect to coal cost pass through and favourable Order from APTEL dated

Notes to the consolidated financial statements for the year ended March 31, 2020

21 December 2018 and CERC judgment in GKEL's own case for Haryana Discoms where the computation methodology of coal cost pass through was decided, the management was virtually certain on receipt of the GKEL's claim of revenue on coal cost pass through and was of the opinion that no contingency was involved in this regard. GKEL has now received a favorable order on 16 September 2019 whereby the CERC has allowed the coal cost pass through to be charged to the Bihar Discom, based on a certain methodology. However, GKEL has filed a review petition with Hon'ble Appellate Tribunal for Electricity dated 14 November 2019 against this methodology on the grounds that the methodology stated in this order, even though favorable, is contradictory to the methodology stated in the earlier order of CERC in GKEL's case with Haryana Discom. Accordingly, GKEL continued to recognize the income on Coal Cost Pass Through claims of ₹ 58.86 crore for the year ended March 31, 2020.

In the current year ended March 31, 2020, GKEL has accounted for late payment surcharge on billed invoices to Haryana Discoms amounting to ₹ 94.25 crore as per Order 135 of 2018 passed by APTEL dated December 20, 2019. Further as per the PPA with GRIDCO, GKEL shall raise a combined invoice for capacity charge and energy charge. GKEL had raised invoices and claimed capacity charges based on availability declared to State Load Dispatch Center (SLDC) on the basis of Tariff Orders issued by CERC for FY 2009-14 and FY 2014-19 respectively. However, GRIDCO disputed the declared availability, calculated the capacity charges and paid partial amount, against which the GKEL has objected as to the method of calculation and filed a petition before CERC in case no 115IMP/2019 on account non receipt of capacity charges along with late payment surcharge. CERC has passed an Order on 04 February 2020 and directed GRIDCO to pay the outstanding amount along with late payment surcharge as per CERC Tariff Regulation 2014. Further, CERC has directed SLDC to revise the availability for the said period as available by the Company. Accordingly, GKEL has raised invoice to GRIDCO on LPS and recognised ₹ 47.26 crore during year ended March 31, 2020.

GKEL has accounted for transportation cost of fly ash as change in law event as the same was agreed in principle by CERC vide Order 131/MP/2016 dated 21 February 2018 and recognized revenue amounting to ₹ 36.36 crore for Haryana, Bihar and GRIDCO PPAs for the year ended March 31, 2020 post complying with the conditions mandated in this regard. GKEL has filed petition with CERC for determination of compensation of transportation charges of fly ash as per Order 131/MP/2016 and is awaiting final order. Further, there is uncertainty regarding the final outcome of litigations as regards claims against GKEL. In view of these matters, business plans, valuation assessment by an external expert during the year ended March 31, 2020, the management is of the view that the carrying value of the investments in GKEL held by GEL as at March 31, 2020 is appropriate. Further, during the year ended March 31, 2020, as part of the strategic initiatives being undertaken by the management to ensure liquidity and timely payment of its obligations, the management of GEL, entered into share purchase agreement with JSW Energy Limited for sale of its equity stake in GKEL. However, subsequent to the year end, the said transaction has been put on hold due to uncertainties on account of COVID – 19 pandemic.

ix) Also refer note 20(2)

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

Particulars	March 31, 2020	March 31, 2019
Investments carried at fair value through consolidated statement of profit or loss		
In equity shares of other companies	0.56	0.56
Investments at amortised cost		
Investment in Debentures[1,2]	142.00	100.00
In other securities	4.83	4.57
	147.39	**105.13**
Aggregate book value of quoted investments	**-**	**-**
Aggregate market value of quoted investments	**-**	**-**
Aggregate value of unquoted investments	**147.39**	**105.13**

1. During the year ended March 31, 2011, GSPHPL had invested ₹ 100.00 crore in Kakinada Infrastructure Holding Private Limited (KIHPL), a shareholder in KSPL, through cumulative optionally convertible debentures with coupon rate of 0.10% p.a. GSPHPL is entitled to exercise the option of conversion of the aforesaid debentures into equity shares of KIHPL at a mutually agreed valuation at any time not exceeding 36 months from the date of execution of the debenture agreement (March 18, 2011). This period had been extended by 18 months with effect from March 18, 2014. During the year ended March 31, 2016, this period has been further extended by 36 months from September 18, 2015. During the year ended March 31, 2019 this period has been extended for 12 months and is further extended for 6 months in the current year and is valid till September, 2020. In the event GSPHPL does not exercise the option to convert the debentures into shares within the said period, the debentures shall be compulsorily converted by KIHPL into equity shares on expiry of the aforementioned period. The investment in KIHPL of ₹ 100.00 crore has been carried at amortised cost as per Ind AS 109.

2. During the year ended March 31, 2020, GIDL has invested ₹ 42.00 crore in GMR Infra Services Limited (GISL), a shareholder in GAL, through non convertible, non cumulative redeemable debentures with coupon rate of 0.001% p.a. . The investment in GISL of ₹ 42.00 crore has been carried at amortised cost as per Ind AS 109.

Notes to the consolidated financial statements for the year ended March 31, 2020

9. Trade receivables

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Trade receivables from external parties	109.86	109.22	1,294.06	1,328.20
Receivables from joint ventures and associates (note 49)	-	-	122.25	112.65
Receivables from other related parties (note 49)	-	-	7.53	6.52
Total	**109.86**	**109.22**	**1,423.84**	**1,447.37**
Break-up for security details:				
Unsecured, considered good	109.86	109.22	1,423.84	1,447.37
Unsecured, credit impaired	28.80	25.18	8.56	9.40
	138.66	**134.40**	**1,432.40**	**1,456.77**
Less: Allowance for doubtful receivables including allowance for expected credit loss	(28.80)	(25.18)	(8.56)	(9.40)
Total	**109.86**	**109.22**	**1,423.84**	**1,447.37**

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

(ii) Includes retention money deducted by customer to ensure performance of the Group's obligations and hence are receivable on the completion of contract or after the completion of defect liability period as defined in the respective contract and accordingly no discounting has been done for the same.

10. Loans

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Security deposit				
Unsecured, considered good				
Security deposit includes deposits with related parties (refer note below)	0.12	0.11	3.00	5.30
Security deposit with others	25.05	24.18	26.51	11.73
Unsecured- credit impaired	0.20	0.20	-	-
	25.37	24.49	29.51	17.03
Provision for doubtful deposits	(0.20)	(0.20)	-	-
Total (A)	**25.17**	**24.29**	**29.51**	**17.03**
Other loans				
Unsecured, considered good				
Loan to related parties (refer note below)	381.85	211.58	877.37	82.72
Loan to employees	1.83	1.75	1.74	5.20
Loan to others	38.88	39.21	8.36	4.83
	422.56	**252.54**	**887.47**	**92.75**
Unsecured- credit impaired				
Loan to others	100.00	100.00	-	-
Loan to associates/ joint ventures	212.00	270.17	21.00	-
	312.00	370.17	21.00	-
Provision for doubtful loans	(312.00)	(370.17)	(21.00)	-
Total (B)	**422.56**	**252.54**	**887.47**	**92.75**
Total (A+B)	**447.73**	**276.83**	**916.98**	**109.78**

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Security deposit includes deposits with related parties:				
GMR Family Fund Trust ('GFFT')	-	-	1.88	4.28
GREPL	-	-	1.12	1.02
Others	0.12	0.11	-	-
	0.12	**0.11**	**3.00**	**5.30**
Loan to related parties considered good include:				
GMR Enterprises Private Limited ('GEPL')	200.00	-	301.99	2.40
GMR Holding Overseas Limited ('GHOL')	-	-	3.46	3.38
GIL-SIL JV	-	-	4.50	-
GFFT	-	-	4.61	4.61
Welfare Trust for GMR Group Employees ('WTGGE')	-	-	208.25	-
DSI	173.42	173.36	-	-
BSL	-	-	28.57	27.91
PTGEMS	-	-	1.63	-
GKEL	1.44	1.44	1.97	1.97
GVPGL	-	-	-	1.34
GBHPL	-	-	-	3.15
GMCAC	-	-	4.51	-
GREL	-	-	-	0.36
GWEL	-	-	-	17.73
GEL	-	-	212.66	1.48
GCEL	-	2.48	-	0.10
GGSPPL	-	-	-	0.24
GBHHPL	6.99	-	69.37	-
WAISL	-	-	-	11.25
Airport Authority of India ('AAI')	-	-	-	6.80
GEML	-	-	0.61	-
CJV	-	-	0.52	-
MGCJV INC	-	-	0.42	-
GBEPL	-	34.30	34.30	-
	381.85	**211.58**	**877.37**	**82.72**
Loan to associates / joint ventures- credit impaired:				
GKEL	212.00	212.00	-	-
WAISL	-	2.82	-	-
GVPGL	-	16.30	-	-
GWEL	-	-	1.40	-
GBHPL	-	-	19.45	-
GBHHPL	-	39.05	0.15	-
	212.00	**270.17**	**21.00**	**-**

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

11. Other financial assets

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 15)	190.80	454.00	-	-
Total (A)	**190.80**	**454.00**	**-**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Derivative instruments at fair value through OCI				
Derivatives designated as hedge				
Cross currency swap (refer note 51)	865.00	239.23	-	-
Call spread option (refer note 51)	734.69	94.88	-	-
Total (B)	**1,599.69**	**334.11**	**-**	**-**
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedge				
Interest rate swap (refer note 51)	-	-	-	1.73
Call spread option (refer note 51)	274.35	99.75	-	-
Total (C)	**274.35**	**99.75**	**-**	**1.73**
Unsecured, considered good unless stated otherwise				
Receivable against service concession arrangements	822.11	960.82	231.08	216.02
Unbilled revenue (refer note 49)	12.49	-	892.85	563.93
Interest accrued on fixed deposits	0.10	0.00	77.32	42.81
Interest accrued on long term investments including loans to group companies (refer note 49)	1.25	17.07	42.62	8.72
Non trade receivable (refer note 49)	189.40	134.70	358.01	276.54
Receivable on account of proposed sale of stake in subsidiary (refer note 45(xi))	-	-	-	3,613.08
Total (D)	**1,025.35**	**1,112.59**	**1,601.88**	**4,721.10**
Unsecured- credit impaired				
Non trade receivable considered doubtful	-		5.81	-
Total (E)	**-**	**-**	**5.81**	**-**
Provision for doubtful non trade receivable (F)	-	-	(5.81)	-
Total (A+B+C+D+E+F)	**3,090.19**	**2,000.45**	**1,601.88**	**4,722.83**

12. Other assets

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Capital advances				
Unsecured, considered good				
Capital advances to related parties (refer note below)	364.93	256.69	-	-
Capital advances to others	1,317.62	1,341.57	-	-
Total (A)	**1,682.55**	**1,598.26**	**-**	**-**
Advances other than capital advances				
Unsecured, considered good				
Advances other than capital	7.81	7.55	266.46	127.13
Passenger service fee (Security Component) (refer note 45(iii))	10.56	25.65	-	-
Unsecured, considered doubtful	0.04	0.04	0.91	-
	18.41	33.24	267.37	127.13
Provision for doubtful advances	(0.04)	(0.04)	(0.91)	-
Total (B)	**18.37**	**33.20**	**266.46**	**127.13**
Other advances				
Prepaid expenses[1]	19.77	102.88	54.62	43.30
Deposit/ balances with statutory/ government authorities	278.13	37.65	451.29	72.60
Receivable against lease equilisation	421.78	-	-	-
Other receivable	-	-	3.69	10.81
Total (C)	**719.68**	**140.53**	**509.60**	**126.71**
Total (A+B+C)	**2,420.60**	**1,771.99**	**776.06**	**253.84**
Capital advances includes advances to related parties:				
GEPL	-	50.00		-
MCC	364.93	206.69		-
Total	**364.93**	**256.69**	**-**	**-**

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

Notes to the consolidated financial statements for the year ended March 31, 2020

13. Inventories

Particulars	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Raw materials (valued at lower of cost and net realizable value) (refer note 28)	142.19	45.07
Traded goods (refer note 29)*	30.73	15.10
Consumables, stores and spares	17.61	52.40
Total inventories (valued at lower of cost and net realisable value)	**190.53**	**112.57**

* Includes goods in transit of ₹ 1.40 crore (March 31, 2019: ₹ 2.58 crore)

14. Financial Assets - Current investments

Particulars	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Investments carried at fair value through consolidated statement of profit or loss (unquoted)		
Investment in domestic mutual funds	973.62	1,032.81
Investment in overseas funds by foreign subsidiaries	160.43	161.12
Investments carried at amortised cost		
Investment in commercial papers	1,783.73	1,064.83
Investments in domestic other funds	41.34	91.58
	2,959.12	**2,350.34**

Notes:

1. Aggregate market value of current quoted investments - ₹ Nil (March 31, 2019: ₹ Nil)
2. Aggregate carrying amount of current unquoted investments ₹ 2,959.12 crore (March 31, 2019: ₹ 2,350.34 crore)
3. Aggregate provision for diminution in the value of current investments ₹ Nil (March 31, 2019: ₹ Nil)

15. Cash and cash equivalents

Particulars		Non-current		Current	
		March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Balances with banks					
- on current accounts [2,4,6]		-	-	595.60	239.83
- Deposits with original maturity of less than three months		-	-	2,261.70	670.28
Cheques / drafts on hand		-	-	-	1.74
Cash on hand / credit card collection		-	-	2.13	6.81
	(A)	**-**	**-**	**2,859.43**	**918.66**
Bank balances other than cash and cash equivalents					
- Unclaimed dividend		0.27	0.27	-	-
- Deposits with remaining maturity for less than 12 months[6]		-	-	1,488.46	695.44
- Restricted balances with banks [1,3,5]		190.53	453.73	100.88	15.55
	(B)	**190.80**	**454.00**	**1,589.34**	**710.99**
Amount disclosed under other financial assets (refer note 11)		(190.80)	(454.00)		-
	(C)	**(190.80)**	**(454.00)**	**-**	**-**
Total	**(A+B+C)**	**-**	**-**	**4,448.77**	**1,629.65**

Notes:

1. Includes fixed deposits in GICL of ₹ 107.10 crore (March 31, 2019: ₹ 139.93 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that in spite of such economic difficulties the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus. Accordingly, the amount of deposit has been considered as non current.
2. Includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts.

Notes to the consolidated financial statements for the year ended March 31, 2020

3. Restricted deposits includes margin money deposit and deposits with banks that are pledged by the Group with the Government and other authorities and with lenders against long-term and short-term borrowings / hedging of FCCB interest / towards bank guarantee and letter of credit facilities availed by the Group.
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 Group and earn interest at the respective short-term deposit rates.
5. Refer notes 18 and 23 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.
6. Includes Marketing Fund in DIAL of ₹70.67 crore (March 31, 2019: ₹ 58.29 crore). Refer note 45(vi).
7. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Balances with banks:		
- On current accounts	595.60	239.83
Deposits with original maturity of less than three months	2,261.70	670.28
Cheques / drafts on hand	-	1.74
Cash on hand / credit card collection	2.13	6.81
Cash at bank and short term deposits attributable to entities held for sale (refer note 36)	58.84	0.59
Less: Bank overdraft**	-	(6.23)
Cash and cash equivalents for consolidated statement of cash flows	**2,918.27**	**913.02**

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

16. Equity share capital

Particulars	Equity Shares		Preference Shares	
	In Numbers	(₹ in crore)	In Numbers	(₹ in crore)
Authorised share capital:				
At April 01, 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**
Increase / (decrease) during the year	-	-	-	-
At March 31, 2020	**13,500,000,000**	**1,350.00**	**6,000,000**	**600.00**

* Face value of equity shares of ₹ 1 each
** Face value of preference shares of ₹ 1,000 each

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

	In Numbers	(₹ in crore)
At April 01, 2018	**6,035,945,275**	**603.59**
Changes during the period	-	-
At March 31, 2019	**6,035,945,275**	**603.59**
Changes during the period	-	-
At March 31, 2020	**6,035,945,275**	**603.59**

b) Terms / rights attached to equity shares:

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

Name of the shareholder	March 31, 2020		March 31, 2019	
	No. of shares held	(₹ in crore)	No. of shares held	(₹ in crore)
GMR Enterprises Private Limited ('GEPL'), the holding company Equity shares of Re. 1 each, fully paid up	3,101,143,150	310.11	2,962,422,625	296.24
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company Equity shares of ₹ 1 each, fully paid up	805,635,166	80.56	805,635,166	80.56
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company Equity shares of Re. 1 each, fully paid up	31,321,815	3.13	31,321,815	3.13
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company Equity shares of Re. 1 each, fully paid up	-	-	17,999,800	1.80

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

Name of the shareholder	March 31, 2020		March 31, 2019	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of Re. 1 each fully paid				
GEPL	3,101,143,150	51.38%	2,962,422,625	49.08%
GBC	805,635,166	13.35%	805,635,166	13.35%
DVI Fund Mauritius Limited	537,191,459	8.90%	5,055,849,000	8.38%
ASN Investments Limited	359,736,151	5.96%	-	-

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 under option, please refer note 18 related to terms of conversion/ redemption of foreign currency convertible bonds and optionally convertible debentures.

Notes to the consolidated financial statements for the year ended March 31, 2020

17. Other Equity

(₹ in crore)

Equity component of preference shares (refer note 45(xi))		
Balance as at April 1, 2018		373.15
Less: Converted to equity shares during the year (refer note 45(xi))		(373.15)
Balance as at March 31, 2019		-
Balance as at March 31, 2020	**(A)**	**-**
Equity component of optionally convertible debentures ('OCD's') (refer note 18)		
Balance as at April 1, 2018		-
Add: Equity component recognised on issuance of OCD's		45.92
Balance as at March 31, 2019		45.92
Balance as at March 31, 2020	**(B)**	**45.92**
Treasury shares (refer note 48(i))		
Balance as at April 1, 2018		(101.54)
Balance as at March 31, 2019		(101.54)
Less: Buy back of treasury shares during the year		101.54
Balance as at March 31, 2020	**(C)**	**-**
Securities premium (refer note 17(h))		
Balance as at April 01, 2018		11,115.80
Less: amount transferred to retained earning during the year (refer note 45(xi))		(1,104.82)
Balance as at March 31, 2019		10,010.98
Balance as at March 31, 2020	**(D)**	**10,010.98**
Debenture redemption reserve (refer note 17(c))		
Balance as at April 01, 2018		181.32
Add: amount transferred from the surplus balance in the consolidated statement of profit and loss		38.44
Less: amount transferred to the surplus balance in the consolidated statement of profit and loss		(32.34)
Balance as at March 31, 2019		187.42
Less: amount transferred to the surplus balance in the consolidated statement of profit and loss		(35.34)
Balance as at March 31, 2020	**(E)**	**152.08**
Capital reserve on consolidation (refer note 17(f))		
Balance as at April 01, 2018		(162.07)
Less: Minority share on account of dilution in stake in subsidiairy (refer note 45(xi))		(0.20)
Balance as at March 31, 2019		(162.27)
Balance as at March 31, 2020	**(F)**	**(162.27)**
Capital reserve on acquisition (refer note 17(a))		
Balance as at April 01, 2018		3.41
Balance as at March 31, 2019		3.41
Balance as at March 31, 2020	**(G)**	**3.41**
Capital reserve on government grant (refer note 17(d))		
Balance as at April 01, 2018		67.41
Less: Minority share on account of dilution in stake in subsidiairy (refer note 45(xi))		(3.96)
Balance as at March 31, 2019		63.45
Balance as at March 31, 2020	**(H)**	**63.45**
Capital reserve on forfeiture (Refer note 17 (e))		
Balance as at April 01, 2018		141.75
Balance as at March 31, 2019		141.75
Balance as at March 31, 2020	**(I)**	**141.75**

