# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 1 CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') and its subsidiaries, associates and jointly controlled entities (hereinafter collectively referred to as 'the Group') are mainly engaged in generation of power, mining and exploration activities, development of highways, infrastructure development such as development and maintenance of airports and special economic zones, construction business including Engineering, Procurement and Construction ('EPC') contracting activities and operation of airports and special economic zones.

**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 mining and exploration activities and the Group is also involved in energy trading activities through one of its subsidiaries.

**Airport sector**

Certain entities of the Group are engaged in development and operation of airport infrastructure such as greenfield international airport at Hyderabad and modernisation and operation of international airports at Delhi, Male, Cebu and Istanbul (refer note 31(a) and note 31(b) with regard to discontinuance of operations) on build, own, operate and transfer basis.

**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 SPV's 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.

## NOTE 2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include accounts of the subsidiaries (accounted as per Accounting Standard ('AS') 21), associates (accounted as per AS 23) and jointly controlled entities (accounted as per AS 27). Subsidiary undertakings are those entities in which the Company, directly or indirectly, has an interest of more than one half of voting power or otherwise controls the composition of the Board / Governing Body so as to obtain economic benefits from its activities. Subsidiaries are consolidated from the date on which effective control is transferred to the Group till the date such control ceases. The consolidated financial statements have been prepared to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group as in the previous year.

The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the balance sheets, the statements of profit and loss and the cash flow statements of the Company and its subsidiaries. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between the entities in the Group are eliminated unless cost cannot be recovered.

The excess of the cost to the Company of its investments in subsidiaries, over its proportionate share in equity of the investee Company as at the date of acquisition is recognised in the consolidated financial statements as goodwill and disclosed under intangible assets. In case the cost of investment in subsidiaries is less than the proportionate share in equity of the investee Company as on the date of investment, the difference is treated as capital reserve and shown under reserves and surplus.

The gains arising from the dilution of interest on issue of additional shares to third parties, without loss of control is recorded as capital reserve. Gains or losses arising on the direct sale by the Company of its investment in its subsidiaries are transferred to the statement of profit and loss. Such gains or losses are the difference between the sale proceeds and the net carrying values of the investments.

The consolidated financial statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

Investments in the associates have been accounted in the consolidated financial statements as per AS 23 on "Accounting for Investments in Associates". Investments in associates, which have been made for temporary purposes, have not been considered for consolidation.