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Foreign currency monetary translation difference account (FCMTR) (refer note 17(g))		
Balance as at April 01, 2018		40.40
Less: Exchange differences on FCCB recognised during the year		(114.50)
Add: FCMTR amortisation during the year		5.79
Balance as at March 31, 2019		(68.31)
Less: Exchange differences on FCCB recognised during the year		(195.40)
Add: FCMTR amortisation during the year		15.31
Balance as at March 31, 2020	**(J)**	**(248.40)**
Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act (refer note 17(b))		
Balance as at April 01, 2018		70.46
Less: Minority share on account of dilution in stake in subsidiairy		(3.87)
Balance as at March 31, 2019		66.59
Add: Amount transferred from surplus balance in the consolidated statement of profit and loss		20.51
Balance as at March 31, 2020	**(K)**	**87.10**
Surplus in the consolidated statement of profit and loss		
Balance as at April 01, 2018		(8,450.83)
Loss for the year		(3,580.58)
Add: Amount transferred to the surplus balance in the consolidated statement of profit and loss from debenture redemption reserve		32.34
Less: Amount transferred from the surplus balance in the consolidated statement of profit and loss to debenture redemption reserve		(38.44)
Less: Adjustment due to application of Ind AS 115 'Revenue from contracts with customers'		(10.56)
Less: Adjustment on account of change in useful life of PPE due to AERA order		(27.46)
Less: Purchase of CCPS A of GAL held by non controlling shareholders (refer note 45(xi))		(2,251.21)
Less: Put option obligation for purchase of minority shareholding of GAL		(996.20)
Add: Sale of shares shown as receivable under current financial assets (refer note 45(xi))		3,613.08
Less: Adjustment on account of dilution of stake in APFT		(0.83)
Add: Acquisition of additional stake in subsidiary company		25.19
Add: Adjustment on account of merger of subsidiaires (refer note 47(ii))		366.93
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(2.35)
Less: Dividend distribution tax on dividend declared by subsidiaries		(24.86)
Balance as at March 31, 2019		**(11,345.78)**
Loss for the year		(2,429.38)
Add: Amount transferred to the surplus balance in the consolidated statement of profit and loss		35.34
Less: Special Reserve u/s 45-IC of RBI Act (refer note 17(b))		(20.51)
Less: Adjustment on merger of subsidiaries (refer note 47(ii))		(274.24)
Add: Adjustment of put option obligation for purchase of minority shareholding of GMR Airports Limited ('GAL')		996.20
Less: Adjustment of receivable shown under current financial assets (refer note 45(xi))		(3,560.00)
Add: Adjustment on account of transaction between shareholders (refer note 45(xvi))		3,463.60
Less: Buy back of Treasury shares (refer note 48(i))		(72.00)
Less: Re-measurement (losses) / gains on post employment defined benefit plans		(4.26)
Less: Dividend distribution tax on dividend declared by subsidiaries		(19.47)
Balance as at March 31, 2020	**(L)**	**(13,230.50)**
Components of Other Comprehensive Income ('OCI')		
Foreign currency translation of difference (FCTR) (refer not 17(i)		
Balance as at April 01, 2018		(70.92)
Movement during the year		163.30
Non controlling interest		(8.14)
Balance as at March 3 1, 2019		**84.24**

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Movement during the year		(123.14)
Non controlling interest		(1.96)
Balance as at March 31, 2020	**(M)**	**(40.85)**
Cash flow hedge reserve (refer note 17(j))		
Balance as at April 01, 2018		6.41
Add: During the year		12.68
Add: Minority share on account of dilution in stake in subsidiairy		3.53
Non controlling interest		(5.20)
Balance as at March 31, 2019		**17.42**
Add: During the year		152.86
Non controlling interest		(55.23)
Balance as at March 31, 2020	**(N)**	**115.05**
Total other equity (A+B+C+D+E+F+G+H+I+J+K+L+M+N)		
Balance as at March 31, 2019		**(1,056.72)**
Balance as at March 31, 2020		**(3,062.28)**

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

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

c) Certain entities in the Group have issued redeemable non-convertible debentures ('NCD'). Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), required the Company to create DRR out of profits of the entities available for payment of dividend.

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

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

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

g) The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'. The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Exchange differences are capitalized as per paragraph D13AA of Ind AS 101 'First time adoption' availing the optional exemption that allows first time adopter to continue capitalization of exchange differences in respect of long term foreign currency monetary items recognized in the consolidated financial statement for the period ending immediately beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, exchange gain of ₹ 180.09 crore (March 31, 2019: exchange gain ₹ 108.71 crore), net of amortisation, on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference

Notes to the consolidated financial statements for the year ended March 31, 2020

account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset.

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

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

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

18. Long-term borrowings

(₹ in crore)

Particulars	Non - current		Current Maturities	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Debentures / Bonds				
Foreign currency convertible bonds (unsecured)	2,224.20	2,032.81	-	-
Foreign currency senior notes (secured)	14,774.09	7,941.58	-	-
Non convertible debentures (secured)	1,558.74	1,989.01	3,219.45	1,138.81
Optionally convertible debentures (secured)	-	-	161.05	120.86
Term loans				
From banks				
Indian rupee term loans (secured)	5,416.44	5,734.66	410.82	684.37
Foreign currency loans (secured)	776.08	1,543.33	1,927.28	1,223.82
Indian rupee term loans (unsecured)	490.22	487.20	-	-
From financial institutions				
Indian rupee term loans (secured)	434.13	616.48	225.10	164.54
Indian rupee term loans (unsecured)	522.52	761.98	229.74	164.76
From others				
Indian rupee term loans (secured)	-	140.78	-	50.18
Loans from related parties (unsecured)	4.64	95.70	-	3.09
Liability component of compound financial instrument				
Convertible preference shares (unsecured)	5.79	5.23	-	-
Other loans				
Finance lease obligation (secured)	-	-	-	0.66
From the State Government of Telangana ('GoT') (unsecured)	315.05	315.05	-	-
	26,521.90	**21,663.81**	**6,173.44**	**3,551.09**
The above amount includes				
Secured borrowings	22,959.48	17,778.96	5,943.70	3,383.24
Unsecured borrowings	3,562.42	3,884.85	229.74	167.85
Amount disclosed under the head 'Other current financial liabilities' (Refer note 20)				
- current maturities of long term borrowings	-	-	(6,173.44)	(3,550.43)
- current maturities of finance lease obligations	-	-	-	(0.66)
Net amount	**26,521.90**	**21,663.81**	**-**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2020

A. Terms of security

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

ii) Out of the above total borrowings, borrowings of ₹ 722.02 crore (March 31, 2019: Rs 940.82 crore) have been secured against some of the personal assets of certain directors and assets held / corporate guarantee given by the holding company / fellow subsidiaries.

B. Terms of repayment (₹ in crore)

Particulars	Interest rates range (p.a)	Amount outstanding as at March 31, 2020	Repayable within		
			1 year	1 to 5 years	>5 years
Debentures / Bonds					
Foreign currency convertible bonds (unsecured)	7.50%	2,269.95	-	-	2,269.95
Foreign currency senior notes (secured)	4.25% - 6.45%	14,840.57	-	4,517.79	10,322.78
Non convertible debentures (secured)	7.44% - 18.00%	4,834.46	3,275.71	1,461.14	97.61
Optionally convertible debentures (secured)	0%	172.26	172.26	-	-
Term loans					
From banks					
Indian rupee term loans (secured)	9% - 15.05%	6,003.55	424.33	4,082.12	1,497.10
Foreign currency loans (secured)	6 month USD Libor + 5.25% / 3 month USD Libor + 2.25%	2,703.36	1,927.28	776.08	-
Indian rupee term loans (unsecured)	Base rate + 4.75%	500.00	-	500.00	-
From financial institutions					
Indian rupee term loans (secured)	9.40% - 16.00%	661.38	225.70	379.34	56.34
Indian rupee term loans (unsecured)	11.00% - 12.15%	752.54	229.93	522.61	-
From others					
Loans from related parties (unsecured)	12.25%	4.64	-	4.64	-
Liability component of compound financial instrument					
Convertible preference shares (unsecured)	6%	5.79	-	-	5.79
Other loans					
From the State Government of Telangana ('GoT') (unsecured)	0%	315.04	-	252.04	63.00
Total		**33,063.54**	**6,255.21**	**12,495.76**	**14,312.57**

Note:

i) Reconciliation with carrying amount

(₹ in crore)

Total Amount repayable as per repayment terms	33,063.54
Less: Impact of recognition of borrowing at amortised cost using effective interest method	368.20
Net carrying value	**32,695.34**

Notes to the consolidated financial statements for the year ended March 31, 2020

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

S No.	Particulars	Nature	March 31, 2020 ₹ in crore	Period of delay (No. of Days)	March 31, 2019 ₹ in crore	Period of delay (No. of Days)
1	Indian rupee term loan from banks and financial institutions	Payment of principal	2.85	0-30	59.21	0-90
2	Non convertible debentures	Payment of principal / premium	45.00	0-30	59.24	0-30
3	Foreign currency convertible bonds*	Payment of interest	-	-	159.15	0-120
4	Indian rupee term loan from banks and financial institutions	Payment of interest	0.03	0-30	56.06	0-90
5	Non convertible debentures	Payment of interest	8.47	0-30	-	-
	Total		**56.35**		**333.66**	

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

C. Other notes

1. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company had issued 7.50% Unlisted FCCBs of USD 30.00 crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing date up to close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at ₹ 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/USD. As at March 31, 2020, The FCCB holders have not exercised the conversion option. The Company needs to take necessary steps in case the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited.
2. 6% Redeemable, Convertible, Non-Cumulative Preference Shares of ₹ 100 each fully paid up issued by GCORRPL, are redeemable at par on June 1, 2026. These preference shares can be redeemed at the option of GCORRPL at any time, as may be determined by the Board of Directors of GCORRPL with one month prior notice to the preference shareholders.These preference shares have been classified as financial liability by GCORRPL and are measured at amortised cost of ₹ 5.79 crore (March 31, 2019: ₹ 5.27 crore).
3. Against a secured Indian rupee term loan from bank taken by GACEPL, it has agreed to pay an additional interest of 0.60% p.a. on the loan from August 2010 onwards if the claim submitted by GACEPL is awarded in favour of GACEPL during arbitration proceedings.
4. In case of certain secured Indian rupee term loans from banks,the banks have a put option for full or part of the facility amount at the end of certain months from the date of first disbursement and every three months thereafter.
5. Negative grant of ₹ 66.41 crore (March 31, 2019: ₹ 66.41 crore) of GACEPL is interest free and recorded at amortised cost. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2020, an amount of ₹ 66.41 crore (March 31, 2019: ₹ 66.41 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of ₹ 108.34 crore till March 31, 2020 (March 31, 2019: ₹ 108.34 crore).
6. In case of certain loans from banks and financial institutions, the lenders have certain mandatory prepayment rights as per the terms of the agreements.

19 Trade payables

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Trade payables[1]	-	-	2,261.51	1,946.29
	-	**-**	**2,261.51**	**1,946.29**

1. Terms and conditions of the above financial liabilities:
   - Trade payables are non-interest bearing
   - For explanations on the Group's credit risk management processes, refer note 52
   - The dues to related parties are unsecured. refer note 49

Notes to the consolidated financial statements for the year ended March 31, 2020

20. Financial liabilities

Particulars At amortized Cost	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Security deposit from concessionaires / customers	449.29	363.65	263.91	266.11
Security deposit from commercial property developers ('CPD')	14.44	13.02	-	-
Concession fee payable	171.96	192.54	92.11	84.08
Non-trade payable (including retention money)[a]	72.99	17.83	1,025.32	547.22
Liability towards put options given to non controlling interest / preference shareholders of subsidiaries / joint ventures[b] (refer note 45 (xi))	-	-	1,192.43	2,186.38
Liability for voluntary retirement scheme	-	-	-	1.35
Interest / premium / processing fees payable on redemption of debenture/ loan	-	85.58	1,525.61	791.45
Current maturities of long term borrowings (refer note 18)	-	-	6,173.44	3,550.43
Current maturities of finance lease obligations (refer note 18)	-	-	-	0.66
Total (A)	**708.68**	**672.62**	**10,272.82**	**7,427.68**
Financial guarantees	38.58	49.57	16.67	15.76
Total (B)	**38.58**	**49.57**	**16.67**	**15.76**
Total (A+B)	**747.26**	**722.19**	**10,289.49**	**7,443.44**

a. 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.

b. In July 2010, IDFC and Temasek ('PE investors') had made certain investments through preference shares in GMR Energy Limited (GEL). There were certain amendments to the original arrangement between the Company, GEL and the PE investors. As per the latest amended Subscription and Shareholder Agreement executed in May 2016, preference shares held by the PE investors were converted into equity shares of GEL. Post conversion, the PE investors held 17.85% of equity shares in GEL with an exit option within the timelines as defined in the aforesaid amended agreement. As the said timelines have expired during the current year and the PE investors have sort for an exit without any further extensions, the Group has recognized the financial liability of ₹ 1,192.43 crore in the consolidated financial statements with corresponding investment in joint ventures and associates. Further, the Company based on the valuation assessment carried by an external expert as at March 31, 2020 has made a provision for diminution in the value of such investment of ₹ 305.36 crore (March 31, 2019 ₹ 400.25 crore).

21. Provisions

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Provision for employee benefits				
Provision for gratuity (refer note 40)	17.79	12.54	10.62	6.39
Provision for compensated absences	-	-	86.36	84.57
Provision for other employee benefits	-	-	1.57	2.54
Total (A)	**17.79**	**12.54**	**98.55**	**93.50**
Other provisions				
Provision for operation and maintenance (refer note 43)	78.11	103.35	230.63	256.31
Provision for rehabilitation and settlement (refer note 43)	-	-	42.73	42.86
Provision for power banking arrangment (refer note 43)	-	-	136.19	44.45
Provision against standard assets (refer note 43)	9.93	7.44	0.47	0.14
Provision for loss in an associate (refer note 8b)	-	-	339.26	615.36
Other provision	-	-	120.62	-
Total (B)	**88.04**	**110.79**	**869.90**	**959.12**
Total (A+B)	**105.83**	**123.33**	**968.45**	**1,052.62**

22. Other liabilities

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Non-current		Current	
	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Advance received from customers and CPD's	52.31	73.60	858.27	884.08
Deferred / unearned revenue	1,916.62	1,964.96	131.47	145.33
Statutory dues payable	-	-	200.28	161.12
Marketing fund liability (refer note 45(vi))	-	-	57.13	58.29
Government grants	35.59	40.87	5.27	5.27
Other liabilities	-	0.03	75.04	58.48
Total	**2,004.52**	**2,079.46**	**1,327.46**	**1,312.57**

23. Short-term borrowings

Particulars	Interest rates range (p.a)	March 31, 2020 ₹ in crore	March 31, 2019 ₹ in crore
Secured			
Cash credit and overdraft from banks	8.30%-14.25%	274.13	421.78
Indian rupee short term loans from banks	8.30%-14.25%	195.21	1,502.34
Non convertible debentures	18%-19%	1,000.00	200.00
Unsecured			
Indian rupee short term loans from Banks	15.05%	19.92	-
Indian rupee short term loans from related parties	9.00%-9.75%	75.20	87.48
Negative grant (unsecured)	NA	66.41	66.41
Foreign currency loan from related parties	0%	-	65.48
Indian rupee short term loans from others	11%-13%	-	21.50
		1,630.87	**2,364.99**
The above amount includes			
Secured borrowings		1,469.34	2,124.12
Unsecured borrowings		161.53	240.87
		1,630.87	**2,364.99**

Notes:

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

ii) Indian rupee short term loans from others of ₹ Nil including interest of ₹ Nil (March 31, 2019: ₹ 12.69 crore) is overdue for payment for a period upto 45 days.

iii) Negative grant of ₹ 66.41 crore (March 31, 2019: ₹ 66.41 crore) of GACEPL is interest free and recorded at amortised cost. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2020, an amount of ₹ 66.41 crore (March 31, 2019: ₹ 66.41 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of ₹ 108.34 crore till March 31, 2020 (March 31, 2019: ₹ 108.34 crore).

Notes to the consolidated financial statements for the year ended March 31, 2020

24. Sales / income from operations

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Sale of products		
Power segment:		
Income from sale of electrical energy	2.26	2.41
	2.26	**2.41**
Traded goods		
Power segment:		
Income from sale of electrical energy	340.97	350.99
Income from coal trading	422.15	239.68
	763.12	**590.67**
Airport segment:		
Non-aeronautical		
Sale of duty free goods	175.39	158.18
	175.39	**158.18**
Sale of services		
Airport segment:		
Aeronautical	2,062.79	2,077.47
Non-aeronautical	2,952.21	2,732.59
Improvements to concession assets	3.72	5.66
	5,018.72	**4,815.72**
Roads segment:		
Annuity income from expressways		
Operation and maintenance income (SCA) (Annuity)	85.98	72.73
Construction income	6.12	22.06
Toll income from expressways	374.41	349.54
	466.51	**444.33**
EPC segment:		
Construction revenue	859.48	904.85
	859.48	**904.85**
Others segment:		
Income from hospitality services	66.11	67.35
Income from management and other services	163.65	129.60
	229.76	**196.95**
Sales / income from operations	**7,515.24**	**7,113.11**

25. Other operating income

(₹ in crore)

	March 31, 2020	March 31, 2019
Income from commercial property development	764.09	195.86
Income from management and other services	87.54	78.58
Net gain on sale or fair valuation of investments	4.30	7.44
Others	23.76	15.81
	879.69	**297.69**

26. Finance income

(₹ in crore)

	March 31, 2020	March 31, 2019
Treated as operating income:		
Interest income on:		
Bank deposits and others	43.50	38.99
Receivables from service concession arrangements	117.11	126.17
	160.61	**165.16**

Notes to the consolidated financial statements for the year ended March 31, 2020

Notes to revenue from contracts with customers

a) Timing of rendering of services in year ended March 31, 2020:

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Income from sale of electrical energy	343.23	-	343.23
Income from coal trading	422.15	-	422.15
Sale of duty free goods	175.39	-	175.39
Aeronautical	1,843.76	219.03	2,062.79
Non-aeronautical	-	2,952.21	2,952.21
Improvements to concession assets	-	3.72	3.72
Operation and maintenance income (SCA) (Annuity)	-	85.98	85.98
Construction income	-	865.60	865.60
Toll income from expressways	374.41	-	374.41
Income from hospitality service	66.11	-	66.11
Income from management and other services	-	251.19	251.19
Income from commercial property development	-	764.09	764.09
Net gain on sale or fair valuation of investments	-	4.30	4.30
Other operating revenue	-	23.76	23.76
Bank deposits and others	-	43.50	43.50
Receivables from service concession arrangements	-	117.11	117.11
Total	**3,225.05**	**5,330.49**	**8,555.54**

Timing of rendering of services in year ended March 31, 2019:

(₹ in crore)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Income from sale of electrical energy	353.40	-	353.40
Income from coal trading	239.68	-	239.68
Sale of duty free goods	158.18	-	158.18
Aeronautical	1,674.11	403.36	2,077.47
Non-aeronautical	-	2,732.59	2,732.59
Improvements to concession assets	-	5.66	5.66
Operation and maintenance income (SCA) (Annuity)	-	72.73	72.73
Construction income	-	926.91	926.91
Toll income from expressways	349.54	-	349.54
Income from hospitality service	67.35	-	67.35
Income from management and other services	39.07	169.11	208.18
Income from commercial property development	-	195.86	195.86
Net gain on sale or fair valuation of investments	-	7.44	7.44
Other operating revenue	8.15	7.66	15.81
Bank deposits and others	-	38.99	38.99
Receivables from service concession arrangements	-	126.17	126.17
Total	**2,889.48**	**4,686.48**	**7,575.96**

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

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

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Revenue as per contracted price	9,944.09	9,186.87
Significant financing component	5.90	5.90
Adjustment to revenue where the Group is acting as an agent	(1,394.45)	(1,616.81)
Revenue from contract with customer	**8,555.54**	**7,575.96**

Notes to the consolidated financial statements for the year ended March 31, 2020

c) Contract Balances (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Receivables		
- Non current (Gross)	138.66	134.40
- Current (Gross)	1,432.40	1,456.77
- Provision for impairment loss (non current)	(28.80)	(25.18)
- Provision for impairment loss (current)	(8.56)	(9.40)
Contract assets		
Unbilled revenue		
- Non Current	12.49	-
- Current	892.85	563.93
Contract Liabilities		
Deferred / unearned revenue		
- Non Current	1,916.62	1,964.96
- Current	131.47	145.33
Advance received from customers and CPD's		
- Non Current	52.31	73.60
- Current	858.27	884.08

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

27. Other Income (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Interest income on bank deposits and others	244.05	371.38
Provisions no longer required, written back	111.73	59.32
Net gain on sale or fair valuation of investments	60.00	177.28
Gain on account of foreign exchange fluctuations (net)	104.58	-
Gain on fair valuation of derivative instrument	0.99	1.78
Profit on sale of fixed assets (net)	-	0.02
Lease rentals	10.33	18.12
Income from governement grant	5.28	5.26
Income from duty credit scripts	37.95	55.11
Miscellaneous income	91.68	20.49
	666.59	**708.76**

28. Cost of materials consumed (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Inventory at the beginning of the year	45.07	38.60
Add: purchases	531.97	510.74
	577.04	549.34
Less: inventory at the end of the year (refer note 13)	(142.19)	(45.07)
	434.85	**504.27**

29. Purchase of traded goods (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Purchase of electrical energy	336.75	310.57
Purchase of coal for trading	410.78	235.84
Purchase of duty free items	82.92	59.67
	830.45	**606.08**

Notes to the consolidated financial statements for the year ended March 31, 2020

30. (Increase) / decrease in stock in trade

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Stock at the beginning of the year (refer note 13)	15.10	16.92
Less: stock at the end of the year (refer note 13)	(30.73)	(15.10)
	(15.63)	**1.82**

31. Employee benefit expenses

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	732.13	656.58
Contribution to provident and other funds (refer note 40)	57.71	54.51
Gratuity expenses (refer note 40)	8.92	9.91
Staff welfare expenses	32.45	38.88
	831.21	**759.88**

32. Other expenses

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Consumption of stores and spares	30.62	23.88
Electricity and water charges	94.77	155.23
Airport service charges / operator fees (refer note 49)	148.97	129.59
Repairs and maintenance	263.19	340.60
Manpower hire charges	124.40	98.26
Legal and professional fees	312.97	205.55
Directors' sitting fees	3.58	1.67
Writeoff / provision towards carrying amount of investments	0.04	4.82
Provision / write off of doubtful advances and trade receivables	29.06	184.14
Exchange differences (net)	-	155.69
Donation (includes corporate social responsibility expenditure)	80.02	116.58
Fixed assets written off / loss on sale of fixed assets (net)	1.90	1.67
Logo fees	3.27	1.59
Expenses of commercial property development	15.43	33.18
Rent	50.39	77.18
Rates and taxes	93.83	80.02
Travelling and conveyance	88.99	61.33
Miscellaneous expenses	170.12	156.96
Total	**1,511.55**	**1,826.94**

33. Depreciation and amortisation expenses

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Depreciation on property, plant and equipment	902.04	878.32
Depreciation on investment property	0.89	0.88
Depreciation of right of use asset	15.71	-
Amortisation of intangible assets	145.61	104.76
	1,064.25	**983.96**

34. Finance costs

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Interest on debts, borrowings and lease liabilities*	3,058.22	2,284.41
Interest on cross currency swap (refer note 51)	82.55	77.19
Bank charges	205.05	127.99
Call spread option premium	199.25	194.56
	3,545.07	**2,684.15**

* Interest capitalised to capital work-in progess / investment property under construction during the year is ₹ 668.78 crore (March 31, 2019 : ₹ 321.46 crore)

Notes to the consolidated financial statements for the year ended March 31, 2020

35. Earnings per share ('EPS')

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

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

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

Particulars	March 31, 2020	March 31, 2019
Profit attributable to equity holders of the parent:		
Continuing operations (₹ in crore)	(2,425.68)	(3,693.69)
Discontinued operations (₹ in crore)	(3.70)	113.11
Profit attributable to equity holders of the parent for basic / diluted earnings per share (₹ in crore)	**(2,429.38)**	**(3,580.58)**
Weighted average number of equity shares for basic EPS	6,027,330,072	6,017,945,475
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution	6,027,330,072	6,017,945,475
Earnings per share for continuing operations - Basic and Diluted (₹)	(4.02)	(6.14)
Earnings per share for discontinued operations - Basic and Diluted (₹)	(0.01)	0.19
Earnings per share for continuing and discontinued operations - Basic and Diluted (₹)	(4.03)	(5.95)

Notes:

1 Considering that the Company has incurred losses during the year ended March 31, 2020 and March 31, 2019, the allotment of conversion option in case of convertible instrument would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share.

2. Weighted average number of equity shares used for computing earning per share (basic and diluted) have been adjusted for treasury shares held by GWT as detailed in note 48(i).

36. Discontinued operations

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

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

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

Further, as per the letter dated 22nd January 2020 received from Ministry of Finance Male', Republic of Maldives (the "Ministry"), the amount of tax assessed by MIRA relating to the final arbitration award is USD 0.59 crore and in the event of any tax payable by GMIAL on the same shall be borne by whom the payment was settled to GMIAL, without giving any workings / break-up for the same. As such the Ministry has confirmed that the GMIAL is not liable to pay for the tax assessed by MIRA on the final arbitration award.

Subsequent to the year end, GMIAL has obtained the statement of dues from MIRA on 1st June 2020 and as per the statements of dues as at 1st June 2020, GMIAL is required to settle business profit tax amounting to USD 0.72 crore and fines on business profit tax amounting to USD 0.58 crore and GMIAL is required to settle withholding tax amounting USD 0.29 crore and fines on withholding tax amounted to USD 0.31 crore (withdrawing the interim tax liability claim of USD 0.72 crore).

Notes to the consolidated financial statements for the year ended March 31, 2020

Considering the entire tax liability pertaining to the business profit taxes is relating to the Arbitration Award Sum, the management of the Group is of view that GMIAL will be able to successfully defend and object to the notice of tax assessments and accordingly, no additional provision is required to be recognized in these financial statements. Further, in respect of the matters pertaining to the withholding taxes and the fines thereon, Group, believes that since these pertain to the aforementioned matter itself, the tax demand on these items is not valid and based on an independent legal opinion, no adjustments to the books of account are considered necessary.

Accordingly, no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2020.

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

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

(d) (Loss) / profit from discontinued operations

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Income		
Revenue from operations:		
Income from mining activities	-	42.78
Other income	-	25.63
Total income	**-**	**68.41**
Expenses		
Cost of mining activities	-	42.68
Employee benefit expenses	3.04	10.90
Other expenses	0.64	16.78
Depreciation and amortisation expenses	-	1.17
Finance costs	0.02	3.68
Total expenses	**3.70**	**75.21**
Loss before exceptional items and tax from discontinued operations	**(3.70)**	**(6.80)**
Exceptional items		
Profit on sale/dilution of subsidiary	-	124.64
(Loss) / profit from discontinued operations before tax expenses	**(3.70)**	**117.84**
Tax expenses of discontinued operations		
Current tax	-	7.32
Adjustments to tax relating to earlier periods	-	0.41
Deferred tax credit	-	(0.01)
(Loss) / profit after tax from discontinued operations	**(3.70)**	**110.12**

(e) Assets held for sale

The Group has following non-current assets/disposal groups recognized as held for sale as at March 31, 2020:

Asset / Disposal Group	Reportable segment
GMIAL	Airport segment
EDWPCPL	Power segment
GLPPL	Airport segment

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

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

(₹ in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Group of assets classified as held for sale		
Property, plant and equipment	-	0.05
Investment in GOSEHHHPL	-	25.33
Investment in EDWPCPL	-	0.01
Cash and cash equipments	58.84	0.59
Other assets including claims recoverable	2.89	2.93
Total	**61.73**	**28.91**
Liabilities associated with group of assets classified as held for sale		
Trade payables		
Other liabilities	63.54	47.30
Provisions	7.96	7.96
Current tax Liabilities (net)	-	4.82
Total	**71.50**	**60.08**
Other Comprehensive Income		
Exchange difference on translation of Foreign Operations	17.25	15.88

37. (a) Deferred Tax

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

For the year ended March 31, 2020 (₹ in crore)

Particulars	Opening deferred tax asset/ (liability)	Deferred tax (expense)/ income recognised in profit and loss	Deferred tax (expense)/ income recognised in other equity	Deferred tax (expense)/ income recognised in other comprehensive income	Closing deferred tax asset/ (liability)
Deferred tax asset :					
Carry forward losses / unabsorbed depreciation	65.94	265.46	-	-	331.40
MAT credit entitlement	502.74	13.19	-	-	515.93
Others	34.88	20.20	-	(2.79)	52.29
Total	**603.56**	**298.85**	**-**	**(2.79)**	**899.62**
Offsetting deferred tax liability					
Depreciation	(143.13)	(20.30)	-	-	(163.43)
Others	(117.78)	98.17	-	(61.80)	(81.41)
Total	**(260.91)**	**77.87**	**-**	**(61.80)**	**(244.84)**
Net deferred tax asset	**342.65**	**376.72**	**-**	**(64.59)**	**654.78**
Deferred tax liability :					
Depreciation	(963.67)	58.47	-	-	(905.20)
Lease Equilisation reserve	-	(144.27)	-	-	(144.27)
Cash flow hedge	(80.33)	-	-	(6.75)	(87.08)
Undistributed profits of equity accounted investments	(35.83)	(69.87)			(105.70)
Others	(44.73)	(13.33)	-	-	(58.06)
Total	**(1,124.56)**	**(169.00)**	**-**	**(6.75)**	**(1,300.31)**

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Opening deferred tax asset/ (liability)	Deferred tax (expense)/ income recognised in profit and loss	Deferred tax (expense)/ income recognised in other equity	Deferred tax (expense)/ income recognised in other comprehensive income	Closing deferred tax asset/ (liability)
Offsetting deferred tax asset					
Carry forward losses / unabsorbed depreciation	845.22	(55.08)	-	-	790.14
Intangibles (airport concession rights)	62.79	(3.93)	-	-	58.86
Others	138.44	87.83	-	-	226.27
Total	**1,046.45**	**28.82**	**-**	**-**	**1,075.27**
Net deferred tax liability	**(78.11)**	**(140.18)**	**-**	**(6.75)**	**(225.04)**
Net deferred tax	**264.54**	**236.54**	**-**	**(71.34)**	**429.74**

For the year ended March 31, 2019 (₹ in crore)

Particulars	Opening deferred tax asset/ (liability)	Deferred tax (expense)/ income recognised in profit and loss	Deferred tax (expense)/ income recognised in other equity	Deferred tax (expense)/ income recognised in other comprehensive income	Closing deferred tax asset/ (liability)
Deferred tax asset :					
Carry forward losses / unabsorbed depreciation	0.93	65.01	-	-	65.94
MAT credit entitlement	370.63	132.11	-	-	502.74
Others	32.60	2.28	-	-	34.88
Total	**404.16**	199.40	**-**	**-**	603.56
Offsetting deferred tax liability					
Depreciation	(147.14)	4.01	-	-	(143.13)
Others	(118.50)	17.41	-	(16.69)	(117.78)
Total	**(265.64)**	**21.42**	**-**	**(16.69)**	**(260.91)**
Net deferred tax asset	**138.52**	**220.82**	**-**	**(16.69)**	**342.65**
Deferred tax liability :					
Depreciation	(993.76)	30.09	-	-	(963.67)
Cash flow hedge	(82.64)	-	-	2.31	(80.33)
Undistributed profits of equity accounted investments	(18.97)	(16.86)	-	-	(35.83)
Others	48.81	(72.20)	(21.34)	-	(44.73)
Total	**(1,046.56)**	**(58.97)**	**(21.34)**	**2.31**	**(1,124.56)**
Offsetting deferred tax asset					
Carry forward losses / unabsorbed depreciation	662.31	182.91	-	-	845.22
Intangibles (airport concession rights)	66.71	(3.92)	-	-	62.79
Others	167.89	(29.45)	-	-	138.44
Total	**896.91**	**149.54**	**-**	**-**	**1,046.45**
Net deferred tax liability	**(149.65)**	**90.57**	**(21.34)**	**2.31**	**(78.11)**
Net deferred tax	**(11.13)**	**311.39**	**(21.34)**	**(14.38)**	**264.54**

Notes

i. In case of certain entities, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability.

ii. In case of certain entities, as the timing differences are originating and reversing within the tax holiday period under the provisions of section 80-IA of the Income Tax Act, 1961, deferred tax has not been recognised by these companies.

iii. As at March 31, 2020 aggregate amount of temporary difference associated with undistributed earnings of subsidiaries for which deferred tax liability has not been recognised is ₹ 2,601.18 crore (March 31, 2019 : ₹ 2,804.91 crore). No liability has been recognised in respect of such

Notes to the consolidated financial statements for the year ended March 31, 2020

difference as the Group is in a position to control the timing of reversal of the temporary difference and it is probable that such difference will not reverse in the foreseeable future.

iv. The Holding Company has not recognised deferred tax asset on unused tax losses and unabsorbed depreciation of ₹ 3,074.27 crore and other deductible temporary differences of ₹ 913.48 crore. The unused tax losses will be adjustable till assessment year 2028-29.

v. GHIAL has recognized, MAT credit entitlement of ₹ 457.11 crore (March 31, 2019: ₹ 405.41 crore), as GHIAL based on estimates expects to adjust this amount after expiry of the tax holiday period (i.e. AY 2022-23) u/s 80IA of the Income Tax Act, 1961. Management is confident that in view of the anticipated tariff orders for the control periods which will be effective from financial year 2019-20, GHIAL's normal tax liability will be more than the MAT payable after considering the deduction under section 80IA of the Income Tax Act, 1961. Further, the Company has recognized MAT credit entitlement amounting ₹ 58.72 crore (March 31, 2019 : ₹ 97.23 crore) based on the expected future taxable income basis which it shall be able to adjust the aforementioned MAT credit entitlement.

37. (b) Income Tax

The domestic subsidiaries of the Group are subject to income tax in India on the basis of their standalone financial statements. As per the Income Tax Act, 1961, these entities are liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for MAT.

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

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

Particulars	March 31, 2020	March 31, 2019
Tax expenses of continuing operations		
(a) Current tax	155.44	223.52
(b) Adjustments of tax relating to earlier periods	(3.82)	0.44
(c) MAT credit entitlement	(51.43)	(132.11)
(d) Deferred tax credit	(185.11)	(179.27)
Tax expenses of discontinued operations		
(a) Current tax	-	7.32
(b) Adjustments of tax relating to earlier periods	-	0.41
(c) Deferred tax credit	-	(0.01)
Total taxes	**(84.92)**	**(79.70)**
Other comprehensive income section		
Deferred tax related to items recognized in OCI during the year		
Remeasurement losses on defined benefit plans	(0.96)	(0.35)
Cashflow hedge reserve	72.30	14.73
Income tax charged to OCI	**71.34**	**14.38**
Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:		
Loss before taxes from continuing operations	(2,283.41)	(3,553.83)
(Loss) / Profit before taxes from discontinued operations	(3.70)	117.84
Share of loss of associates and joint ventures (net)	(288.33)	(87.89)
Loss before taxes and share of loss of associates and joint ventures from continuing and discontinued operations	(1,998.78)	(3,348.10)
Applicable tax rates in India	34.94%	34.94%
Computed tax charge based on applicable tax rates of respective countries	**(698.45)**	**(1,169.96)**
Adjustments to taxable profits for companies with taxable profits		
(a) Income exempt from tax	(317.70)	(279.66)
(b) Items not deductible	91.16	104.88
(c) Adjustments on which deferred tax is not created/reversal of earlier years	597.86	885.43
(d) Adjustments to current tax in respect of prior periods	(1.08)	(3.19)
(e) Adjustment for different tax rates between the group components	136.27	334.92
(f) Others	107.02	47.88
Tax expense as reported	**(84.92)**	**(79.70)**

Notes to the consolidated financial statements for the year ended March 31, 2020

Notes:

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

2. The Taxation Laws (Amendment) Ordinance, 2019 was issued by the Ministry of Finance, Government of India on 20 September 2019. Pursuant to the said ordinance, certain entities in the Group are entitled to avail revised tax rates from the financial year commencing 1 April 2019. However, on the basis of a detailed analysis of the provisions of the Ordinance, management has concluded that the entities shall avail revised tax rates after utilization of various tax credits that the respective entities are currently entitled for. Accordingly, these consolidated financial statements for the year ended March 31, 2020 do not include any adjustments on account of changes in the corporate tax rates.

Notes to the consolidated financial statements for the year ended March 31, 2020

38. Significant accounting judgements, estimates and assumptions

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

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

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

a) Estimates and assumptions

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

i. 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. Estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 51 and 52 for further disclosures.

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

Revenue from EPC contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, the Group uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the costs incurred till date as a proportion of the total cost to be incurred along with identification of contractual obligations and the Group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/onerous obligations. Costs incurred have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

iii. Defined benefit plans (gratuity benefits)

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

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

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

Further details about gratuity obligations are given in note 40.

Notes to the consolidated financial statements for the year ended March 31, 2020

iv. Impairment of non-current assets including property, plant and equipment, right of use assets, intangible assets, assets under construction/development, investments accounted for using equity method and goodwill

Determining whether property, plant and equipment, right of use assets, intangible assets, assets under construction/development, investments accounted for using equity method and goodwill are impaired requires an estimation of the value in use of the individual investment or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow Model ('DCF') model over the estimated useful life of the power plants, concession on roads, airports etc. Further, the cash flow projections are based on estimates and assumptions relating to conclusion of tariff rates, operational performance of the plants and coal mines, life extension plans, availability and market prices of gas, coal and other fuels, restructuring of loans etc. in case of entities in the energy business, estimation of passenger traffic and rates, rates per acre/hectre for lease rentals from CPD, passenger penetration rates, and favorable outcomes of litigations etc. in the airport and expressway business, assumptions relating to realization per acre of land from monetization for SEZ business which are considered as reasonable by the management (refer note 3, 4, 5, 6 and 7).

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

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

vi. Provision for periodic major maintenance

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

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

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

vii. Valuation of investment property

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

Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

b) Significant judgements

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

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

DIAL and GHIAL, subsidiaries of the Company, have entered into concession agreements with Airports Authority of India ('AAI') and the Ministry of Civil Aviation ('MoCA') respectively, both being Government / statutory bodies. The concession agreements give DIAL and GHIAL exclusive rights to operate, maintain, develop, modernize and manage the respective airports on a revenue sharing model. Under the agreement, the Government / statutory bodies have granted exclusive right and authority to undertake some of their functions, being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of the respective airports and to perform services and activities at the airport constituting 'Aeronautical services' (regulated services) and 'Non-aeronautical services' (non-regulated services). Aeronautical services are regulated while there is no control over determination of prices for Non-aeronautical services. Charges for Non-aeronautical services are determined at the sole discretion of DIAL and GHIAL. The management of the Group conducted detailed analysis to determine applicability of SCA. The concession agreements of these entities, have significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from DIAL and GHIAL, the Government / statutory body and users/ passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. The airport premises are being used both for providing regulated services (Aeronautical services) and for providing non-regulated services (Non-aeronautical services). Based

Notes to the consolidated financial statements for the year ended March 31, 2020

on DIAL and GHIAL's proportion of regulated and non-regulated activities, the management has determined that over the concession period, the unregulated business activities drive the economics of the arrangement and contributes substantially to the profits of DIAL and GHIAL and accordingly, the management has concluded that SCA does not apply in its entirety to DIAL and GHIAL.

ii. Determination of control and accounting thereof

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

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

Refer note 8a and 8b for further disclosure.

iii. Classification of leases

The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

iv. Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

v. Taxes

Deferred tax assets including MAT Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 37 for further disclosures.

vi. Contingencies

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

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

In respect of financial guarantees provided by the Group to third parties, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided. Refer note 41 for further disclosure.

vii. Other significant judgements

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

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

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

39. Interest in material partly-owned subsidiaries

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

Notes to the consolidated financial statements for the year ended March 31, 2020

1. **Details of material partly-owned subsidiaries :**

Name of the Entity	Place of Business	Proportion of equity interest held by non-controlling interests (Effective)		Proportion of equity interest held by non-controlling interests (Direct)	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
DIAL*	India	51.99%	39.75%	36.00%	36.00%
GHIAL*	India	52.74%	40.69%	37.00%	37.00%
GMIAL	Republic of Maldives	23.13%	23.13%	23.13%	23.13%
GAL*	India	24.99%	5.86%	24.99%	5.86%

*Refer note 45(xi) and 45(xvii) for details.