Investments in the jointly controlled entities have been accounted using proportionate consolidation method whereby the Group includes its share of the assets, liabilities, income and expenses of the jointly controlled entities in its consolidated financial statements as per AS 27 on "Financial Reporting of Interests in Joint Ventures."

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

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

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 1 | GMR Infrastructure Limited (GIL) | India | Holding Company | | | | | (2,650.29) | (27.44%) | (3,329.66) | (30.87%) | (453.18) | 15.31% | 88.76 | 81.87% |
| 2 | GMR Energy Limited (GEL) | India | Subsidiary | 92.60% | 92.60% | 92.60% | 92.60% | (2,428.98) | (25.15%) | (1,379.28) | (12.79%) | (366.56) | 12.39% | (198.15) | (182.78%) |
| 3 | GMR Power Corporation Limited (GPCL) | India | Subsidiary | 47.23% | 47.23% | 51.00% | 51.00% | (250.47) | (2.59%) | (283.06) | (2.62%) | (75.83) | 2.56% | 57.89 | 53.40% |
| 4 | GMR Vemagiri Power Generation Limited (GVPGL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 622.36 | 6.44% | 638.08 | 5.92% | (38.05) | 1.29% | (56.48) | (52.10%) |
| 5 | GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 274.97 | 2.85% | 457.88 | 4.25% | (13.33) | 0.45% | (0.47) | (0.43%) |
| 6 | GMR Mining & Energy Private Limited (GMEL) | India | Subsidiary[1] | 87.41% | 92.23% | 100.00% | 99.60% | (0.13) | 0.00% | (0.14) | 0.00% | (0.35) | 0.01% | (0.01) | (0.01%) |
| 7 | GMR Kamalanga Energy Limited (GKEL) | India | Subsidiary[2] | 79.63% | 77.82% | 85.99% | 84.04% | 1,468.14 | 15.20% | 2,057.39 | 19.08% | (1,071.90) | 36.22% | (567.29) | (523.28%) |
| 8 | Himtal Hydro Power Company Private Limited (HHPPL) | Nepal | Subsidiary | 75.93% | 75.93% | 82.00% | 82.00% | 51.03 | 0.53% | 50.62 | 0.47% | (0.23) | 0.01% | (0.56) | (0.52%) |
| 9 | GMR Energy (Mauritius) Limited (GEML) | Mauritius | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | 39.52 | 0.41% | 40.33 | 0.37% | (0.32) | 0.01% | (0.82) | (0.76%) |
| 10 | GMR Lion Energy Limited (GLEL) | Mauritius | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | 0.10 | 0.00% | 0.08 | 0.00% | (1.32) | 0.04% | (0.14) | (0.13%) |
| 11 | GMR Upper Karnali Hydropower Limited (GUKPL) | Nepal | Subsidiary | 67.87% | 67.87% | 73.00% | 73.00% | 45.91 | 0.48% | 39.75 | 0.37% | (0.31) | 0.01% | (0.21) | (0.19%) |
| 12 | GMR Energy Trading Limited (GETL) | India | Subsidiary | 98.59% | 98.59% | 100.00% | 100.00% | (166.83) | (1.73%) | (83.14) | (0.77%) | 340.15 | (11.49% | 357.98 | 330.21% |
| 13 | GMR Consulting Services Private Limited (GCSPL) | India | Subsidiary | 91.67% | 91.67% | 99.00% | 99.00% | 0.65 | 0.01% | 1.59 | 0.01% | (7.53) | 0.25% | (0.49) | (0.45%) |
| 14 | GMR Coastal Energy Private Limited (GCEPL) | India | Subsidiary | 92.60%) | 92.60% | 100.00% | 100.00% | 3.13 | 0.03% | 3.07 | 0.03% | (0.02) | 0.00% | (0.01) | (0.01%) |
| 15 | GMR Bajoli Holi Hydropower Private Limited (GBHHPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 428.35 | 4.43% | 429.88 | 3.99% | (0.78) | 0.03% | (1.33) | (1.23%) |
| 16 | GMR Londa Hydropower Private Limited (GLHPPL) | India | Subsidiary | 92.60%) | 92.60% | 100.00% | 100.00% | 55.48 | 0.57% | 51.34 | 0.48% | (0.05) | 0.00% | (0.13) | (0.12%) |
| 17 | GMR Kakinada Energy Private Limited (GKEPL) | India | Subsidiary | 92.60%) | 92.60% | 100.00% | 100.00% | 0.29 | 0.00% | 0.27 | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 18 | Rampia Coal Mine and Energy Private Limited (RCMEPL) | India | Jointly controlled entity | 16.10% | 16.10% | 17.39% | 17.39% | (0.58) | (0.01%) | 2.27 | 0.02% | (0.02) | 0.00% | (0.09) | (0.08%) |
| 19 | GMR Chhattisgarh Energy Limited (GCHEPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 2,701.85 | 27.97% | 2,084.07 | 19.32% | (65.53) | 2.21% | (2.30) | (2.12%) |