2. **Accumulated balances of non-controlling interest :**

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
DIAL	1,034.05	1,038.01
GHIAL	1,182.55	709.80
GMIAL	144.77	164.19
GAL	530.49	132.94
Aggregate amount of individually immaterial non-controlling interest	(217.28)	(349.92)
Total	**2,674.58**	**1,695.02**

3. **Profit / (loss) allocated to non-controlling interest :**

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
DIAL	5.88	(36.18)
GHIAL	316.41	287.45
GMIAL	1.38	4.65
GAL	14.17	(7.29)
Aggregate loss of individually immaterial non-controlling interest	(54.78)	(11.00)
Total	**283.06**	**237.63**

4. **Summarised financial position**

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

(₹ in crore)

Particulars	DIAL		GHIAL		GMIAL		GAL	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Non current assets								
Property, plant and equipments	6,079.41	6,484.51	2,268.32	2,009.60	-	-	2.27	4.59
Capital work in progress	2,140.61	245.90	1,208.31	365.10	-	-	0.84	-
Intangible assets (including Right of use asset)	395.45	387.29	82.52	2.81	-	-	2.69	-
Investments	288.07	289.37	669.36	626.24	-	-	5,028.81	4,217.72
Financial assets	1,141.67	331.14	963.88	346.46	-	-	433.25	13.16
Other non current assets (including non current tax assets)	1,527.77	1,014.28	729.07	547.53	-	-	28.82	60.78
Deferred tax assets	-	-	251.30	252.23	-	-	62.59	72.19
Total	**11,572.98**	**8,752.49**	**6,172.76**	**4,149.97**	**-**	**-**	**5,559.27**	**4,368.44**

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	DIAL		GHIAL		GMIAL		GAL	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Current assets								
Inventories	6.55	7.33	6.36	5.95	-	-	-	-
Financial assets	4,903.73	2,930.40	2,575.34	1,085.24	628.19	671.77	97.68	164.59
Other current assets	424.25	37.64	21.84	22.73	2.88	2.25	14.06	7.80
Total	**5,334.53**	**2,975.37**	**2,603.54**	**1,113.92**	**631.07**	**674.02**	**111.74**	**172.39**
Non current liabilities								
Financial liabilities	10,408.20	5,902.16	5,481.00	2,940.46	-	-	3,484.64	1,261.71
Other non current liabilities	1,901.46	1,962.10	52.58	59.65	-	-	42.68	6.67
Deferred tax liabilities	95.87	101.60	-	-	-	-	-	-
Total	**12,405.53**	**7,965.86**	**5,533.58**	**3,000.11**	**-**	**-**	**3,527.32**	**1,268.38**
Current liabilities								
Financial liabilities	1,244.93	690.21	826.03	513.82	4.15	-	-	997.68
Provisions	149.57	45.13	18.38	14.57	-	-	20.87	9.19
Other current liabilities (including liabilities for current tax)	365.02	308.62	77.17	69.58	1.03	5.11	-	35.44
Total	**1,759.52**	**1,043.96**	**921.58**	**597.97**	**5.18**	**5.11**	**20.87**	**1,042.31**
Total equity (A)	**2,742.46**	**2,718.04**	**2,321.14**	**1,665.81**	**625.89**	**668.91**	**2,122.82**	**2,230.14**
Equity share capital attributable to non-controlling shareholders (B)	**882.00**	**882.00**	**139.86**	**139.86**	**49.62**	**46.15**	**331.96**	**77.21**
Equity share capital attributable to equity holders of parents (C)	**1,568.00**	**1,568.00**	**238.14**	**238.14**	**164.90**	**161.66**	**996.43**	**1,251.18**
Net other equity for distrbution (E=A-B-C)	**292.46**	**268.04**	**1,943.14**	**1,287.81**	**411.37**	**461.10**	**794.43**	**901.75**
Other equity attributable to:								
Equity holders of parents	140.41	112.03	900.45	717.87	316.22	343.05	595.90	846.02
Non-controlling interests	152.05	156.01	1,042.69	569.94	95.15	118.05	198.53	55.73

5. **Summarised statement of profit and loss**

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

(₹ in crore)

Particulars	DIAL		GHIAL		GMIAL		GAL	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Revenue from operations	3909.42	3,262.65	1,525.76	1,452.25	-	-	398.51	157.68
Other income	334.20	530.61	114.30	117.16	-	0.44	185.45	0.38
Revenue share paid / payable to concessionaire grantors	1,848.67	1,591.25	64.95	61.53	-	-	-	-
Employee benefits expense	209.38	186.48	117.93	96.82	3.04	6.10	25.10	9.97
Finance cost	678.66	629.59	240.53	198.09	0.02	2.28	423.37	169.18
Depreciation and amortisation	626.25	639.82	170.71	139.01	-	-	1.93	0.49
Other expenses	879.30	972.99	351.81	301.38	0.64	5.40	48.99	164.65
Profit before tax	**1.36**	**(226.87)**	**694.13**	**772.58**	**(3.70)**	**(13.34)**	**84.57**	**(186.23)**

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	DIAL		GHIAL		GMIAL		GAL	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Tax (Income)/expense	(11.79)	(115.10)	57.32	39.85	-	-	9.66	(61.54)
Profit for the year	**13.15**	**(111.77)**	**636.81**	**732.73**	**(3.70)**	**(13.34)**	**74.91**	**(124.69)**
Other comprehensive income	11.27	(10.13)	132.11	16.30	9.65	33.43	(0.18)	0.32
Total comprehensive income	**24.42**	**(121.90)**	**768.92**	**749.03**	**5.95**	**20.09**	**74.73**	**(124.37)**
% of NCI	51.99%	39.75%	52.74%	40.69%	23.13%	23.13%	24.99%	5.86%
Attributable to the non-controlling interests [1,2]	**5.88**	**(36.18)**	**316.41**	**287.45**	**1.38**	**4.65**	**283.06**	**237.63**
Dividend paid to non-controlling interests (including DDT)	-	-	(42.03)	(67.44)	-	-	-	-

[1]Consequent to CCPS Agreement as detailed in note 45(xi), 5.86% of the shareholding of GAL were held by non-controlling interest w.e.f October 5, 2018. This consequently impacted the non-controlling interest in DIAL and GHIAL as well. The profit and loss statement disclosed above for GAL is for the period post change in holding percentage till the period ended March 31, 2019. Profit / (loss) attributable to non-controlling interest includes profits attributable to non-controlling interest of GAL on account of CCPS settlement post change in shareholding percentage till the period ended March 31, 2019.

[2]Consequent to change in non-controlling interest in GAL as detailed in note 45(xvii), the non-controlling interest in GAL increased to 24.99% on date of sale of shares. This consequently impacted the non-controlling interest in DIAL and GHIAL as well. Profit / (loss) attributable to non-controlling interest includes profits attributable to non-controlling interest of GAL on account of sale of shares post change in shareholding percentage till the period ended March 31, 2020.

6. **Summarised cash flow information :**

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

(₹ in crore)

Particulars	DIAL		GHIAL		GMIAL		GAL	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	December 31, 2019	December 31, 2018	March 31, 2020	March 31, 2019
Cash flow from operating activities	245.71	1,046.13	759.42	853.08	(3.74)	(27.39)	104.90	214.61
Cash flow from investing activities	(1,269.51)	(636.40)	(2,465.47)	(606.83)	57.37	67.34	(733.41)	(1,916.14)
Cash flow from financing activities	2,846.76	(558.36)	1,573.36	(436.85)	(53.81)	(40.38)	628.28	1,701.49
Net increase/(decrease) in cash & cash equivalents	**1,822.96**	**(148.63)**	**(132.69)**	**(190.60)**	**(0.18)**	**(0.43)**	**(0.23)**	**(0.04)**

40. **Gratuity and other post employment benefits plans**

a) **Defined contribution plan**

Contributions to provident and other funds included in capital work-in-progress (note 3), intangible assets under development, investment properties under construction (note 5), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Contribution to provident fund	31.50	27.64
Contribution to superannuation fund	15.41	16.03
	46.91	**43.67**

b) **Defined benefit plan**

(A) **Provident fund**

The Group makes contribution towards provident fund which is administered by the trustees. The rules of the Group's provident fund administered by a trust, require that if the board of the trustees are unable to pay interest at the rate declared by the government under para 60 of the

Notes to the consolidated financial statements for the year ended March 31, 2020

Employees provident fund scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Group making interest shortfall a defined benefit plan. Accordingly, the Group has obtained actuarial valuation and based on the below provided assumption there is no deficiency at the balance sheet date. Hence the liability is restricted towards monthly contributions only. Contributions to provident funds by DIAL and GAL included in capital work-in-progress (note 3), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Contribution to provident fund	12.44	11.09
	12.44	**11.09**

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

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

Particulars	March 31, 2020	March 31, 2019
Plan assets at the year end, at fair value	179.23	148.09
Present value of benefit obligation at year end	169.24	148.09
Net liability recognized in the balance sheet	-	-

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

Particulars	March 31, 2020	March 31, 2019
Discount Rate	6.80%	7.55%
Fund Rate	8.50%	9.30%
EPFO Rate	8.50%	8.65% for first year and 8.60% thereafter
Withdrawal Rate	5.00%	5.00%
Mortality	Indian Assured Lives "Mortality (2006-08) (modified)Ult *"	Indian Assured Lives "Mortality (2006-08) (modified)Ult *"

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

(B) Gratuity Plan

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

The fund provides a capital guarantee of the balance accumulated and declares interest periodically that is credited to the fund account. Although we know that the fund manager invests the funds as per products approved by Insurance Regulatory and Development Authority of India and investment guidelines as stipulated under section 101 of Income Tax Act, the exact asset mix is unknown and not publicly available. The Trust assets managed by the fund manager are highly liquid in nature and we do not expect any significant liquidity risks. The Trustees are responsible for the investment of the assets of the Trust as well as the day to day administration of the scheme. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss / OCI and amounts recognised in the balance sheet for defined benefit plans/ obligations.

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

Statement of profit and loss

Gratuity expense included in capital work-in-progress (note 3), intangible assets under development, investment property under construction (note 5), discontinued operations (note 36) and employee benefits expenses (note 31) are as under:

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

Particulars	March 31, 2020	March 31, 2019
Current service cost	9.71	8.69
Past service cost- Plan amendments	(0.71)	-
Net interest cost on defined benefit obligation	1.05	0.92
Net benefit expenses	**10.05**	**9.61**

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

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	March 31, 2020	March 31, 2019
Actuarial loss due to defined benefit obligations ('DBO') and assumptions changes	5.80	2.20
Return on plan assets less than discount rate	0.73	0.50
Actuarial losses due recognised in OCI	**6.53**	**2.70**

Balance Sheet (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	(84.31)	(70.63)
Fair value of plan assets	55.90	51.70
Plan liability	**(28.41)**	**(18.93)**

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

Particulars	March 31, 2020	March 31, 2019
Opening defined benefit obligation	70.63	60.89
Transferred to / transfer from the Group	0.80	0.42
Interest cost	4.99	4.28
Current service cost	9.71	8.69
Past service cost- plan amendments	(0.71)	-
Benefits paid	(6.91)	(5.72)
Actuarial losses on obligation - assumptions	5.80	2.20
Effects of business combinations and disposals	-	(0.13)
Closing defined benefit obligation	**84.31**	**70.63**

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

Particulars	March 31, 2020	March 31, 2019
Opening fair value of plan assets	51.70	40.36
Transferred to / transfer from the Group	0.13	0.43
Interest income on plan assets	3.94	3.36
Contributions by employer	7.12	13.75
Benefits paid	(6.83)	(5.72)
Return on plan assets lesser than discount rate	(0.73)	(0.50)
Adjustment on transfer from subsidiary	0.57	-
Effects of business combinations and disposals	-	0.02
Closing fair value of plan assets	**55.90**	**51.70**

The Group expects to contribute ₹ 7.11 crore (March 31, 2019 : ₹ 14.23 crore) towards gratuity fund in next year.

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

Particulars	March 31, 2020	March 31, 2019
Investments with insurer managed funds	100.00%	100.00%

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

Particulars	Amount
March 31, 2021	10.39
March 31, 2022	10.75
March 31, 2023	10.57
March 31, 2024	12.13
March 31, 2025 to March 31, 2029	63.73

The principal assumptions used in determining gratuity obligations:

Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	For Raxa		Other entities of the Group	
Discount rate (in %)	5.70%	6.60%	6.80%	7.60%
Salary escalation (in %)	2.00%	2.00%	6.00%	6.00%
Attrition rate (in %)	25.00%	40.00%	5.00%	5.00%
Mortality rate	Indian Assured Lives "Mortality (2006-08) (modified)Ult "	Indian Assured Lives "Mortality (2006-08) (modified) Ult "	Indian Assured Lives "Mortality (2006-08) (modified) Ult "	Indian Assured Lives "Mortality (2006-08) (modified) Ult "

Notes to the consolidated financial statements for the year ended March 31, 2020

Notes :

1. The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
2. **Plan characteristics and associated risks:**

The Gratuity scheme is a final salary defined benefit plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

b. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

A quantitative sensitivity analysis for significant assumption is as shown below

Assumptions	Discount Rate		Future Salary Increases		Attrition Rate	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Sensitivity Level (%)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Impact on defined benefit obligation due to increase	(5.32)	(4.16)	5.26	4.25	0.26	0.42
Impact on defined benefit obligation due to decrease	6.10	4.76	(4.83)	(3.91)	(0.32)	(0.48)

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

(C) Other defined post employment benefit

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

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

Statement of profit and loss

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

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

Particulars	March 31, 2020	March 31, 2019
Current service cost	-	0.24
Interest cost on benefit obligation	-	0.06
Net benefit expenses	**-**	**0.30**

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

Particulars	March 31, 2020	March 31, 2019
Actuarial loss / (gain) due to DBO assumptions changes	-	0.18
Actuarial (gains) / losses due recognised in OCI	**-**	**0.18**

Balance Sheet (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-
Plan asset / (liability)	-	-

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

Particulars	March 31, 2020	March 31, 2019
Opening defined benefit obligation	-	1.48
Interest cost	-	0.06
Current service cost	-	0.24
Benefits paid	-	(0.01)
Actuarial (gains) / losses on obligation	-	0.18
Forex gain	-	(0.07)

Notes to the consolidated financial statements for the year ended March 31, 2020

Effects of business combinations and disposals	-	(1.88)
Closing defined benefit obligation	**-**	**-**

41. Commitments and contingencies

a) Capital commitments

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	10,121.42	13,439.03

b) Other commitments

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

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

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

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

viii. In terms of Section 115JB of Income Tax Act, 1961, certain Ind AS adjustments at the Ind AS transition date are to be included in book profits equally over a period of five years starting from the year of first time adoption of Ind AS i.e. FY 2016-17. Pursuant to above, the Group had made Ind AS adjustments as on March 31, 2016 and included 1/5th of the same while computing book profit for FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 and paid MAT accordingly. The remaining amount will be adjusted in the one subsequent year while computing book profit for MAT.

ix. DIAL had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million, which is repayable in October 2026. Under this option, DIAL had purchased a call option for USD 522.60 million at a strike price of ₹ 66.85/USD and written a call option for USD 522.60 million at a strike price of ₹ 101.86/USD at October 31, 2026. As per terms of the agreements, DIAL is required to pay premium of ₹ 1,241.30 crore (starting from January 2017 to October 2026), which is payable on quarterly basis. DIAL has paid ₹ 392.27 crore (March 31, 2019: ₹ 266.49 crore) towards premium till March 31, 2020 and remaining balance of ₹ 849.03 crore is payable as at March 31, 2020 (March 31, 2019: ₹974.81 crore).

x. DIAL had entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) of USD 80 million (out of USD 288.75 million), which is repayable in February 2022. Under this option, DIAL had purchased a call option for USD 80.00 million at a strike price of ₹ 68.00/USD and written a call option for USD 80 million at a strike price of ₹85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of ₹ 94.33 crore (starting from April 2017 to January 2022), payable on quarterly basis. DIAL has paid ₹ 56.32 crore towards premium till March 31, 2020 (March 31, 2019: 37.39 crore) and remaining balance of ₹ 38.01 crore is payable as at March 31, 2020 (March 31, 2019: ₹ 56.94 crore).

During the year ended March 31, 2018, DIAL had purchased a call option for remaining USD 208.75 million at a strike price of ₹ 63.80/USD and written a call option for USD 208.75 million at a strike price of ₹85.00/USD at February, 2022. As per terms of the agreements, DIAL is required to pay premium of ₹ 198.34 crore (starting from January 2018 to January 2022), payable on quarterly basis. DIAL has paid ₹ 99.25 crore towards premium till March 31, 2020 (March 31, 2019: 49.76 crore) and remaining balance of ₹ 99.09 crore is payable as at March 31, 2020 (March 31, 2019: ₹ 148.59 crore).

xi. During the year ended March 31, 2020, DIAL purchased a call option for USD 350 million at a strike price of ₹ 69.25/USD and written a call option for USD 350 million at a strike price of ₹102.25/USD at May 30, 2029. As per terms of the agreements, DIAL is required to pay premium of ₹ 742.79 crore (starting from June 2019 to May 2029), payable on quarterly basis. DIAL has paid ₹ 47.58 crore towards premium till March 31, 2020 and remaining balance of ₹ 695.21 crore is payable as at March 31, 2020.

xii. During the year ended March 31, 2020, DIAL purchased a call option for USD 150 million at a strike price of ₹ 71.75/USD and written a call option for USD 150 million at a strike price of ₹102.25/USD at May 30, 2029. As per terms of the agreements, DIAL is required to pay premium of ₹ 307.17 crore (starting from March 2020 to May 2029), payable on quarterly basis.

During the current year, DIAL has also entered into "Coupon only hedge" and "Call Spread option" with bank for hedging the payment of interest liability on 6.45% Senior secured notes (2029) for USD 150 million and 6.125% Senior secured notes (2022) for USD 288.75 million borrowings respectively.

xiii. GAL has entered into the concession agreement with State of Greece and TERNA for the purpose of design, construction, financing, operation, maintenance and exploitation of International Airport of Heraklion, Crete, Concession SA. Per the agreement, GAL is required to invest EURO 70.2 million. (Rs 553.15 crore). GAL has infused equity of Euro 28.08 million. (₹ 221.26 crore) till March 31, 2020.

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

xv. Refer Note 45(xi) for commitments arising out of convertible preference shares.

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

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

c) Contingent liabilities (₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Corporate guarantees	3,636.70	7,119.65
Bank guarantees outstanding / Letter of credit outstanding	1,079.34	1,593.84
Bonds issued to custom authorities	112.00	112.00
Letter of comfort provided on behalf of joint ventures	1,533.58	1,301.62
Claims against the Group not acknowledged as debts	242.61	228.02
Matters relating to income tax under dispute	489.75	510.00
Matters relating to indirect taxes duty under dispute	325.82	168.85

Notes to the consolidated financial statements for the year ended March 31, 2020

Others Contingent liabilities:

1. The above amounts do not include interest and penalty amounts which may be payable till the date of settlements, if any.
2. A search under section 132 of the IT Act was carried out at the premises of the Company and certain entities of the Group by the income tax authorities on October 11, 2012, followed by search closure visits on various dates during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The income tax department has subsequently sought certain information / clarifications. Block assessments have been completed for some of the companies of the Group and they have received orders/demand from the Income Tax Authorities for earlier years. The management of the Group has filed the appeals with the income tax department against the disallowances made in the assessment orders and believes that these demands are not tenable as it has complied with all the applicable provisions of the IT Act with respect to its operations.
3. Refer note 45(iii) with regard to contingent liability arising out of utilization of PSF(SC) Fund.
4. In respect of ongoing land acquisition process of KSL, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending settlement and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2020.
5. There are numerous interpretative issues till now relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. The Group, its joint ventures and associates have paid the liability on a prospective basis from the date of SC order. The Group, its joint ventures and associates have not made any provision related to period before the order due to lack of clarity on the subject.
6. MSEDCL has raised a legal dispute on GETL at the Central Electricity Regulatory Commission seeking revocation of its trading license on account of failure to supply power. The Group is confident that litigation filed at the CERC by MSEDCL will not hold good as the same is not in accordance with the terms of the LOI and there is no financial implication expected out of this matter.
7. Refer note 36(a) with regard to contingent liability of the Group in case of tax demands in GMIAL.
8. Refer note 45(xi) for details of contingent liabilities on CCPS A issued by GAL.
9. Refer note 8(a) and 8(b) with regards to contingent liabilities of the Group on behalf of joint ventures and associates.
10. Refer note 45(xiv) with regards to contingent liabilities on Duty Credit Scrips in DIAL
11. Refer note 45(xiii) with regards to contingent liabilities as regards dispute with Silver Resort Hotel India Private Limited in DIAL.
12. Refer note 45(x) with regards to contingent liabilities as regards revenue sharing on notional Ind AS adjustments.

42. Leases

Finance Lease

Finance lease receivables — Group as lessor

(₹ in crore)

Particulars	Minimum Lease Payments	
	March 31, 2020	March 31, 2019
Receivable not later than 1 year	0.50	0.50
Receivable later than 1 year and not later than 5 years	0.13	0.63
Receivable later than 5 years	-	-
Gross investment Lease - (i)+(ii)+(iii)=(iv)	0.63	1.13
Less: Unearned Finance income (v)	(0.06)	(0.18)
Present Value of Minimum Lease receivables [(iv)-(v)]	0.57	0.95

Operating leases - Group as lessor

The Group has sub-leased certain assets to various parties under operating leases having a term of 1 year to 50 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiable.

The lease rentals received during the year (included in Note 24 and Note 27) and the future minimum rentals receivable under non-cancellable operating leases are as follows:

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Receivables on non- cancelable leases		
Not later than one year	49.55	48.64
Later than one year but not later than five year	184.80	163.39
Later than five year	450.28	506.43

Operating Lease

Operating lease commitments — Group as lessee

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

Lease liability (₹ in crore)

Particulars	Amount
As at April 01, 2019	120.90
Additions	0.58
Disposals	(2.03)
Interest for the year	10.51
Repayment made during the year	(14.59)
As at March 31, 2020	**115.37**

Disclosed as:

Non - current	105.24
Current	10.13

The following is a reconciliation of total operating lease commitments at March 31, 2019 (as disclosed in the financial statements for the year ended March 31, 2019) to the lease liabilities recognised at April 1, 2019:

(₹ in crore)

Particulars	Amount
Total operating lease commitments as at March 31, 2019	807.00
Other adjustment relating to lease commitment disclosure	5.79
Operating lease liabilities before discounting	**812.79**
Discounting impact	691.73
Discounted operating lease commitments at April 1, 2019	**121.06**
Less: Commitments relating to short-term leases	(0.16)
Add: Commitments relating to leases previously classified as finance leases	-
Total lease liabilities recognised under Ind AS 116 as at April 1, 2019	**120.90**

Following amount has been recognied in consolidated statement of profit and loss

(₹ in crore)

Particulars	Amount
Amortisation on right to use asset	15.71
Interest on lease liability	10.51
Expenses related to short term lease (included under other expenses)	49.24
Expenses related to low value lease (included under other expenses)	1.15
Total amount recognised in statement of profit and loss account	**76.61**

Other Notes

i. For right of use assets refer note 4.

ii. For maturity profile of lease liability refer note 52.

Notes to the consolidated financial statements for the year ended March 31, 2020

43. Provisions

(₹ in crore)

Particulars	Provisions for operations and maintenance	Provision for rehabilitation and settlement	Provisions against standard assets	Provision for asset retirement obligations / decommissioning liability	Provision for power banking arrangement	Other provisions	Total
As at April 01, 2018	**355.48**	**-**	**0.95**	**7.70**	**64.67**	**-**	**428.80**
Provision made during the year	107.21	42.86	6.63	-	44.16	-	200.86
Amount used during the year	(49.79)	-	-	-	(64.38)	-	(114.17)
Amount reversed during the year	(53.24)	-	-	(7.70)	-	-	(60.94)
As at March 31, 2019	**359.66**	**42.86**	**7.58**	**-**	**44.45**	**-**	**454.55**
Provision made during the year	70.56	-	3.11	-	136.34	120.62	330.63
Notional interest on account of unwinding of financial liabilities	13.20	-	-	-	-	-	13.20
Amount used during the year	(130.35)	(0.13)	-	-	(44.60)	-	(175.08)
Amount reversed during the year	(4.33)	-	(0.29)	-	-	-	(4.62)
As at March 31, 2020	**308.74**	**42.73**	**10.40**	**-**	**136.19**	**120.62**	**618.68**
Balances as at March 31, 2019							
Current	256.31	42.86	0.14	-	44.45	-	343.76
Non-current	103.35	-	7.44	-	-	-	110.79
Balances as at March 31, 2020							
Current	230.63	42.73	0.47	-	136.19	120.62	530.64
Non-current	78.11	-	9.93	-	-	-	88.04

Notes:

Provisions for operations and maintenance

During the current year, based on report by independent agency on road roughness index, the management has revised its assumption about the timing and quantum of the estimated overlay expenditure which has resulted in the reversal of excess provision of ₹ 4.34 crores (March 31, 2019: ₹ 53.24 crores). Also refer note 38a(vi).

Provision for rehabilitation and settlement

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

Contingent provisions against standard assets

As per regulation 10 of the prudential norms issued by Reserve bank of India ("RBI"), every Non-Banking Financial Institution i.e. Systematically Important Core Investment Company (CIC-ND-SI) is required to make provision @ 0.40% (March 31, 2019: 0.40%) on all standard assets and as per regulation 9 at other defined percentages for all "sub-standard assets, doubtful assets and loss assets".

In order to comply with the prudential norms, GAL and DSPL, based on the legal opinion, has identified only interest-bearing assets to be considered for provisioning. Accordingly, GAL and DSPL have created provision on standard assets @ 0.40% (March 31, 2019: 0.40%) on inter corporate deposits only.

In addition to above, GAL has also created provision @ 10% on the loan to related party, trade receivables and other receivables, as per the requirement of master directions-core investments Companies (Reserve Bank) Directions.

Provision for asset retirement obligations / decommissioning liability

Decommissioning Liability are recognised for those lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred

Notes to the consolidated financial statements for the year ended March 31, 2020

and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Pursuant to the sale of power plant asset, built on such lease, the provision for asset retirement obligation is no longer required and has been reversed to statement of profit and loss.

Provision for power banking arrangement

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

44. Trade receivables

i. The Group has a receivable (including unbilled revenue) of ₹ 226.85 crore as at March 31, 2020 (March 31, 2019: ₹ 348.41 crore) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing 'Airport Enhancement and Financing Service Agreement' with the International Air Transport Association for recovery of dues from Air India and Air India being a government enterprise/undertaking, the Group considers its dues from Air India as good and fully recoverable. During the year ended March 31, 2020, the Group has recognized receivable of ₹ 28.90 crore (March 31, 2019: ₹ 165.85 crore) (including GST) and received ₹ 8.41 crore (year ended March 31, 2019: Nil) (including GST) towards interest agreed to be paid by Air India Limited. In view of payment and continuous reduction in the overdue quarter on quarter backed by continuing "Airport Enhancement and Financing Service Agreement" with International Air Transport Association ('IATA') for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Group considers its due from Air India as good and fully recoverable. As agreed in 13th OMDA Implementation Oversight Committee (OIOC) meeting, the Group has not paid revenue share on ₹ 27.97 crore (March 31, 2019: ₹ 135.76 crore) recognised as interest income on delayed payment by Air India.

ii. As at March 31, 2020, GGAL (earlier GPCL now merged with GGAL) has receivables from TAGENDCO aggregating to ₹ 114.12 crore (March 31, 2019: ₹ 114.12 crore). Based on an internal assessment and various discussions that the Group had with TAGENDCO, the management of the Group is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.

45. Matters related to certain airport sector entities:

i. DF Order

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

a) DIAL had accrued Development Fee (DF) amounting to ₹ 350.00 crore during the year 2012-2013 earmarked for construction of Air Traffic Control (ATC) tower. During the financial year 2018-19, ATC construction work has been completed and DF amounting to ₹ 350.00 crore has been adjusted against the expenditure on construction of ATC tower.

The total expenditure incurred on construction of ATC tower is ₹ 398.69 crore which exceeds the earmarked DF of ₹ 350.00 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

As per the approval in DIAL Board Meeting held on May 11, 2017, DIAL has written a letter to AAI for reimbursement of additional expense. However, AAI vide its letter dated November 29, 2018 has mentioned that there was no approval of additional cost incurred by DIAL on ATC and therefore the additional cost would not be met out of DF. Accordingly, during the year ended March 31, 2019, DIAL has capitalized the ATC tower at net cost of ₹ 48.69 crore after adjusting DF of ₹ 350.00 crores.

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

Notes to the consolidated financial statements for the year ended March 31, 2020

ii. In case of GHIAL, a subsidiary of the Company, AERA passed Aeronautical tariff order in respect of first control period from April 1, 2011 to March 31, 2016. GHIAL filed an appeal, challenging the disallowance of pre-control period losses, foreign exchange loss on external commercial borrowings and other issues for determination of its tariff with the Airport Economic Regulatory Authority Appellate Tribunal ('AERAAT') against the aforesaid order. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High court at Hyderabad for adjudication. In addition, pursuant to the directions issued by MoCA, GHIAL had filed another writ petition for restoration of Airport charges with Hon'ble High Court at Hyderabad and Hon'ble High Court passed an order allowing GHIAL to collect the Airport charges as were prevailing prior to February 24, 2014. During the period, Hon'ble High Court vide its order dated October 17, 2019 has directed the appeal to be transferred to Telecom Disputes Settlement Appellate Tribunal ('TDSAT') with the request to TDSAT to dispose of the same as expeditiously as possible. With respect to writ petition, the said order has allowed GHIAL to continue to collect the airport charges till the disposal of appeal by TDSAT. TDSAT in its disposal order dated March 06, 2020 has directed AERA to reconsider the issues afresh while determining the aeronautical tariff for the Third Control Period commencing from April 01, 2021.

In relation to determination of tariff for the Second Control Period, commencing from April 1, 2016 to March 31, 2021, AERA had issued a consultation paper on December 19, 2017. However, as the aforesaid consultation paper does not address the issues arising out of the first control period, including true up for shortfall of receipt vis-a-vis entitlement for the First Control Period, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad on February 6, 2018 and obtained a stay order from the High Court vide order dated February 7, 2018 in respect of further proceedings in determination of tariff order for the second control period. Pending determination of Aeronautical Tariff, AERA vide its Order No. 48 dated March 25, 2019 has allowed GHIAL to continue to charge the aeronautical tariff as prevailed on March 31, 2016 till September 30, 2019 or till determination of tariff for the aforesaid period whichever is later. In view of the above, GHIAL has applied aeronautical tariff as prevailed on March 31, 2016 during the year ended March 31, 2020.

During the year, GHIAL has withdrawn the aforesaid writ petition vide Order dated February 25, 2020 from the Hon'ble High Court. Accordingly, AERA has determined the Aeronautical tariff in respect of second control period vide its Order no: 34/2019-20/HIAL dated March 27, 2020 and the same is valid for the balance unexpired control period of one year effective from April 01, 2020 onwards.

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

The Airport Operators had incurred ₹ 439.25 crore towards capital expenditure (including the construction cost and cost of land mentioned below and excluding related maintenance expense and interest thereon) till March 31, 2020 out of PSF (SC) escrow account as per SOPs, guidelines and clarification issued by the MoCA from time to time.

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

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

Based on the internal assessments and pending final outcome of the aforesaid writ petitions, no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2020.

Further, as per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by MoCA on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited ('HASSL') constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land amounting to ₹ 113.73 crore was debited to the PSF(SC) Fund with intimation to MoCA. The Comptroller and Auditor General of India ('CAG'), during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

In earlier years, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential

Notes to the consolidated financial statements for the year ended March 31, 2020

quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final instruction from MoCA, cost of residential quarters continue to be accounted in the PSF(SC) Fund and no adjustments have been made to the accompanying consolidated financial statements of the Group for the year ended March 31, 2020.

iv. In case of DIAL, the AERA passed an Aeronautical tariff Order No. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). DIAL had filed an appeal before AERAAT on certain disputed issues in the aforesaid Tariff order.

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

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

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

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

DIAL's appeal no. 10/2012 with respect to first control period has been concluded along with the appeal by certain airlines. TDSAT vide its order dated April 23, 2018 has passed the order, which provides clarity on the issues which were pending for last six years and has laid down the principles to be followed by AERA in determination of tariff of the third control period starting from April 1, 2019. DIAL expects the uplift impact of the TDSAT order to be factored in the tariff determination by AERA for the next period i.e., 2019-2024. DIAL's appeal against the second control period shall be heard in due course.

Further, DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein Hon'ble Supreme Court of India has issued notices in the matter. The matter was taken up by Hon'ble Supreme Court on February 10, 2020 and two weeks' time was granted for filing counter affidavit and further two weeks' time to file rejoinder thereafter. Accordingly, DIAL has filed its rejoinders and next date of hearing before Hon'ble Supreme Court has not yet been notified, however, an application of early hearing shall be filed by DIAL for an early disposal of the matter.

DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30,2019 which is further extended by AERA order no 09/2019-20 to March 31, 2020 and vide order no 31/2019-20 dated March 20, 2020 till June 30, 2020 or determination of tariff for third control period, whichever is earlier.

AERA has issued consultation paper in the matter of determination of aeronautical tariff for third control period vide consultation paper no. 15/2020-21 dated June 9, 2020. Last date for submission of comments is July 31, 2020 and for submission of counter comments is August 14, 2020.

Basis the cash projections prepared by the management of DIAL for next one year, the management expects to have cash profit. Further, considering DIAL's business plans and the availability of sufficient cash reserve as at March 31, 2020, the management do not foresee any uncertainty in continuing its business/ operations and meeting its liabilities for the foreseeable future and accordingly, the financial statement of DIAL are continued to be prepared and consolidated on a going concern basis.

v. DIAL has received advance development costs of ₹ 680.14 crore including ₹ 6.93 crore related to Phase II development (March 31, 2019: ₹ 680.14 crore including ₹ 6.93 crore related to Phase II development) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, DIAL has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2020, DIAL has incurred development expenditure of ₹ 567.81 crore (March 31, 2019: ₹ 552.38crore) which has been adjusted against the aforesaid advance. Further, in case of Silver Resort Hotel India Private Limited, DIAL has transferred ₹ 32.61 crore as unspent advance development cost in its proportion refundable to Silver Resort Hotel India Private Limited to 'Advances from customer' basis the arbitration order (refer note 45(xiii)) and balance amount of ₹ 79.72 crore including ₹ 6.93 crore related to Phase II development (March 31, 2019: ₹ 95.15 crore including ₹ 6.93 crore related to Phase II development) is disclosed under other liabilities.

vi. DIAL is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and is to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by DIAL. As at March 31, 2020, DIAL has accounted ₹ 174.35 crore (March 31, 2019: ₹ 145.27 crore) towards such Marketing Fund and has incurred

Notes to the consolidated financial statements for the year ended March 31, 2020

expenditure amounting to ₹ 117.22 crore (March 31, 2019: ₹ 88.05 crores) (net of income on temporary investments) till March 31, 2020 from the amount so collected. The balance amount of ₹ 57.13 crore (March 31, 2019: ₹ 57.22 crore) pending utilization as at March 31, 2020 is included under "Other current liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose.

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

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

viii. DIAL made an internal assessment on computation of Annual Fee payable to AAI and is of the view that the Annual Fee has been paid to AAI on Gross Receipts credited to the consolidated statement of profit and loss (with certain exclusions) instead of on the “Revenue” as defined under OMDA. The legal opinion obtained in this regard made it clear that there were excess payments of Annual Fee by DIAL by mistake from time to time to AAI. Accordingly, as per the decision taken by the Board of Directors of DIAL a claim for return of excess Annual Fee paid to the AAI was raised on 26.12.2016. AAI has not agreed to the claim and insisted DIAL to continue to pay Annual Fee 'on the same basis, which DIAL is paying under protest. Accordingly, the dispute arose under OMDA but same could not be resolved amicably leading to the initiation of arbitration proceedings, which have commenced from December, 2018. DIAL has submitted its statement of claim in respect of which, AAI has filled its Statement of Defense (SOD). Pleadings are complete and issues has been framed by Arbitral Tribunal. The matter is on stage of cross examination of DIAL’s witnesses. The matter is listed for completion of cross examination of DIAL's witnesses from June 20, 2020 to June 22, 2020 and arguments will be heard on 8th, 9th, 22nd and 23rd of August 2020.

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

x. In case of DIAL and GHIAL, as per the Operations, Management and Development Agreement (‘OMDA’) / Concession Agreement, DIAL and GHIAL are liable to pay a certain percentage of the revenue as Monthly Annual Fee (‘MAF’) / Concession Fee (‘CF’) to Airport Authority of India / Ministry of Civil Aviation respectively. The management is of the view that certain income / credits arising on adoption of Ind AS, mark to market gain on valuation of Interest Rate Swap, gain on reinstatement of 4.25% Senior Secured Notes and Scrips received under Services Export from India Scheme (‘SEIS’) in the nature of government grant, interest income from Air India, etc were not contemplated by the parties to the agreements at the time of entering the agreements and these income / credit do not represent receipts from business operations from any external sources and therefore should not be included as revenue for the purpose of calculating MAF / CF. Accordingly, DIAL and GHIAL based on a legal opinion, has provided for MAF / CF on the basis of revenue adjusted for such incomes/ credits. Detail of such incomes / credits for the year ended March 31, 2020 and March 31, 2019 are as under:

(₹ in crore)

Particulars	March 2020		March 2019	
	GHIAL	DIAL	GHIAL	DIAL
Construction income from Commercial property developers	-	15.43	-	33.18
Deposits taken from Commercial Property Developers accounted at amortised cost	-	31.89	-	50.64
Discounting on fair valuation of deposits taken from concessionaires	6.48	64.07	4.53	53.44
Interest income on security deposits given carried at amortised cost	-	0.36	-	0.35
Significant financing component on revenue from contract with customers	-	4.80	-	4.80
Income recognized on advance from customers under Ind AS 115	1.10	-	1.10	-
Income recognized on straight lining of revenue under Ind AS 116	2.09	-	-	-
Income arising from fair valuation of financial guarantee	0.82	-	2.55	-
Interest free loan given to subsidiaries accounted at amortised cost	-	-	3.22	-
Income from government grant	5.28	-	5.26	-
Amortisation of deferred income	0.52	-	14.08	-
Interest income from Air India	-	27.97	-	135.76
Discounting on fair valuation of deposit paid to vendors	0.23	-	0.31	-

Notes to the consolidated financial statements for the year ended March 31, 2020

Further, DIAL has accrued revenue of ₹ 412.87 crore basis straight lining revenue, in accordance with Ind AS 116. Revenue share of ₹ 189.88 crore on this revenue is also provided and payable to AAI in future years on actual realization of revenue.

DIAL has also provided the "Airport Operator Fees" included in "Other expenses" based on "Gross revenue" for the last financial year, after excluding the income/ credits from above transactions.

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

Pursuant to the investor agreements (including amendments thereof) entered into during the years ended March 31, 2011 and 2012 (hereinafter collectively referred to as "investor agreements"), GAL, a subsidiary of the Company, had issued 3,731,468 Class A Compulsorily Convertible Preference Shares ("CCPS A") of ₹ 1,000 each at a premium of ₹ 2,885.27 each and ₹ 3,080.90 each aggregating to ₹ 663.31 crore and ₹ 441.35 crore respectively, to certain Private Equity Investors ('Investors').

As per the terms of the investor agreement, the Company had a call option to buy CCPS A from the Investors for a call price to be determined as per the terms of the investor agreement.

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

The Company together with GAL had executed a 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, GISL, had purchased 2,714,795 CCPS A of GAL for an additional consideration of ₹ 3,560.00 crore from the Investors and balance 932,275 CCPS A have been converted into equity shares representing 5.86% shareholding of GAL in the hands of the Investors with a put option given by the Group to acquire the same at fair value.

However pursuant to the definitive agreement dated July 04, 2019 with TRIL Urban Transport Private Limited, a subsidiary of Tata Sons, Solis Capital (Singapore) Pte. Limited and Valkyrie Investment Pte. Limited, the management had considered the aforesaid additional obligation of ₹ 3,560.00 crore as recoverable and had recognized the same as a financial asset in it consolidated financial statements for the year ended March 31, 2019. This agreement was cancelled during the year ended March 31, 2020.

As detailed in note xvii below, pursuant to the transaction with ADP appropriate adjustments have been made to reflect the above transaction and the financial asset of ₹ 3,560.00 crore has also been adjusted with other equity as a consequence of the receipt of the above consideration..

xii. Subsequent to balance sheet date on June 15, 2020, Delhi Cantonment Board ('DCB') has passed the order on DIAL, contradicting its own previous demand and acted in contravention of Cantonment Act, 2006 and the HC order dated December 02, 2019 has sought to retrospectively enhance the rate of property tax leviable on the DIAL on the pretext of purported errors in calculation , determining the property tax payable by the DIAL for the assessment period i.e. 2016-17, 2017-18, 2018-19 to be ₹ 2,589.10 crores. DIAL has thus challenged the assessment and demand by way of writ petition before Hon'ble Delhi High Court and sought stay against the assessment and demand. The Hon'ble Court has passed the order and asked DCB to justify its assessment and demand. If DCB tries to take any precipitative steps during this time, liberty has been granted to DIAL to approach the court for interim relief.

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

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

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

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

Pursuant to the above order, the Developer has preferred an appeal before Double Bench of Delhi High Court which was heard on July 4, 2018.

Both the parties agreed for settlement and accordingly the matter has been settled vide Hon'ble High Court order dated November 7, 2019 according to which DIAL has paid ₹ 54 crores to the developer as final settlement including outstanding ADC of ₹ 32.61 crore.