| 20 | GMR Energy (Cyprus) Limited (GECL) | Cyprus | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | (1.19) | (0.01%) | 2.41 | 0.02% | (5.04) | 0.17% | (0.02) | (0.02%) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 21 | GMR Energy (Netherlands) B.V. (GENBV) | Netherlands | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | (180.05) | (1.86%) | (80.16) | (0.74%) | (7.70) | 0.26% | (14.11) | (13.02%) |
| 22 | PT Dwikarya Sejati Utma (PTDSU) | Indonesia | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | | | | | | | | |
| 23 | PT Duta Sarana Internusa (PTDSI) | Indonesia | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | 455.33 | 4.71% | 288.19 | 2.67% | (1.71) | 0.06% | (3.60) | (3.32%) |
| 24 | PT Barasentosa Lestari (PTBSL) | Indonesia | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | | | | | | | | |
| 25 | GMR Rajahmundry Energy Limited (GREL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 1,143.88 | 11.84% | 967.75 | 8.97% | (4.33) | 0.15% | (2.52) | (2.32%) |
| 26 | SJK Powergen Limited (SJK) | India | Subsidiary | 64.82% | 64.82% | 70.00% | 70.00% | 136.81 | 1.42% | 201.47 | 1.87% | (62.99) | 2.13% | (1.10) | (1.01%) |
| 27 | PT Unsoco (PT) | Indonesia | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | 0.12 | 0.00% | 0.13 | 0.00% | - | 0.00% | - | 0.00% |
| 28 | EMCO Energy Limited (EMCO) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 222.82 | 2.31% | 593.40 | 5.50% | (482.78) | 16.31% | (810.10) | (747.26%) |
| 29 | Homeland Energy Group Limited (HEGL) | Canada | Subsidiary | 51.60% | 51.60% | 55.72% | 55.72% | | | | | | | | |
| 30 | Homeland Energy Corporation (HEC) | Mauritius | Subsidiary[3] | - | 51.60% | - | 100.00% | | | | | | | | |
| 31 | Homeland Mining & Energy SA (Pty) Limited (HMES) | South Africa | Subsidiary[3] | - | 51.60% | - | 100.00% | | | | | | | | |
| 32 | Homeland Coal Mining (Pty) Limited (HCM) | South Africa | Subsidiary[3] | - | 51.60% | - | 100.00% | 1.53 | 0.02% | 11.84 | 0.11% | (24.36) | 0.82% | 64.12 | 59.15% |
| 33 | Nhalalala Mining (Pty) Limited (NML) | South Africa | Jointly controlled entity[4] | - | 25.80% | - | 50.00% | | | | | | | | |
| 34 | Corpclo 331 (Pty) Limited (CPL) | South Africa | Subsidiary[3] | - | 51.60% | - | 100.00% | | | | | | | | |
| 35 | Ferret Coal (Kendal) (Pty) Limited (FCK) | South Africa | Subsidiary[3] | - | 38.18% | - | 74.00% | | | | | | | | |
| 36 | GMR Maharashtra Energy Limited (GMAEL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 7.13 | 0.07% | 7.10 | 0.07% | (0.02) | 0.00% | (0.01) | (0.01%) |
| 37 | PT Golden Energy Mines Tbk (PTGEMS) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 38 | PT Roundhill Capital Indonesia (RCI) | Indonesia | Jointly controlled entity | 27.62% | 27.62% | 29.70% | 29.70% | | | | | | | | |
| 39 | PT Borneo Indobara (BIB) | Indonesia | Jointly controlled entity | 27.36% | 27.36% | 29.43% | 29.43% | | | | | | | | |
| 40 | PT Kuansing Inti Makmur (KIM) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 41 | PT Karya Cemerlang Persada (KCP) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 42 | PT Bungo Bara Utama (BBU) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 43 | PT Bara Harmonis Batang Asam (BHBA) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | 3,029.14 | 31.36% | 2,942.71 | 27.28% | (10.62) | 0.36% | 23.80 | 21.95% |
| 44 | PT Berkat Nusantara Permai (BNP) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 45 | PT Tanjung Belit Bara Utama (TBBU) | Indonesia | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 46 | PT Trisula Kencana Sakti (TKS) | Indonesia | Jointly controlled entity | 19.52% | 19.52% | 21.00% | 21.00% | | | | | | | | |