Notes to the consolidated financial statements for the year ended March 31, 2020

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

Pursuant to above, during the year ended March 31, 2018, DIAL has received SEIS scrips of ₹ 31.19 crore for financial year 2015-16, having validity till September 30, 2019. During the year ended March 31, 2019, DIAL has also received SEIS scrips of ₹ 55.82 Crore for financial year 2016-17, having validity till October 21, 2020. During the year ended March 31, 2020, DIAL has also received SEIS scrips of ₹ 24.32 crores and ₹ 15.87 crores for FY 2017-18 and FY 2018-19 respectively, having validity till June 20, 2021 and August 13, 2021 respectively.

DIAL has so far utilized/sold ₹ 111.11 crore (March 31, 2019v: ₹ 14.52 crore) out of these scrips and considering the major expansion plans at the IGI airport, DIAL is evaluating various options for utilization of these Scrips.

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

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

xvi. The Board of directors of wholly owned subsidiary namely Hyderabad Airport Security Service Limited (HASSL) at its meeting held on September 17, 2018, approved the proposal to wind up the affairs by way of voluntary liquidation. Accordingly, HASSL had appointed Official Liquidator for the purposed voluntary liquidation on September 27, 2018 and during the year the Liquidator has discharged all the liabilities of HASSL and available positive surplus distributed. A dissolution application was initially filed with the Hon'ble National Company Law Tribunal, Hyderabad Bench ('NCLT') for voluntary liquidation of HASSL under the applicable provisions of the Insolvency and Bankruptcy Code of India, 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and the Companies Act, 2013 on August 14, 2019 by the Liquidator. NCLT vide its order dated September 13, 2019 passed the dissolution of HASSL w.e.f. September 13, 2019. Form No. INC 28 was filed with the Registrar of Companies ('ROC'), Hyderabad on September 17, 2019 which was approved by the ROC on September 20, 2019 and accordingly HASSL stands dissolved from that date.

xvii. The management of the Group along with other shareholders of the Company and GMR Airports Limited (GAL), a subsidiary Company (together referred as "GMR Group") had signed a share subscription and share purchase agreement with Aerport De Paris SA (ADP) for stake sale in the GAL on February 20, 2020. Pursuant to consummation of the same, ADP would hold 49% stake (directly & indirectly) in the GAL for an equity consideration of ₹ 10,780.00 crore, valuing GAL at the Base post money valuation of ₹ 22,000.00 crore. The equity consideration comprises of:

- ₹ 9,780.00 crore towards secondary sale of shares by GMR Group; and
- ₹ 1,000.00 crore equity infusion in GAL

In addition, ADP had also pegged Earn-outs upto ₹ 4,475.00 crore linked to achievement of certain agreed operating performance metrics as well as on receipt of certain regulatory clarifications. The successful consummation of earnouts, could increase, GAL's valuation on post money basis to ₹ 26,475.00 crore and the Group stake in GAL to 59%. The Group will retain management control over the Airports Business with ADP having customary rights and board representation at Company and its key subsidiaries.

The first tranche of ₹ 5,248.00 crore for 24.99% shares of GAL (primarily through buyout of GMR Infra Services Limited (GISL) via primary infusion of equity) had been completed on February 24, 2020. The second & final tranche of ₹ 5,532.00 crore (including primary of ₹ 1,000.00 crore in GAL) was subject to regulatory approvals, consents and other approvals.

Since March 31, 2020, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Despite unprecedented adverse conditions, on July 7, 2020 the Group has successfully completed the transaction with ADP with slight modifications. As per the revised Share Purchase Agreement, the second tranche of the investment for 24.01% of GAL has been structured in two parts:

- A firm amount, immediately paid at Second closing, for a total of ₹ 4,565.00 crore, including ₹ 1,000.00 crore equity infusion in GAL.
- Earn-outs amounting to ₹ 1,060.00 crore, subject to the achievement of certain performance related targets by GAL upto FY 2024.

Accordingly, ADP has increased earn-outs for Group which are now pegged at up to ₹ 5,535.00 crore compared to the earlier ₹ 4,475.00 crore. These additional Earn-outs of ₹ 1,060.00 crore are linked to the achievement of certain agreed operating performance metrics as well as the receipt of certain regulatory clarifications over the next 5 years. The amount of ₹ 4,565.00 crore towards second and final tranche payment from ADP has been received. This money will primarily be used in servicing the debt which will help deleverage both the Group and GAL further and result in improved cash flows and profitability.

Notes to the consolidated financial statements for the year ended March 31, 2020

xviii. In respect of DIAL's equity investment in WAISL, DIAL has to maintain minimum 26% of equity shareholding directly or indirectly until the expiry of next 5 years from January 2010 and thereafter minimum 20% of equity shareholding directly or indirectly until the expiry of next 5 years. However, on June 26, 2019, DIAL sold its entire investment in WAISL Limited of ₹ 1.30 crore (13,00,000 shares of ₹ 10 each) to Antariksh Softtech Private Limited based on valuation of independent valuer.

xix. In August 2019, a subsidiary of the Group entered into a sale and purchase agreement with GMR Infrastructure Mauritius Limited, a subsidiary of the Group, to acquire the 100.00% issued share capital of GADL International limited (GADLIL) at a consideration of USD 1 which is accounted for as an investment in a subsidiary post divestment and consolidated on line by line basis.

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

xxi. The Board of directors of subsidiary namely GADL (Mauritius) Limited (GADLML) at its meeting held on December 16, 2019, approved the proposal to wind up the affairs by way of member voluntary wind up. Accordingly, GADLML has appointed Official Liquidator for the purposed member voluntary windup on December 16, 2019 and is under Insolvency Act 2009. As on date, GADLML has the positive net worth hence does not have any adverse effect to the above financial statement of the Group.

xxii. The Board of directors of wholly owned subsidiary namely GMR Hyderabad Airport Power Distribution Limited (GHAPDL) at its meeting held on February 17, 2020, approved the proposal for making an application for removal off its name, from the Registrar of Companies, maintained by the registrar. Accordingly required application in form STK 8 has been filed with the registrar. As on date, GHAPDL has the positive net worth hence does not have any adverse effect to the above financial statement of the Group.

xxiii. The Hon'ble Supreme Court of India (SCI) vide its Judgment dated January 16, 2020 lifted the suspension on the Environmental Clearance (EC) granted for the Mopa International Airport Project. This order will pave the way for commencement of construction and development activities at the Mopa airport. In lifting the suspension of the EC, SCI directed compliance of all original and additional conditions which would be implemented under the supervision of National Environmental Engineering Research Institute (NEERI).

xxiv. GMR Hyderabad Aerotropolis Limited (GHAL), a subsidiary of GMR Hyderabad International Airport Limited (GHIAL), has formed a joint venture with ESR Hyderabad 1 Pte Limited (ESR), a subsidiary of the Hong Kong headquartered ESR Cayman Limited, to develop a 66-acre logistics and industrial park at the Hyderabad airport city. ESR and GHAL for the aforesaid transaction have entered into definitive agreements with an equity interest of 70% and 30% respectively in the SPV viz., GMR Logistics Park Private Limited (GLPPL). However legal compliance for the above mentioned transaction and share transfer to ESR has taken place in April 2020. The same has been classified as held for sale as detailed in note 36.

xxv. The Hon'ble National Company Law Tribunal, Hyderabad Bench vide its order dated 26 July 2019, has approved the Composite Scheme of Arrangement (the "Scheme") with Appointed Date of 1 April 2018, for merger of the GHIAL's wholly-owned subsidiary GMR Hyderabad Air Cargo And Logistics Private Limited (GHACL) into another wholly owned subsidiary GMR Aerospace Engineering Limited (GAEL) and demerger of the MRO business of GMR Aero Technic Limited (GATL), subsidiary of GAEL into GAEL with effective date of 23 August 2019. The name of the Combined Entity has been subsequently changed to GMR Air Cargo and Aerospace Engineering Limited (GACAEL), which will provide MRO and Cargo Handling services at the Rajiv Gandhi International Airport at Hyderabad. In consideration of merger order, GACAEL has allotted its equity shares to the Company on October 4, 2019, in accordance with the share exchange ratio as mentioned in the Scheme.

xxvi. During the year 2018-19, DIAL had started the construction activities for phase 3A airport expansion as per Master Plan and has incurred ₹ 2,813.45 crore excluding GST (including capital advances of ₹ 839.16 crore) till March 31, 2020 [March 31, 2019: ₹ 809.58 crore (including capital advances of ₹ 753.21 crore)] towards construction of phase 3A works, which includes Interest during construction of ₹ 117.15 crore as on March 31, 2020 (March 31, 2019: ₹ NIL). DIAL has capitalized the following expenses during construction, included in above, being expenses related to phase 3A airport expansion project. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by DIAL.

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Employee benefit expense	16.67	8.03
Manpower hire charges	8.84	2.35
Professional Consultancy	8.62	0.01
Travelling and conveyance	2.53	1.20
Other	1.04	0.90
Total	**37.70**	**12.49**

Notes to the consolidated financial statements for the year ended March 31, 2020

xxvii. GHIAL had started the construction activities for airport expansion and has incurred ₹ 1,208.31 crore excluding GST till March 31, 2020 (March 31, 2019: ₹ 365.10 crore) towards construction works, which includes Interest during construction of ₹ 214.79 crore as on March 31, 2020 (March 31, 2019: ₹ 29.74 crore).

During the year ended March 31, 2020 the following expenses of revenue nature are capitalized to the capital work-in-progress (CWIP). Consequently, expenses disclosed under the other expenses are net of amounts capitalized.

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Opening balance (A)	**83.02**	**51.52**
Revenue expense		
Legal and Professional expense	83.75	44.07
Employee benefit expense	0.40	-
Travelling and conveyance	0.78	0.40
Finance cost	231.53	39.26
Total (B)	**316.46**	**83.73**
Less Income		
Interest income from bank deposit	(95.75)	(3.71)
Net gain on sale of current investment	-	(10.62)
Interest income on security deposit paid	(1.24)	-
Total (C)	**(96.99)**	**(14.33)**
Net (D=B-C)	**219.47**	**69.40**
Less : Capitalised during the year (E)	(77.64)	(37.90)
Closing balance (F=A+D-E)	**224.85**	**83.02**

46. Matters related to certain road sector entities:

i. GACEPL, a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 467.15 crore as at March 31, 2020. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant, till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and considering expected future traffic flow, the management of the Group believes that the carrying value of carriage ways in GACEPL of ₹ 355.55 crore as at March 31, 2020 is appropriate.

ii. GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company has been incurring losses since the commencement of its commercial operations and has accumulated losses of ₹ 1,162.21 crores as at March 31, 2020. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2017 with National Highways Authority of India ('NHAI'). The claim of GHVEPL was rejected by NHAI and accordingly during the year ended March 31, 2018, GHVEPL has decided to proceed with arbitration and accordingly Arbitral Tribunal was constituted and claims were filed. Further, the project was initially developed from existing 2 lanes to 4 lanes 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.

GHVEPL has recognised a provision of additional concession fees (premium) of ₹ 620.31 crore including interest till March 31, 2020 based on NHAI's directions, 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 and Tribunal has restrained NHAI from taking action.

Furthermore, NHAI vide notice dated November 18, 2019, pursuant to Article 36 of the concession agreement has suspended the rights of GHVEPL to collect toll. Aggrieved by the notice, GHVEPL approached the tribunal for stay of the said notice from NHAI and stay was granted by Ad-interim order on the same date. Tribunal directed GHVEPL to deposit ₹ 75.00 crore (₹ 25.00 crore each month) till February 29, 2020 as deposit, on without prejudice basis, in a no lien escrow account, considering the consequences of said notice. GHVEPL has complied with the orders of the Tribunal and the amount so deposited every month has been subsequently transferred to NHAI account on the directions of the Tribunal. However, aggrieved by the interim order, GHVEPL preferred an appeal before Delhi High Court and wherein the Court had directed both the parties to maintain status quo till the matter is disposed of by Arbitral Tribunal.

Notes to the consolidated financial statements for the year ended March 31, 2020

The Arbitral Tribunal vide its order dated March 31, 2020, has pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicle. However, on the quantum of the claim amount, majority of the Tribunal members have directed NHAI to constitute a committee for determining the claim amount based on data/ records available with the GHVEPL and NHAI. The minority member in the Tribunal however was of the opinion that Tribunal should have constituted the Committee instead of directing NHAI, which is against the principal of natural justice. GHVEPL, aggrieved by the findings, has filed applications under Section 9 and 34 of the Arbitration Act, 1996, before Delhi High Court challenging the award on the limited ground of (i) constitution of the committee by NHAI for quantification of compensation and (ii) for interim measures by restraining NHAI from constituting the Committee, demanding premium and taking coercive / precipitate measures under the Concession Agreement.

On May 8, 2020 GHVEPL has received notice from NHAI restricting the concession period to 15 years pursuant to clause 3.2.2 of the concession agreement dated October 9, 2009 by stating, it is satisfied that six-laning is not required for the highway and four laning is sufficient for operating highway. GHVEPL has filed its response seeking material on record from NHAL and has further obtained legal opinion, based on which GHVEPL has decided and is in the process of challenging the said notice in the court of law considering the pending quantification of the favorable Arbitral award before the High Court.

The restriction, in terms of notice dated May 8, 2020 from NHAI, on the concession period to 15 years from 25 years would have impact on the carrying value of intangible assets, in case any adverse outcome of the notice from NHAI upon challenge before court of law, the carrying value of intangible assets as at March 31, 2020 of ₹ 1,984.04 crore which is being amortised over balance life of 15 years on revenue projection at present would have to be amortised over next 5 years.

GHVEPL has also internally assessed the average daily traffic for financial year 2024-25, the scheduled six-laning period which indicates that average daily traffic at designated Toll Plaza will exceed the Design Capacity that would require six-laning as per Clause 29.2.3 of the Concession Agreement. In terms of the internal assessment by GHVEPL where in the traffic flows were estimated to increase to the levels which mandates six-laning during the concession period and based on the opinion from the legal Counsel the management is of the view that the withdrawal of the Six Laning of the project highway without any reasoning is not a tenable action by NHAI / Regulator and the same would be contested in the Court of law subsequent to the awaited decision from Delhi High Court. Accordingly, concession life of 25 years with six laning has been considered for the purposes of the amortisation of Intangibles in spite of the communication / notice by NHAI / Regulator restricting the period to 15 years with four-laning.

The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons. Accordingly, based on the aforesaid legal opinion, expected future traffic flow over a concession period of 25 years, valuation assessment by an external expert and expected compensation claim inflows, the management of the Group believes that the carrying value of carriage ways of ₹ 1,984.04 crores of GHVEPL as at March 31, 2020, is appropriate.

iii. GMR Highways Limited, a subsidiary of the Company, received approval of shareholders and creditors and subsequent confirmation from National Company Law Tribunal (NCLT) vide the order dated March 20, 2020 to reduce GMRHL's issued, subscribed and paid-up equity share capital from ₹ 2,052.93 crore (comprising 2,052,929,749 fully paid up equity shares of ₹ 10/- each) to ₹ 775.44 crore, comprising of 775,440,510 fully paid up equity shares of ₹ 10/- each. Such reduction has been given effect by cancelling and extinguishing 62.23% of the total issued, subscribed and paid up equity share capital of GMRHL (the "Capital Reduction"). The shareholders whose share capital has been reduced have been paid a sum of 10 paise per equity share as the consideration.

47. Matters related to certain power sector entities:

i. GGAL (earlier GPCL, merged with GGAL with effect from March 31, 2019), a subsidiary of the Company, approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement ('LLA') in respect of the dues recoverable from Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax ('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favorable order from TNERC and in pursuance of the Order, filed its claim on April 30, 2010 amounting to ₹ 481.68 crore and recognised ₹ 79.55 crore as income in the books of account.

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

31, 2014 as income in its tax returns and claimed the deduction as available under Section 80IA of the IT Act.

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

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

ii. GGAL ('the Transferee Company'), a subsidiary of the company had applied for confirmation / approval of scheme of merger / amalgamation and capital reduction ('the Scheme') with its wholly owned subsidiaries GMR GENCO Assets Limited, GMR Kakinada Energy Private Limited and GMR Coastal Energy Private Limited and partly owned subsidiaries SJK Powergen Limited and GMR Power Corporation Limited (collectively referred to as the 'Transferor Companies'). The appointed date of merger / amalgamation is March 31, 2019. The scheme was filed with the Hon'ble Regional Director, Mumbai (RD). Necessary approvals from shareholders and creditors (vide NOCs) were obtained and submitted with the office of RD. The RD filed its report dated February 20, 2020 with National Company Law Tribunal, Special Bench, Mumbai ('NCLT') and NCLT passed the order approving the scheme on March 13, 2020. Pursuant to the Scheme, financial statements of GGAL have been prepared on merged basis with effect from March 31, 2019 in accordance with the accounting treatment prescribed in the Scheme. Further, due to the effect of this merger, the non-controlling shareholders of GGALs partly owned subsidiaries have been issued shares in GGAL. Due to this change the non-controlling interests in the consolidated financial statements of the Group have decreased by ₹ 366.93 crores with effect from March 31, 2019 with a corresponding increase in Other Equity.

48. Matters related to certain other sector entities:

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

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Equity shares of GIL	-	101.55
Equity shares of GAL	-	11.28
Others	-	2.17
Total	**-**	**115.00**

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" ("SEBI Regulations") whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. SEBI published Frequently Asked Question ("FAQ") on SEBI Regulations and clarified that appropriation of shares towards ESPS/ESOP/SAR/General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next one year so that no unappropriated inventory remains thereafter. The shareholders have approved the revised terms and conditions of the scheme by passing a special resolution in the Annual General Meeting of the Company held on September 23, 2015 and that the Company will ensure compliance with other applicable provisions of the new regulations within the permissible time period. Pursuant to the implementation of Ind AS, during the financial year ended March 31, 2019, the Group has consolidated the financial statements of GWT in its consolidated financial statements and accordingly the loans have become ₹ Nil during the previous year.

During the current year, the GWT has fully repaid the outstanding balance of the aforementioned loan amounting ₹ 115.00 crores by obtaining funds from GMR Bannerghatta Properties Private Limited (a promoter group entity) and also transferred the sharers of the GAL to the Company pursuant to share purchase agreement. Hence, the Group has not consolidated the financials of GWT in its consolidated financial statement as on March 31, 2020.

ii. KSL is in the process of acquiring land for implementing a Multi-Product Special Economic Zone within the meaning of Special Economic Zone Act 2005 and it has obtained an initial Notification from the Ministry of Commerce, Government of India vide Notification No. 635(E) dated April 23, 2007 for an extent of 1,035.67 hectares. The formal approval for the same was initially given for 3 years from June 2006. Subsequently, the said formal approval was extended till August 2016. KSL has obtained further notification from Government of India vide Notification No. 342(E) dated February 06, 2013 for an extent of 1,013.64 hectares and the formal approval was given initially for 3 years from February 2012, which on application by KSL was extended further up to February 2016. KSL's proposal for merger of both approvals is approved by Ministry of Commerce in December 2015, hence extension of formal approval is no longer required. Out of 2,049.31 hectares land covered in existing notification, KSL applied for de-notification of 170 hectares during the year and got the approval from Ministry of Commerce and Industries. Subsequent to de-notification as stated above 1,879.40 hectares of land is covered under SEZ notified area.

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

Further to the acquisition of land for development of SEZs, KSL has initiated various rehabilitation and resettlement initiatives to relocate the inhabitants residing in the land acquired. The amount of expenditure incurred by KSL towards rehabilitation and resettlement initiatives amounting to ₹ 73.02 crore (March 31, 2019: ₹ 72.93 crore) is treated as part of land acquisition cost. KSL had estimated that additional cost of ₹ 42.86 crore is likely to be incurred towards rehabilitation and resettlement. Out of this ₹ 0.13 crore has been paid during the current year and as required under Ind AS 37 and the provision of ₹ 42.73 crore for the same has been made in the consolidated financial statements during the year ended March 31, 2020.

During the year, KSL has incurred a sum of ₹ 211.51 crore (March 31, 2019: ₹ 273.93 crore) towards expenditure incurred in respect of ongoing SEZ project under execution by KSL. This expenditure is directly connected with land acquisitions which is the primary asset of the project.

The expenditure incurred during the earlier years in respect of the project includes ₹ 313.14 crore towards non-prejudicial additional compensation for land owners and farmers announced by special land acquisition to hasten the proposed project activities, which was in addition to the statutory compensation already paid. An amount of ₹ 142.65 crore has been paid by KSL and ₹ 16.92 crore has been transferred to KGPL. Remaining amount has been shown under non-trade payables.

49. Related party transactions

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

Sl. No.	Relationship	Name of the parties
(i)	Holding company	GMR Enterprises Private Limited (GEPL)
(ii)	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Airport Authority of India (AAI)
		Antariksh Softtech Private Limited (till June 26, 2019)
		Asia Pacific Flight Training Sdn Bhd ('APFTSB') (till February 28, 2019)
		Arcelormittal India Limited (AIL)
		Bharat Petroleum Corporation Limited (BPCL)
		Brindaban Man Pradhang (till December 30, 2018)
		Bird World Wide Flight Services India Private Limited (BWWFSIPL)
		Celebi Ground Handling Delhi Private Limited (CELEBI GHDPL)
		Celebi Hava Servisis A.S. (CHSAS)
		Fraport AG Franfurt Airport Services Worldwide (FAG)
		Government of Telangana (GoT)
		Indian Oil Corporation Limited (IOCL)
		Kakinada Infrastructure Holding Private Limited (KIHPL)
		Lanco Group Limited (LGL)
		Limak Insaat San. Ve Ticaret A.S. (LISVT)
		Laqshya Media Limited (LMPL)
		M/S G.S. Atwal & Co. (till December 30, 2018)
		Malaysia Airport Holding Berhad (MAHB)
		Malaysia Airports Consultancy Services SDN Bhd (MACS)
		MAHB (Mauritius) Private Limited (MAHB Mauritius)
		Megawide Construction Corporation (MCC)

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Relationship	Name of the parties
		Menzies Aviation Cargo (Hyderabad) Limited, Mauritius (MACHL) (upto November 02, 2018)
		Menzies Aviation India Private Limited (MAIPL)
		Menzies Aviation PLC (UK) (MAPUK)
		Macquarie SBI Infrastructure Investments PTE Limited (MSIF)
		NAPC Limited (NAPC)
		Navabharat Power Private Limited (NBPPL)
		Nepal Electricity Authority (NEA) (till December 30, 2018)
		Odeon Limited (OL)
		Oriental Structures Engineers Private Limited (OSEPL) (till June 01, 2019)
		Oriental Tollways Private Limited (OTPL) (till June 01, 2019)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		PT Sinar Mas Cakrawala
		Punj Lloyd Limited
		Reliance Industries Limited (RIL)
		Sterlite Energy Limited (SEL)
		Power And Energy International (Mauritius) Limited
		Tenaga Parking Services (India) Private Limited (TPSIPL)
		Times Innovative Media Limited (TIML)
		Travel Foods Services (Delhi) Private Limited (TFSDPL)
		Tottenham Finance Limited, Mauritius (TFL)
		GMR Infra Services Limited (GISL) w.e.f February 25, 2020
		Veda Infra-Projects (India) Private Limited (VIHIPL)
		Wipro Limited (WL) (till 4th April, 2018)
		Welfare Trust for GMR Group Employees (WTGGE)
		Yalvorin Limited (YL)
(iii)	Enterprises where key management personnel and their relatives exercise significant influence (where transactions have taken place)	GMR Varalakshmi Foundation (GVF)
		Sri Varalakshmi Jute Twine Mills Private Limited
		GMR Family Fund Trust (GFFT)
		GEOKNO India Private Limited (GEOKNO)
		Kakinada Refinery & Petrochemicals Private Limited (KRPPL)
		Kirti Timber Private Limited (KTPL)
		GMR Institute of Technology (GIT)
		GMR School of Business (GSB)
		GMR Varalakshmi Care Hospital (GVCH)
		Jetsetgo Aviation Services Private Limited (JASPL)
(iv)	Fellow subsidiary companies (where transactions have taken place)	GMR Holding (Mauritius) Limited (GHML)
		GMR Holdings (Overseas) Limited (GHOL)
		JSW GMR Cricket Private Limited (JGPL)
		Kothavalasa Infraventures Private Limited
		Grandhi Enterprises Private Limited (GREPL)
(v)	Joint ventures / associates / joint operations	GMR Energy Limited (GEL)
		GMR Vemagiri Power Generation Limited (GVPGL)
		GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Relationship	Name of the parties
		GMR Kamalanga Energy Limited (GKEL)
		Himtal Hydro Power Company Private Limited (HHPPL) (till December 30, 2018)
		GMR Energy (Mauritius) Limited (GEML)
		GMR Lion Energy Limited (GLEL)
		GMR Upper Karnali Hydropower Limited (GUKPL)
		GMR Consulting Services Limited (GCSPL)
		GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
		Rampia Coal Mine and Energy Private Limited (RCMEPL)
		GMR Chhattisgarh Energy Limited (GCEL) (till June 29, 2019)[1]
		GMR Rajahmundry Energy Limited (GREL)
		GMR Warora Energy Limited (GWEL)
		GMR Maharashtra Energy Limited (GMAEL)
		GMR Bundelkhand Energy Private Limited (GBEPL)
		GMR Rajam Solar Power Private Limited (GRSPPL)
		GMR Gujarat Solar Power Limited (GGSPPL)
		Karnali Transmission Company Private Limited (KTCPL)
		Marsyangdi Transmission Company Private Limited (MTCPL) (till May 26, 2019)[2]
		GMR Indo-Nepal Energy Links Limited (GINELL)
		GMR Indo-Nepal Power Corridors Limited (GINPCL)
		PT Golden Energy Mines Tbk (PTGEMS)
		PT Roundhill Capital Indonesia (RCI)
		PT Borneo Indobara (BIB)
		PT Kuansing Inti Makmur (KIM)
		PT Karya Cemerlang Persada (KCP)
		PT Bungo Bara Utama (BBU)
		PT Bara Harmonis Batang Asam (BHBA)
		PT Berkat Nusantara Permai (BNP)
		PT Tanjung Belit Bara Utama (TBBU)
		PT Trisula Kencana Sakti (TKS)
		PT Era Mitra Selaras (EMS)
		PT Wahana Rimba (WRL)
		PT Berkat Satria Abadi (BSA)
		GEMS Trading Resources Pte Limited (GEMSCR)
		PT Karya Mining Solution (KMS)
		PT Kuansing Inti Sejahtera (KIS)
		PT Bungo Bara Makmur (BBM)
		PT GEMS Energy Indonesia (PTGEI)
		PT Dwikarya Sejati Utma (PTDSU)
		PT Duta Sarana Internusa (PTDSI)
		PT Unsoco (Unsoco)
		PT Barasentosa Lestari (BSL)
		Laqshya Hyderabad Airport Media Private Limited (Laqshya)

Notes to the consolidated financial statements for the year ended March 31, 2020

Sl. No.	Relationship	Name of the parties
		Delhi Aviation Services Private Limited (DASPL)
		Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
		Delhi Duty Free Services Private Limited (DDFS)
		Delhi Aviation Fuel Facility Private Limited (DAFF)
		Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
		WAISL Limted (WAISL) (till June 26, 2019)[2]
		TIM Delhi Airport Advertising Private Limited (TIM)
		GMR Megawide Cebu Airport Corporation (GMCAC)
		Megawide GISPL Construction Joint Venture (MGCJV)
		Megawide GISPL Construction Joint Venture Inc. (MGCJV INC.)
		Limak GMR Joint Venture (CJV)
		GMR Tenaga Operations and Maintenance Private Limited (GTOMPL)
		Mactan Travel Retail Group Corp. (MTRGC)
		SSP-Mactan Cebu Corporation (SMCC)
		DIGI Yatra Foundation (DIGI)
		International Airport Of Heraklion, Crete Sa (Crete)
		GMR Mining & Energy Private Limited (GMEL) (Till December 26, 2019)[3]
		GIL SIL JV
		GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL) (till June 01, 2019)[1]
(vi)	Key management personnel and their relatives (where transaction has taken place)	Mr. G.M. Rao (Non-executive Chairman)
		Mrs. G Varalakshmi (Relative)
		Mr. G.B.S. Raju (Director)
		Mr. Grandhi Kiran Kumar (Managing Director & CEO)
		Mr. Srinivas Bommidala (Director)
		Mrs. B. Ramadevi (Relative)
		Mrs Grandhi Satyavathi Smitha (Relative)
		Mr. B.V. Nageswara Rao (Director)
		Mr. Venkat Ramana Tangirala (Company Secretary)
		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 (Executive Director- Strategic Initiatives w.e.f August 8, 2019)
		Mr. Saurabh Chawla (Group Chief Financial Officer)

Notes :

1. Ceased to be an associate during the year ended March 31, 2020.

2. Ceased to be a joint venture during the year ended March 31, 2020.

3. Ceased to be an associate and became a subsidiary during the year ended March 31, 2020.

Notes to the consolidated financial statements for the year ended March 31, 2020

b. Transactions during the year :

(₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Transactions during the year							
Revenue from operations							
2020	-	820.40	450.11	-	6.63	69.68	-
2019	-	926.57	413.61	0.77	11.38	79.93	-
Other Income							
2020	-	31.90	-	-	0.02	15.36	-
2019	-	0.02	0.01	-	-	-	-
Finance income							
2020	5.03	74.33	9.54	-	0.04	-	-
2019	1.02	37.33	11.05	-	0.01	-	-
Dividend income received from							
2020	-	113.89	9.50	-	-	-	-
2019	-	207.79	10.61	-	-	-	-
Airport service charges / operator fees							
2020	-	-	-	-	-	103.80	-
2019	-	-	-	-	-	114.90	-
Revenue share paid / payable to concessionaire grantors							
2020	-	-	-	-	-	1,848.67	-
2019	-	-	-	-	-	1,652.78	-
Purchase of traded goods (Gross) including open access charges paid / recovered net.							
2020	-	172.45	0.72	-	-	-	-
2019	-	789.99	145.34	-	-	-	-
Lease expenses							
2020	-	-	-	-	0.15	-	0.27
2019	-	-	-	0.12	0.19	-	0.25
Conversion of CCPS into equity shares							
2020	-	-	-	-	-	45.48	-
2019	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2020

b. Transactions during the year :

(₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Managerial remuneration							
2020	-	-	-	-	-	-	27.83
2019	-	-	-	-	-	-	31.08
Directors' sitting fees							
2020	-	-	-	-	-	-	0.94
2019	-	-	-	-	-	-	0.74
Logo fees							
2020	3.27	-	-	-	-	-	-
2019	1.85	-	-	-	-	-	-
Sub-Contracting expenses							
2020	-	-	-	-	-	5.98	-
2019	-	-	-	-	-	11.56	-
Legal and professional fees							
2020	-	0.17	-	-	7.97	1.80	-
2019	-	1.16	-	-	6.61	11.16	-
Other expenses							
2020	-	51.98	0.02	0.06	0.52	7.33	1.05
2019	1.31	10.94	-	0.50	0.17	6.36	0.46
Marketing fund billed							
2020	-	14.03	1.34	-	-	-	-
2019	-	12.55	1.14	-	-	-	-
Marketing fund utilised							
2020	-	7.17	0.30	-	-	-	-
2019	-	7.37	0.90	-	-	-	-
Reimbursement of expenses incurred on behalf of the Group							
2020	-	0.23	0.45	-	-	-	-
2019	-	0.31	0.17	-	0.83	-	-
Expenses incurred by the Group on behalf of / expenses recovered by the Group							

Notes to the consolidated financial statements for the year ended March 31, 2020

b. Transactions during the year : (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2020	-	42.27	28.02	-	0.07	26.42	-
2019	0.16	52.02	26.16	-	1.33	25.22	-
Provision for doubtful loans credit impaired							
2020	-	20.49	-	-	-	-	-
2019	-	55.36	-	-	-	-	-
Donation/ CSR expenditure							
2020	-	-	-	-	19.19	-	-
2019	-	-	-	-	14.03	-	-
Finance cost							
2020	7.05	40.61	6.27	0.15	0.56	-	-
2019	5.33	36.93	4.49	0.20	0.53	3.31	-
Depreciation of ROU							
2020	-	-	-	1.64	0.49	-	2.29
2019	-	-	-	-	-	-	-
Finance cost lease liability							
2020	-	-	-	0.26	0.11	-	0.36
2019	-	-	-	-	-	-	-
Release of pledged shares against the loan taken by a subsidiary							
2020	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
Corporate guarantees/ comfort letters extinguished on behalf of							
2020	-	1,412.21	3,156.75	-	-	-	-
2019	-	-	-	-	-	-	-
Corporate guarantees/ comfort letters taken by the Group on behalf of its bank against loan taken							
2020	-	225.60	-	-	-	-	-
2019	-	-	-	-	-	-	-
Investment in shares of							
2020	-	260.52	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2020

b. Transactions during the year : (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2019	-	17.81	-	-	-	-	-
Sale of investment in equity share of							
2020	-	1.30	-	-	-	-	-
2019	-	-	-	-	-	-	-
Loans / advances repaid by							
2020	190.00	71.15	0.36	-	-	6.80	-
2019	373.40	89.71	4.37	-	-	-	-
Loans / advances given to							
2020	689.29	344.63	-	-	-	208.25	-
2019	2.40	287.61	-	3.38	4.61	-	-
Borrowings taken during the year							
2020	456.38	-	59.00	-	0.53	-	-
2019	185.80	40.00	-	180.02	1.34	-	-
Borrowings repaid during the year							
2020	525.18	66.28	-	96.36	-	-	-
2019	117.00	101.19	-	83.67	1.42	0.37	-
Sale of property, plant and equipment							
2020	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
Purchase of property, plant and equipment							
2020	-	-	-	-	-	-	-
2019	-	-	-	-	0.28	-	-
Security deposits received from concessionaires / customers							
2020	-	-	7.22	-	-	-	-
2019	-	40.00	23.72	-	-	-	-
Security deposits repaid to concessionaires / customers							
2020	-	-	-	-	-	-	-
2019	-	1.51	-	-	-	-	-
Security deposits given							
2020	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2020

b. Transactions during the year : (₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2019	-	-	-	1.04	-	-	-
Security deposits refunded							
2020	-	-	-	-	-	-	-
2019	-	-	-	-	26.92	-	-
Capital advances given/(received back)							
2020	(50.00)	-	-	-	-	158.24	-
2019	-	-	-	-	-	206.69	-
Equity dividend paid by subsidiaries / joint ventures / associates to							
2020	-	-	-	-	-	34.97	-
2019	-	-	-	-	-	55.94	-
Preference dividend paid by subsidiaries							
2020	-	-	-	-	-	-	-
2019	-	-	-	-	-	1.80	-
Capitalised in capital work in progress							
2020	-	-	0.03	-	-	0.02	-
2019	-	-	0.01	-	-	1.47	-

Notes to the consolidated financial statements for the year ended March 31, 2020

(c) Balances Outstanding as at end the year: -

(₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Right of Use							
2020	-	-	-	1.78	-	-	2.48
2019	-	-	-	-	-	-	-
Investment in Debentures/ Preference Shares							
2020	-	-	-	-	-	142.00	-
2019	-	-	-	-	-	100.00	-
Capital advances							
2020	-	-	-	-	-	364.93	-
2019	50.00	-	-	-	-	206.69	-
Advances other than capital advances							
2020	-	-	-	-	0.30	-	-
2019	-	-	27.25	-	0.30	-	-
Security deposits receivable							
2020	-	-	-	1.12	1.97	-	0.03
2019	-	-	-	1.02	4.28	-	0.11
Trade receivable							
2020	0.01	115.69	6.56	-	2.43	5.09	-
2019	-	100.34	12.32	-	3.54	2.98	-
Provision for doubtful loans credit impaired							
2020	-	233.00	-	-	-	-	-
2019	-	270.17	-	-	-	-	-
Non trade receivable							
2020	-	1.92	0.52	-	0.12	4.35	-
2019	-	1.38	134.54	-	-	2.12	-
Unbilled revenue							
2020	-	40.27	38.75	-	-	1.93	-
2019	-	39.37	43.50	-	0.06	1.18	-
Other receivables							
2020	-	0.47	0.20	-	-	-	-
2019	-	2.15	-	-	0.09	-	-
Loans							

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
2020	501.99	540.91	-	3.46	4.61	208.25	-
2019	2.40	274.17	2.94	3.38	4.61	6.80	-
Interest accrued on loans given							
2020	4.17	65.98	-	-	-	0.64	-
2019	-	19.92	-	-	-	-	-
Trade payables							
2020	2.38	214.30	3.19	0.27	0.30	156.16	0.05
2019	2.76	280.37	2.47	0.22	2.30	66.10	0.07
Security deposits from concessionaires / customers at amortised cost							
2020	-	207.22	54.99	-	2.47	-	-
2019	-	161.96	42.34	-	-	-	-
Unearned / deferred revenue							
2020	-	179.38	118.83	-	0.04	-	-
2019	-	220.11	127.52	-	-	-	-
Non trade payables / other liabilities							
2020	2.07	1.14	-	-	0.66	-	-
2019	0.44	1.04	3.39	-	0.40	0.24	-
Provision for loss in an associate							
2020	-	-	339.26	-	-	-	-
2019	-	-	615.36	-	-	-	-
Advance from customers							
2020	-	28.25	5.63	-	-	-	-
2019	-	9.78	-	-	-	-	-
Accrued interest on borrowings							
2020	-	6.29	-	-	0.56	-	-
2019	-	13.74	-	-	-	-	-
Borrowings							
2020	-	16.20	59.00	-	4.64	315.05	-
2019	68.80	82.48	-	96.36	4.11	315.05	-
Lease Liability - Non current							
2020	-	-	-	1.84	-	-	0.78
2019	-	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Nature of Transaction	Holding Company	Joint Ventures	Associates	Fellow subsidiary	Enterprise where key managerial personnel or their relatives exercise significant influence	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or joint ventures or associates	Key Management Personnel and their Relatives
Lease Liability - Current							
2020	-	-	-	-	-	-	2.17
2019	-	-	-	-	-	-	-
Liability for CCPS							
2020	-	5.79	-	-	-	-	-
2019	-	5.23	-	-	-	-	-
Outstanding corporate guarantees availed from							
2020	-	4,108.75	2,353.20	-	-	-	-
2019	-	5,295.36	5,509.95	-	-	-	-
Outstanding bank guarantees given on behalf of							
2020	-	-	-	-	1.30	-	-
2019	-	-	-	-	1.30	-	-

Notes :

1. The Group has provided securities by way of pledge of investments for loans taken by certain companies.

2. Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GEPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group

3. Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Group as a whole.

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

50. Segment information

a) Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment, resource allocation and for which information is available discretely. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

b) The segment reporting of the Group has been prepared in accordance with Ind AS 108.

c) For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.

d) The reportable segments of the Group comprise of the following:

Notes to the consolidated financial statements for the year ended March 31, 2020

Segment	Description of activity
Airports	Development and operation of airports
Power	Generation of power and provision of related services and exploration and mining activities
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solution in the infrastructure sector
Others	Urban Infrastructure and other residual activities

e) Geographical segments are categorised as 'India' and 'Outside India' and are based on the domicile of the customers.