| 47 | GEMS Trading Resources Pte Limited (GEMSCR) (Formerly known as GEMS Coal Resources Pte Limited) | Singapore | Jointly controlled entity | 27.89% | 27.89% | 30.00% | 30.00% | | | | | | | | |
| 48 | PT Bumi Anugerah Semesta (BAS) | Indonesia | Jointly controlled entity[13] | 22.31% | 27.89% | 24.00% | 30.00% | | | | | | | | |
| 49 | GMR Bundelkhand Energy Private Limited (GBEPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 11.93 | 0.12% | 11.92 | 0.11% | (0.56) | 0.02% | (0.01) | (0.01%) |
| 50 | GMR Uttar Pradesh Energy Private Limited (GUPEPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 0.16 | 0.00% | 0.16 | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 51 | GMR Hosur Energy Limited (GHOEL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 3.59 | 0.04% | 2.73 | 0.03% | (0.68) | 0.02% | (0.01) | (0.01%) |
| 52 | GMR Gujarat Solar Power Private Limited (GGSPPL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 93.28 | 0.97% | 111.13 | 1.03% | (11.27) | 0.38% | 5.16 | 4.76% |
| 53 | Karnali Transmission Company Private Limited (KTCPL) | Nepal | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | 1.49 | 0.02% | 1.07 | 0.01% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 54 | Marsyangdi Transmission Company Private Limited (MTCPL) | Nepal | Subsidiary | 92.97%) | 92.97% | 100.00% | 100.00% | 2.11 | 0.02% | (0.45) | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 55 | GMR Indo-Nepal Energy Links Limited (GINELL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 0.20 | 0.00% | 0.20 | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 56 | GMR Indo-Nepal Power Corridors Limited (GINPCL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 0.34 | 0.00% | 0.34 | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 57 | GMR Renewable Energy Limited (GREEL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 11.78 | 0.12% | 11.58 | 0.11% | (0.21) | 0.01% | (0.27) | (0.25%) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 58 | Aravali Transmission Service Company Limited (ATSCL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 26.74 | 0.28% | 27.24 | 0.25% | 0.33 | (0.01%) | (8.40) | (7.75%) |
| 59 | Maru Transmission Service Company Limited (MTSCL) | India | Subsidiary | 92.60% | 92.60% | 100.00% | 100.00% | 67.28 | 0.70% | 47.45 | 0.44% | 1.29 | (0.04%) | (1.51) | (1.39%) |
| 60 | GMR Energy Projects (Mauritius) Limited (GEPML) | Mauritius | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 1.30 | 0.01% | 2.12 | 0.02% | (0.54) | 0.02% | (0.96) | (0.89% |
| 61 | GMR Infrastructure (Singapore) Pte Limited (GISPL) | Singapore | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | (494.47) | (5.12%) | 68.20 | 0.63% | (21.05) | 0.71% | (3.09) | (2.85%) |
| 62 | GMR Coal Resources Pte Limited (GCRPL) | Singapore | Subsidiary | 92.97% | 92.97% | 100.00% | 100.00% | (2,379.79) | (24.64%) | (2,682.82) | (24.87%) | (140.71) | 4.75% | (146.58) | (135.21%) |
| 63 | GMR Power Infra Limited (GPIL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.84 | 0.06% | 6.19 | 0.06% | (0.63) | 0.02% | 0.09 | 0.08% |
| 64 | GMR Highways Limited (GMRHL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | (35.00) | (0.36%) | (15.83) | (0.15%) | (64.52) | 2.18% | (86.04) | (79.37%) |
| 65 | GMR Tambaram Tindivanam Expressways Limited (GTTEPL) | India | Subsidiary | 85.75% | 85.75% | 100.00% | 100.00% | (72.09) | (0.75%) | (71.65) | (0.66%) | 14.63 | (0.49%) | 7.94 | 7.32% |
| 66 | GMR Tuni Anakapalli Expressways Limited (GTAEPL) | India | Subsidiary | 85.75% | 85.75% | 100.00% | 100.00% | (36.91) | (0.38%) | (53.36) | (0.49%) | 4.54 | (0.15%) | 4.88 | 4.50% |
| 67 | GMR Ambala Chandigarh Expressways Private Limited (GACEPL) | India | Subsidiary | 98.08% | 98.08% | 100.00% | 100.00% | 210.06 | 2.17% | 225.21 | 2.09% | (44.41) | 1.50% | (27.55) | (25.41%) |
| 68 | Jadcherla Expressways Private Limited (JEPL) (formerly known as GMR Jadcherla Expressways Limited (GJEPL)) | India | Associate[18] | 25.98% | 25.98% | 26.00% | 26.00% | - | 0.00% | - | 0.00% | - | 0.00% | 10.21 | 9.42% |
| 69 | GMR Pochanpalli Expressways Limited (GPEPL) | India | Subsidiary | 99.96% | 99.96% | 100.00% | 100.00% | 95.64 | 0.99% | 131.10 | 1.22% | (20.20) | 0.68% | 19.80 | 18.26% |
| 70 | Ulundurpet Expressways Private Limited (UEPL) (formerly known as GMR Ulundurpet Expressways Private Limited (GUEPL)) | India | Associate[18] | 25.97% | 25.97% | 26.00% | 26.00% | - | 0.00% | (5.48) | (0.05%) | - | 0.00% | 44.44 | 40.99% |
| 71 | GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL) | India | Subsidiary | 90.00% | 90.00% | 90.00% | 90.00% | 460.91 | 4.77% | 479.51 | 4.45% | (88.68) | 3.00% | (90.86) | (83.81%) |
| 72 | GMR Chennai Outer Ring Road Private Limited (GCORRPL) | India | Subsidiary | 89.26% | 89.26% | 90.00% | 90.00% | 183.29 | 1.90% | 160.68 | 1.49% | (20.87) | 0.71% | (16.78) | (15.48%) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 73 | GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL) | India | Subsidiary | 51.00% | 51.00% | 51.00% | 51.00% | 164.60 | 1.70% | 202.08 | 1.87% | (42.70) | 1.44% | (23.17) | (21.37%) |
| 74 | GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 602.99 | 6.24% | 729.40 | 6.76% | (130.62) | 4.41% | (0.18) | (0.17%) |
| 75 | GMR Highways Projects Private Limited (GHPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 0.01 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| 76 | GMR Hyderabad International Airport Limited (GHIAL) | India | Subsidiary | 61.20% | 61.20% | 63.00% | 63.00% | 3.33 | 0.03% | 174.80 | 1.62% | (246.94) | 8.34% | 77.58 | 71.56% |
| 77 | Gateways for India Airports Private Limited (GFIAL) | India | Subsidiary | 86.49% | 86.49% | 86.49% | 86.49% | 2.11 | 0.02% | 1.66 | 0.02% | 0.42 | (0.01% | 0.12 | 0.11% |
| 78 | Hyderabad Menzies Air Cargo Private Limited (HMACPL) | India | Subsidiary | 31.21% | 31.21% | 51.00% | 51.00% | 56.45 | 0.58% | 53.77 | 0.50% | 38.68 | (1.31% | 35.50 | 32.75% |
| 79 | Hyderabad Airport Security Services Limited (HASSL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | (25.24) | (0.26%) | (40.90) | (0.38%) | 0.03 | 0.00% | 0.02 | 0.02% |
| 80 | GMR Hyderabad Airport Resource Management Limited (GHARML) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 0.04 | 0.00% | 0.10 | 0.00% | - | 0.00% | (0.18) | (0.17%) |
| 81 | GMR Hyderabad Aerotropolis Limited (HAPL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 31.96 | 0.33% | 31.90 | 0.30% | 0.25 | (0.01% | (0.47) | (0.43%) |
| 82 | GMR Hyderabad Aviation SEZ Limited (GHASL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 35.96 | 0.37% | 40.68 | 0.38% | (5.97) | 0.20% | (1.99) | (1.84%) |
| 83 | GMR Hyderabad Multiproduct SEZ Limited (GHMSL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 0.01 | 0.00% | 0.01 | 0.00% | - | 0.00% | - | 0.00% |
| 84 | GMR Aerospace Engineering Limited (GAEL) formerly known as MAS GMR Aerospace Engineering Company Private Limited) | India | Subsidiary[5] | 61.20% | 30.60% | 100.00% | 50.00% | (228.17) | (2.36%) | (37.65) | (0.35%) | (31.04) | 1.05% | (19.36) | (17.86% |
| 85 | GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited) | India | Subsidiary[6] | 61.20% | 30.60% | 100.00% | 50.00% | 179.76 | 1.86% | 31.12 | 0.29% | (16.63) | 0.56% | (12.89) | (11.89%) |
| 86 | Hyderabad Duty Free Retail Limited (HDFRL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 24.78 | 0.26% | 18.54 | 0.17% | 22.36 | (0.76% | 21.34 | 19.68% |