Notes to the consolidated financial statements for the year ended March 31, 2020

Segment Reporting

(₹ in crore)

Particulars	Airports		Power		Roads		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019
Revenue																
Revenue from operations	6,131.49	5,346.71	777.35	593.08	585.20	570.50	859.10	904.85	202.40	160.82	-	-	-	-	8,555.54	7,575.96
Inter segment revenue	59.38	24.92	24.05	24.15	-	-	1.56	2.88	239.30	225.12	(324.29)	(277.07)	-	-	-	-
Total revenue	**6,190.87**	**5,371.63**	**801.40**	**617.23**	**585.20**	**570.50**	**860.66**	**907.73**	**441.70**	**385.94**	**(324.29)**	**(277.07)**	**-**	**-**	**8,555.54**	**7,575.96**
Segment result before share of profit/ (loss) of joint venture and associates, exceptional items & tax	538.88	326.63	(5.03)	(109.41)	229.12	292.17	132.33	(46.66)	(72.92)	(131.08)	-	-	-	-	822.38	331.65
Share of profit/ (loss) of joint venture and associates	157.01	182.01	(481.73)	(283.38)	-	-	33.98	10.13	2.41	3.35	-	-	-	-	(288.33)	(87.89)
Exceptional item	-	-	(680.91)	(2,212.30)	-	-	-	-	-	-	-	-	-	-	(680.91)	(2,212.30)
Segment result after share of profit/ (loss) of joint venture and associates, exceptional items & tax	695.89	508.64	(1,167.67)	(2,605.09)	229.12	292.17	166.31	(36.53)	(70.51)	(127.73)	-	-	-	-	(146.86)	(1,968.54)
Unallocated income/ expense																
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	(2,206.99)	(1,650.67)	(2,206.99)	(1,650.67)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	70.44	65.38	70.44	65.38
Loss before tax													**(2,136.55)**	**(1,585.29)**	**(2,283.41)**	**(3,553.83)**
Tax credit on continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	84.92	87.42	84.92	87.42
(Loss)/Profit after tax from discontinuing operations.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.70)	110.12
Loss after tax	-	-	-	-	-	-	-	-	-	-	-	-	**(2,051.63)**	**(1,497.87)**	**(2,202.19)**	**(3,356.29)**
Segment assets	**27,683.46**	**21,771.11**	**6,583.76**	**7,724.72**	**3,586.77**	**3,801.88**	**1,338.08**	**1,215.55**	**4,712.53**	**3,944.02**	**-**	**-**	**-**	**-**	**43,904.60**	**38,457.28**
Loans - current	-	-	-	-	-	-	-	-	-	-	-	-	887.25	71.80	887.25	71.80
Loans - non current	-	-	-	-	-	-	-	-	-	-	-	-	421.10	250.94	421.10	250.94
Interest accrued on fixed deposits	-	-	-	-	-	-	-	-	-	-	-	-	5.09	6.89	5.09	6.89
Interest accrued on long term investments	-	-	-	-	-	-	-	-	-	-	-	-	26.84	25.22	26.84	25.22
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-	-	289.79	675.91	289.79	675.91
Deferred tax assets (net)	-	-	-	-	-	-	-	-	-	-	-	-	654.78	342.65	654.78	342.65
Income tax assets (net)	-	-	-	-	-	-	-	-	-	-	-	-	275.62	293.99	275.62	293.99
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	61.73	28.91	61.73	28.91
Total Assets	**27,683.46**	**21,771.11**	**6,583.76**	**7,724.72**	**3,586.77**	**3,801.88**	**1,338.08**	**1,215.55**	**4,712.53**	**3,944.02**	**-**	**-**	**2,622.20**	**1,696.31**	**46,526.80**	**40,153.59**

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Airports		Power		Roads		EPC		Others		Inter Segment and Inter Operations		Unallocated		Total	
	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019	Mar 31, 2020	Mar 31, 2019
Segment liabilities	**24,189.03**	**15,861.04**	**2,563.23**	**2,864.97**	**1,042.27**	**909.70**	**691.94**	**775.55**	**335.74**	**371.50**	**-**	**-**	**-**	**-**	**28,822.21**	**20,782.76**
Borrowings - non current	-	-	-	-	-	-	-	-	-	-	-	-	11,432.76	12,231.12	11,432.76	12,231.12
Current maturities of long term borrowings	-	-	-	-	-	-	-	-	-	-	-	-	3,253.24	2,677.15	3,253.24	2,677.15
Borrowings - current	-	-	-	-	-	-	-	-	-	-	-	-	1,610.95	2,364.99	1,610.95	2,364.99
Interest payable	-	-	-	-	-	-	-	-	-	-	-	-	798.25	587.36	798.25	587.36
Liabilities for current tax (net)	-	-	-	-	-	-	-	-	-	-	-	-	41.71	64.81	41.71	64.81
Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	-	-	-	-	225.04	78.11	225.04	78.11
Financial guarantee contracts	-	-	-	-	-	-	-	-	-	-	-	-	55.25	65.32	55.25	65.32
Liabilities directly associated with assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	71.50	60.08	71.50	60.08
Total liabilities	**24,189.03**	**15,861.04**	**2,563.23**	**2,864.97**	**1,042.27**	**909.70**	**691.94**	**775.55**	**335.74**	**371.50**	**-**	**-**	**17,488.70**	**18,128.94**	**46,310.91**	**38,911.70**
Other disclosures:																
Investment in associates and joint ventures	1,309.71	979.81	5,646.42	6,654.95	-	-	56.62	20.40	-	4.78	-	-	-	-	7,012.75	7,659.94
Depreciation and amortisation of continued operations	872.93	835.54	3.60	3.49	107.11	90.08	22.25	23.81	58.36	31.04	-	-	-	-	1,064.25	983.96
Material non cash item including impairment, other depreciation and amortisation	21.37	183.41	682.37	2,302.55	0.84	-	0.02	14.03	5.38	100.53	-	-	-	-	709.98	2,600.52

Adjustments and eliminations

Revenue share paid / payable to concessionaire grantors constitute the major item for computation of segment result.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to segments as they are managed on a group basis.

(₹ in crore)

Particulars	Revenue from external customers		Non-current operating assets*	
	Mar 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
India	8,046.83	7,218.26	19,977.30	16,938.10
Outside India	508.71	357.70	11.67	-
Total	**8,555.54**	**7,575.96**	**19,988.97**	**16,938.10**

* There is no single external customer which constitutes 10% of total revenue from external customer.

**Non-current assets for this purpose consist of property, plant and equipment, right of use assets, investment properties and intangible assets, capital work in progress, goodwill and intangible under development."

Notes to the consolidated financial statements for the year ended March 31, 2020

51. Hedging activities and derivatives

(a) Derivatives not designated as hedging instruments

The Group uses principal and interest rate swaps, cross currency swap and call spread option to manage some of its transaction exposures. These derivative instruments are not designated as cash flow/fair value hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

(₹ in crore)

Particulars	March 31, 2020		March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Principal and interest rate swap	-		1.73	-
Call spread option [1]	274.35	-	99.75	-
Total	**274.35**	**-**	**101.48**	**-**
Classified as :				
Non- current	274.35	-	99.75	-
Current	-	-	1.73	-

1. For call spread options of USD 208.75 million, the USD spot rate is above the USD call option strike price. Accordingly, foreign exchange gain of ₹ 134.29 crores (March 31, 2019; ₹ 79.64 crores) has been adjusted with fixed assets.

   As at March 31, 2020, for call spread options of USD 80.00 million, the USD spot rate is above the USD call option strike price. Accordingly, foreign exchange gain of ₹ 51.47 crores (March 31, 2019; ₹ 9.24 crores) has been adjusted with fixed assets.

   Mark-to-market loss amounting to ₹ 10.74 crores (March 31 2019; ₹ 8.78 crores) on the above call spread option of USD 288.75 million USD has been adjusted with the fixed assets in addition to the foreign exchange loss of ₹ 185.76 crores (March 31 2019; ₹ 110.16 crores) taken to fixed assets on the underlying loans.

   Refer note 3(2)(b)

(b) Derivatives designated as hedging instruments

(₹ in crore)

Particulars	March 31, 2020		March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Call spread options[1]	734.69	-	94.88	-
Cross Currency Swap [2,3]	865.00	-	239.23	-
Total	**1,599.69**	**-**	**334.11**	**-**
Classified as :				
Non- current	1,599.69	-	334.11	-
Current	**-**	**-**	**-**	-

1. Foreign exchange call spread options measured at fair value through OCI are designated as hedging instruments in cash flow hedges to hedge the USD INR conversion rate volatility with reference to the cash outflows on settlement of its borrowings designated in USD. The fair value of foreign exchange call spread option varies with the changes in foreign exchange rates and repayment of future premium.

   As at March 31, 2020, for call spread options of USD 1,022.6 million (March 31 2019 USD 522.60 million), the USD spot rate is above the USD call option strike price. Accordingly foreign exchange gain of ₹ 620.79 crore (March 31 2019: ₹ 120.46 crore) has been adjusted through profit and loss.

2. Cross Currency Swaps (CCS) measured at fair value and designated as hedging instruments in cash flow hedges of the stream of USD cash out flows on interest coupon and principal repayment in relation to issue of 4.25% Senior Secure Notes (SSN) amounting to USD 350 million (i.e. ₹ 2,229.85 crore) currently carried at ₹ 2,648.27 crore (March 31, 2019: ₹ 2,420.42 crore). CCS involve interest rate payments on the two legs in different currencies and exchange of principal at maturity. It can be seen as exchange of payments of two currencies. GHIAL pays fixed interest on the ₹ notional as determined in the swap contract and receives fixed coupon on USD notional. GHIAL pays Rs notional of the swap and receives the USD

Notes to the consolidated financial statements for the year ended March 31, 2020

Notional of the CCS. Critical terms of the swap contract (tenor and USD/Rs notional) match with the Hedged item i.e. the stream of USD cash out flows, to effectively cover GHIAL from risk of movement in the foreign currency. The SSN have a fixed coupon rate of 4.25% p.a. on total amount of USD 350 million which has been swapped for 8.27%.p.a (weighted average of all cross currency swap and coupon rate) on ₹ notional of ₹ 2,229.85 crore (total of all cross currency swap and coupon rate).

3. During the current year, GHIAL has issued 5.375% senior secured notes (2024 SSN) through overseas market equivalent to USD 300 million (i.e. ₹ 2,067.15 crore), currently carried at ₹ 2,269.95 crore. The 2024 SSN were listed on Singapore Stock Exchange on April 10, 2019. The 2024 SSN are repayable after 5 years on April 10, 2024. The proceeds from 2024 SSN is proposed to be utilized for capital expenditure with respect to Airport Activities (as defined in the Concession Agreement) as part of expansion. GHIAL has entered into Call Spread (CS) arrangement in order to hedge principal portion and Coupon Only Swap (COS) in order to protect interest component of 2024 SSN. CS and COS is measured at fair value and are designated as hedging instruments in cash flow hedges of the stream of USD cash out flows on interest coupon and principal repayment in relation to issue of 2024 SSN amounting to USD 300 million. COS involve interest rate payments on the two legs in different currencies and exchange of principal at maturity. GHIAL pays fixed interest on the INR notional as determined in the COS contract and receives fixed coupon on USD notional. Critical terms of the COS and CS contracts (tenor and USD/Rs notional) match with the Hedged Item i.e. the stream of USD cash out flows, to effectively cover GHIAL from risk of movement in the foreign currency. The SSN have a fixed coupon rate of 5.375% p.a. on total amount of USD 300 million which has been swapped for 10.27% p.a. (weighted average of all Call Spread and COS contracts) on ₹ notional of ₹ 2,094.48 crore (total of all Call Spread and COS contracts).

(c) Financial risk management objectives and policies

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

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

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

(a) Market risk- Interest rate risk

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

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

Interest rate sensitivity

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

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	10,411.39	11,260.62
Fixed rate borrowings	23,914.82	16,319.27
Total borrowings	**34,326.21**	**27,579.89**

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2020		
	+50	(52.06)
	-50	52.06
March 31, 2019		
	+50	(56.30)
	-50	56.30

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

(b) Market risk- Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Group has entered into certain derivative contracts which are not designated as hedge. Refer note 51 for details.

(i) Foreign currency exposure

The following table demonstrate the unhedged exposure in USD exchange rate as at March 31, 2020 and March 31, 2019. The Group's exposure to foreign currency changes for all other currencies is not material.

(₹ in crore)

Particulars	Currency	March 31, 2020	March 31, 2019
Cash and bank balances	USD	1.30	3.75
Trade receivables	USD	1.58	3.10
Property plant and equipment, capital work in progress, other intangibles, goodwill and intangible under development	USD	0.16	-
Investments	USD	61.04	58.71
Loans and Other assets	USD	5.94	3.86
Trade payables	USD	(1.33)	(2.61)
Borrowings	USD	(67.87)	(75.11)
Other financial and other liabilities	USD	(12.01)	(6.75)
Net assets/(liabilities)	USD	(11.19)	(15.05)
Net assets/(liabilities)	INR	(798.80)	(1,050.11)

ii. Foreign currency sensitivity

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

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
	Impact on profit before tax	
USD Sensitivity		
INR/USD- Increase by 5%	(39.94)	(52.51)
INR/USD- Decrease by 5%	39.94	52.51

The sensitivity analysis has been based on the composition of the Group's net financial assets and liabilities as at March 31, 2020 and March 31, 2019. The period end balances are not necessarily representative of the average debt outstanding during the period.

Notes to the consolidated financial statements for the year ended March 31, 2020

Credit risk

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

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 15,145.75 crore and ₹ 12,751.60 crore as at March 31, 2020 and March 31, 2019 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments in joint ventures and associates) and other financial assets.

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

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2020 and March 31, 2019.

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

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

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

(₹ in crore)

Particulars	Trade Receivables	Security Deposit	Loans	Non trade receivables
As at April 1, 2018	33.46	0.20	215.41	-
Addition / (deletion) during the year	1.12	-	154.76	-
As at March 31, 2019	**34.58**	**0.20**	**370.17**	**-**
Addition / (deletion) during the year	2.78	-	(37.17)	5.81
As at March 31, 2020	**37.36**	**0.20**	**333.00**	**5.81**

Liquidity risk

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	0 to 1 year	1 to 5 years	> 5 years	Total
March 31, 2020				
Borrowings (other than convertible preference shares)	7,886.09	12,495.76	14,306.78	34,688.63
Other financial liabilities	4,099.38	505.10	2,666.55	7,271.03
Lease liabilities	10.13	51.12	728.61	789.86
Trade payables	2,261.51	-	-	2,261.51
Total	**14,257.11**	**13,051.98**	**17,701.94**	**45,011.03**
March 31, 2019				
Borrowings (other than convertible preference shares)	5,961.70	10,037.88	11,958.14	27,957.72
Other financial liabilities	3,876.70	428.11	2,666.76	6,971.57
Trade payables	1,946.29	-	-	1,946.29
Total	**11,784.69**	**10,465.99**	**14,624.90**	**36,875.58**

(i) The above excludes any financial liabilities arising out of financial guarantee contract as detailed in note 41.

(ii) For range of interest of borrowings, repayment schedule and security details refer note 18 and 23.

52. Disclosures on Financial instruments

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

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

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2020 and March 31, 2019 (excluding those pertaining to discontinued operations. Refer Note 36).

As at March 31, 2020 (₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments through consolidated statement of other comprehensive Income	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets						
(i) Investments (other than investments in associates and joint ventures)	1,134.05	-	-	1,972.46	3,106.51	3,106.51
(ii) Loans	-	-	-	1,364.71	1,364.71	1,364.71
(iii) Trade receivables	-	-	-	1,533.70	1,533.70	1,533.70
(iv) Cash and cash equivalents	-	-	-	2,859.43	2,859.43	2,859.43
(v) Bank balances other than cash and cash equivalents	-	-	-	1,780.14	1,780.14	1,780.14
(vi) Call spread option	-	734.69	274.35	-	1,009.04	1,009.04
(vii) Cross currency swap	-	865.00	-	-	865.00	865.00
(viii) Other financial assets	-	-	-	2,627.22	2,627.22	2,627.22
Total	**1,134.05**	**1,599.69**	**274.35**	**12,137.66**	**15,145.75**	**15,145.75**
Financial liabilities						

Notes to the consolidated financial statements for the year ended March 31, 2020

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments through consolidated statement of other comprehensive Income	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
(i) Borrowings	-	-	-	34,326.21	34,326.21	34,326.21
(ii) Trade payables	-	-	-	2,261.51	2,261.51	2,261.51
(iii) Other financial liabilities	-	-	-	4,808.06	4,808.06	4,808.06
(iv) Lease liabilities	-	-	-	115.37	115.37	115.37
(v) Financial guarantee contracts	-	-	-	55.25	55.25	55.25
Total	**-**	**-**	**-**	**41,566.40**	**41,566.40**	**41,566.40**

As at March 31, 2019 (₹ in crore)

Particulars	Fair value through consolidated statement of profit or loss	Derivative instruments through consolidated statement of other comprehensive Income	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets						
(i) Investments (other than investments in associates and joint ventures)	1,193.93	-	-	1,261.54	2,455.47	2,455.47
(ii) Loans	-	-	-	386.61	386.61	386.61
(iii) Trade receivables	-	-	-	1,556.59	1,556.59	1,556.59
(iv) Cash and cash equivalents	-	-	-	918.66	918.66	918.66
(v) Bank balances other than cash and cash equivalents	-	-	-	1,164.99	1,164.99	1,164.99
(vi) Call spread option	-	94.88	99.75	-	194.63	194.63
(vii) Cross currency swap	-	239.23	-	-	239.23	239.23
(viii) Interest rate swap	-	-	1.73	-	1.73	1.73
(ix) Other financial assets	-	-	-	5,833.68	5,833.68	5,833.68
Total	**1,193.93**	**334.11**	**101.48**	**11,122.07**	**12,751.59**	**12,751.59**
Financial liabilities						
(i) Borrowings	-	-	-	27,579.89	27,579.89	27,579.89
(ii) Trade payables	-	-	-	1,946.29	1,946.29	1,946.29
(iii) Other financial liabilities	-	-	-	4,549.21	4,549.21	4,549.21
(iv) Financial guarantee contracts	-	-	-	65.33	65.33	65.33
Total	**-**	**-**	**-**	**34,140.72**	**34,140.72**	**34,140.72**

(i) Investments in mutual fund, overseas fund by foreign subsidiaries, other fund and derivative instruments are mandatorily classified as fair value through consolidated statement of profit and loss and investment in commercial papers are classified at amortised cost.

(ii) As regards the carrying value and fair value of investments in joint ventures and associates, refer note 8(a) and 8(b).

(b) Fair value hierarchy

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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.

Assets and liabilities measured at fair value (₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	**Level 1**	**Level 2**	**Level 3**
March 31, 2020				
Financial assets				
Investments (other than investments in associates and joint ventures)	1,134.05	1,134.05	-	-
Call spread option	1,009.04	-	1,009.04	-
Cross currency swap	865.00	-	865.00	-
March 31, 2019				
Financial assets				
Investments (other than investments in associates and joint ventures)	1,193.93	1,193.93	-	-
Call spread option	194.63	-	194.63	-
Cross currency swap	239.23	-	239.23	-
Interest rate swap	1.73	-	1.73	-

Assets for which fair values are disclosed (₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Total	**Level 1**	**Level 2**	**Level 3**
March 31, 2020				
Investment property	4,823.42	-	-	4,823.42
March 31, 2019				
Investment property	4,354.50	-	-	4,354.50

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

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

(iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

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

(v) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2020 and March 31, 2019.

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

53. Capital management

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

Notes to the consolidated financial statements for the year ended March 31, 2020

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

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenant are complied with. Refer note 1.1

(₹ in crore)

Particulars	March 31, 2020	March 31, 2019
Borrowings (refer notes 18 and 23)	34,326.21	27,579.89
Less: Cash & cash equivalents	(2,859.43)	(918.66)
Net debt (i)	**31,466.78**	**26,661.23**
Capital components		
Equity share capital	603.59	603.59
Other equity	(3,062.28)	(1,056.72)
Non-controlling interests	2,674.58	1,695.02
Total Capital (ii)	**215.89**	**1,241.89**
Capital and borrowings (iii = i + ii)	**31,682.67**	**27,903.12**
Gearing ratio (%) (i / iii)	**99.32%**	**95.55%**

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

54. With the recent and rapid development of the COVID – 19 outbreak, many countries have implemented travel restrictions. The Group has majority of its subsidiaries, JVs and associates operate in Airport sector, Energy Sector, Highway sectors and Urban Infra sector and with respect to COVID - 19 impact on the business of these entities, management believes while the COVID - 19 may impact the businesses in the short term, it does not anticipate medium to long term risk to the business prospects. Considering the business plans of the investee companies the management does not foresee any material impact on the carrying value at which the aforementioned investments, property plant & equipment, intangible assets, capital work in progress and trade receivables. Accordingly, no adjustments to the carrying value of these assets are considered necessary. Further, the management has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial results. The impact of the COVID - 19 pandemic might be different from that estimated as at the date of approval of these financial results and the Company will closely monitor any material changes to the future economic conditions.

55. 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, 2020) 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.

56. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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

58. Reconciliation of liabilities arising from financing activities pursuant to Ind AS – 7 'Cash Flows'.

Notes to the consolidated financial statements for the year ended March 31, 2020

(₹ in crore)

Particulars	Fair value measurements at reporting date using			
	Borrowings 2019-20	Interest 2019-20	Borrowings 2018-19	Interest 2018-19
At the beginning of the year	27,573.66	877.03	23,338.78	352.97
Cash flows				
Proceeds from borrowings	9,307.85	-	4,934.10	-
Repayment of borrowings	(4,144.82)	-	1,594.48	-
Finance costs paid	-	(3,451.66)	-	(2,426.68)
Non cash changes				
Interest expense (including interest capitalized)	-	4,203.34	-	3,009.68
Foreign exchange fluctuation	1,480.20		733.25	-
Adjustment for effective interest rate (EIR)	67.49	(67.49)	40.38	(40.38)
Reduction in borrowings on account of sale of subsidiary	-	-	(227.18)	-
Optionally convertible debentures issued against payable to capital creditors	-	-	402.00	-
Others	41.83	35.61	53.19	(18.56)
At the end of the year	**34,326.21**	**1,525.61**	**27,573.66**	**877.03**

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

As per our report of even date

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

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

Neeraj Sharma
Partner
Membership number: 502103

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: July 30, 2020

Place: New Delhi
Date: July 30, 2020