| 87 | GMR Airport Developers Limited (GADL) | India | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | (81.72) | (0.85%) | (85.38) | (0.79%) | (62.37) | 2.11% | (49.21) | (45.39%) |
| 88 | GMR Airport Handling Services Company Limited (GAHSCL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 0.03 | 0.00% | 0.03 | 0.00% | - | 0.00% | - | 0.00% |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 89 | Asia Pacific Flight Training Academy Limited (APFT) | India | Jointly controlled entity | 24.51% | 24.51% | 40.04% | 40.04% | (0.02) | 0.00% | 1.29 | 0.01% | (1.22) | 0.04% | (1.81) | (1.67%) |
| 90 | GADL International Limited (GADLIL) | Isle of Man | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | 11.93 | 0.12% | 7.09 | 0.07% | (3.25) | 0.11% | (39.80) | (36.71%) |
| 91 | GADL (Mauritius) Limited (GADLML) | Mauritius | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | 0.46 | 0.00% | 0.62 | 0.01% | (0.18) | 0.01% | (0.04) | (0.04%) |
| 92 | GMR Hotels and Resorts Limited (GHRL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 31.28 | 0.32% | 45.04 | 0.42% | (18.69) | 0.63% | (19.60) | (18.08%) |
| 93 | Laqshya Hyderabad Airport Media Private Limited (Laqshya) | India | Jointly controlled entity | 29.99% | 29.99% | 49.00% | 49.00% | 17.56 | 0.18% | 16.94 | 0.16% | 13.04 | (0.44%) | 9.51 | 8.77% |
| 94 | GMR Hyderabad Airport Power Distribution Limited (GHAPDL) | India | Subsidiary | 61.20% | 61.20% | 100.00% | 100.00% | 0.03 | 0.00% | 0.03 | 0.00% | - | 0.00% | (0.01) | (0.01%) |
| 95 | Delhi International Airport Private Limited (DIAL) | India | Subsidiary | 52.46% | 52.46% | 54.00% | 54.00% | 1,870.15 | 19.36% | 1,645.89 | 15.26% | (168.17) | 5.68% | (15.56) | (14.35%) |
| 96 | Delhi Aviation Services Private Limited (DASPL) | India | Jointly controlled entity | 26.23% | 26.23% | 50.00% | 50.00% | 10.72 | 0.11% | 10.18 | 0.09% | 2.76 | (0.09%) | 4.63 | 4.27% |
| 97 | Delhi Aerotropolis Private Limited (DAPL) | India | Subsidiary | 52.46% | 52.46% | 100.00% | 100.00% | 0.09 | 0.00% | 0.10 | 0.00% | (0.01) | 0.00% | (0.04) | (0.04%) |
| 98 | East Delhi Waste Processing Company Private Limited (EDWPCPL) | India | Associate | 25.70% | 25.70% | 48.99% | 48.99% | 0.04 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| 99 | Travel Food Services (Delhi Terminal 3) Private Limited (TFS) | India | Jointly controlled entity | 20.98% | 20.98% | 40.00% | 40.00% | 1.02 | 0.01% | 0.65 | 0.01% | 6.08 | (0.21%) | 3.26 | 3.01% |
| 100 | Devyani Food Street Private Limited (DFSPL) | India | Jointly controlled entity[7, 17] | - | 20.98% | - | 40.00% | - | 0.00% | 0.34 | 0.00% | 15.86 | (0.54%) | 2.93 | 2.70% |
| 101 | Delhi Select Services Hospitality Private Limited (DSSHPL) | India | Jointly controlled entity[8] | - | 20.98% | - | 40.00% | - | 0.00% | (0.71) | (0.01%) | - | 0.00% | 1.12 | 1.03% |
| 102 | Delhi Duty Free Services Private Limited (DDFS) | India | Subsidiary | 42.72% | 42.72% | 66.93% | 66.93% | (11.97) | (0.12%) | (20.27) | (0.19%) | 345.56 | (11.68%) | 293.34 | 270.58% |
| 103 | Delhi Aviation Fuel Facility Private Limited (DAFF) | India | Jointly controlled entity | 13.64% | 13.64% | 26.00% | 26.00% | 16.51 | 0.17% | 11.29 | 0.10% | 10.77 | (0.36%) | 11.91 | 10.99% |
| 104 | Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM) | India | Jointly controlled entity | 13.64% | 13.64% | 26.00% | 26.00% | 22.54 | 0.23% | 16.66 | 0.15% | 40.60 | (1.37%) | 35.87 | 33.09% |
| 105 | Delhi Cargo Service Center Private Limited (DCSCPL) | India | Jointly controlled entity[7, 17] | - | 13.64% | - | 26.00% | - | 0.00% | 6.20 | 0.06% | 11.10 | (0.38%) | 5.04 | 4.65% |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 106 | Wipro Airport IT Services Limited (WAISL) | India | Jointly controlled entity | 13.64% | 13.64% | 26.00% | 26.00% | 1.48 | 0.02% | 2.71 | 0.03% | (10.13) | 0.34% | (9.80) | (9.04%) |
| 107 | Delhi Airport Parking Services Private Limited (DAPSL) | India | Subsidiary[9] | 66.28% | 26.18% | 90.00% | 49.90% | 113.07 | 1.17% | 40.91 | 0.38% | 6.47 | (0.22%) | 6.43 | 5.93% |
| 108 | TIM Delhi Airport Advertising Private Limited (TIM) | India | Jointly controlled entity | 26.18% | 26.18% | 49.90% | 49.90% | 12.57 | 0.13% | 5.78 | 0.05% | 65.17 | (2.20%) | 55.02 | 50.75% |
| 109 | GMR Airports Limited (GAL) | India | Subsidiary | 97.15% | 97.15% | 97.15% | 97.15% | 556.83 | 5.76% | 502.77 | 4.66% | 23.37 | (0.79%) | 43.61 | 40.23% |
| 110 | GMR Male International Airport Private Limited (GMIAL) | Maldives | Subsidiary | 76.99% | 76.99% | 77.00% | 77.00% | 65.38 | 0.68% | 34.12 | 0.32% | (12.66) | 0.43% | (46.21) | (42.63%) |
| 111 | GMR Male Retail Private Limited (GMRPL) | Maldives | Subsidiary | 96.66% | 96.66% | 99.50% | 99.50% | 0.04 | 0.00% | 0.05 | 0.00% | (0.01) | 0.00% | (0.01) | (0.01%) |
| 112 | GMR Airports (Malta) Limited (GMRAML) | Malta | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | 0.10 | 0.00% | 0.08 | 0.00% | (1.97) | 0.07% | 3.84 | 3.54% |
| 113 | GMR Airport Global Limited (GAGL) | Isle of Man | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | 8.92 | 0.09% | 1.69 | 0.02% | 0.87 | (0.03%) | (14.14) | (13.04%) |
| 114 | GMR Airports (Mauritius) Limited (GALM) | Mauritius | Subsidiary | 97.15% | 97.15% | 100.00% | 100.00% | (29.28) | (0.30%) | (12.08) | (0.11%) | (25.52) | 0.86% | (12.48) | (11.51%) |
| 115 | GMR Megawide Cebu Airport Corporation (GMCAC) | Philippines | Joint controlled entity[10] | 40.00%) | - | 40.00% | - | 299.52 | 3.10% | - | 0.00% | (4.16) | 0.14% | - | 0.00% |
| 116 | GMR Aviation Private Limited (GAPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 127.55 | 1.32% | 119.95 | 1.11% | (25.46) | 0.86% | (6.38) | (5.89%) |
| 117 | GMR Krishnagiri SEZ Limited (GKSEZ) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 344.80 | 3.57% | 315.91 | 2.93% | (0.31) | 0.01% | (0.24) | (0.22%) |
| 118 | Advika Properties Private Limited (APPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.98 | 0.07% | 6.99 | 0.06% | (0.01) | 0.00% | - | 0.00% |
| 119 | Aklima Properties Private Limited (AKPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 4.12 | 0.04% | 4.03 | 0.04% | (0.01) | 0.00% | - | 0.00% |
| 120 | Amartya Properties Private Limited (AMPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 7.52 | 0.08% | 7.72 | 0.07% | 0.13 | 0.00% | - | 0.00% |
| 121 | Baruni Properties Private Limited (BPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.56 | 0.06% | 5.57 | 0.05% | (0.01) | 0.00% | - | 0.00% |
| 122 | Bougainvillea Properties Private Limited (BOPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.10 | 0.06% | 6.12 | 0.06% | (0.01) | 0.00% | - | 0.00% |
| 123 | Camelia Properties Private Limited (CPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.87 | 0.06% | 31.17 | 0.29% | (0.04) | 0.00% | 1.75 | 1.61% |
| 124 | Deepesh Properties Private Limited (DPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 7.99 | 0.08% | 5.81 | 0.05% | (0.01) | 0.00% | - | 0.00% |
| 125 | Eila Properties Private Limited (EPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 8.44 | 0.09% | 7.64 | 0.07% | (0.01) | 0.00% | - | 0.00% |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorporation | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 126 | Gerbera Properties Private Limited (GPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.60 | 0.07% | 32.35 | 0.30% | 0.02 | 0.00% | 1.78 | 1.64% |
| 127 | Lakshmi Priya Properties Private Limited (LPPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 7.28 | 0.08% | 7.28 | 0.07% | (0.01) | 0.00% | - | 0.00% |
| 128 | Honeysuckle Properties Private Limited (HPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 7.75 | 0.08% | 7.34 | 0.07% | (0.01) | 0.00% | - | 0.00% |
| 129 | Idika Properties Private Limited (IPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.33 | 0.07% | 6.37 | 0.06% | (0.02) | 0.00% | - | 0.00% |
| 130 | Krishnapriya Properties Private Limited (KPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.30 | 0.07% | 5.93 | 0.05% | (0.03) | 0.00% | (0.01) | (0.01%) |
| 131 | Larkspur Properties Private Limited (LAPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.28 | 0.07% | 6.33 | 0.06% | (0.13) | 0.00% | (0.46) | (0.42%) |
| 132 | Nadira Properties Private Limited (NPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.59 | 0.07% | 6.76 | 0.06% | - | 0.00% | 1.13 | 1.04% |
| 133 | Padmapriya Properties Private Limited (PAPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 19.26 | 0.20% | 18.20 | 0.17% | 0.04 | 0.00% | 0.46 | 0.42% |
| 134 | Prakalpa Properties Private Limited (PPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.89 | 0.07% | 6.88 | 0.06% | (0.01) | 0.00% | 1.11 | 1.02% |
| 135 | Purnachandra Properties Private Limited (PUPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 6.54 | 0.07% | 6.57 | 0.06% | (0.04) | 0.00% | (0.02) | (0.02%) |
| 136 | Shreyadita Properties Private Limited (SPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.24 | 0.05% | 5.13 | 0.05% | (0.02) | 0.00% | (0.02) | (0.02%) |
| 137 | Pranesh Properties Private Limited (PRPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 7.13 | 0.07% | 7.14 | 0.07% | (0.02) | 0.00% | 0.11 | 0.10% |
| 138 | Sreepa Properties Private Limited (SRPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.06 | 0.05% | 5.32 | 0.05% | 0.09 | 0.00% | - | 0.00% |
| 139 | Radhapriya Properties Private Limited (RPPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 8.17 | 0.08% | 4.60 | 0.04% | (0.01) | 0.00% | - | 0.00% |
| 140 | Asteria Real Estates Private Limited (AREPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 3.97 | 0.04% | 9.10 | 0.08% | 0.25 | (0.01%) | (0.01) | (0.01%) |
| 141 | GMR Hosur Industrial City Private Limited (GHICL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 9.20 | 0.10% | 7.59 | 0.07% | (0.03) | 0.00% | - | 0.00% |
| 142 | Namitha Real Estates Private Limited (NREPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 8.23 | 0.09% | 7.01 | 0.06% | (0.01) | 0.00% | (0.02) | (0.02%) |
| 143 | Honey Flower Estates Private Limited (HFEPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 40.10 | 0.42% | 37.69 | 0.35% | (0.85) | 0.03% | (0.51) | (0.47%) |
| 144 | GMR Hosur EMC Private Limited (GHEMCPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 5.25 | 0.05% | 2.19 | 0.02% | (0.05) | 0.00% | - | 0.00% |
| 145 | GMR SEZ and Port Holdings Private Limited (GSPHPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 156.37 | 1.62% | 111.35 | 1.03% | (2.45) | 0.08% | 1.06 | 0.98% |
| 146 | East Godavari Power Distribution Company Private Limited (EGPDCPL) | India | Subsidiary[11] | 100.00% | - | 100.00% | - | 0.01 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorpora-tion | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 147 | Suzone Properties Private Limited (SUPPL) | India | Subsidiary[11] | 100.00% | - | 100.00% | - | 8.00 | 0.08% | - | 0.00% | (0.01) | 0.00% | - | 0.00% |
| 148 | GMR Utilities Private Limited (GUPL) | India | Subsidiary[12] | 100.00% | - | 100.00% | - | 0.01 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| 149 | Lilliam Properties Private Limited (LPPL) | India | Subsidiary[11] | 100.00% | - | 100.00% | - | 4.09 | 0.04% | - | 0.00% | (0.01) | 0.00% | - | 0.00% |
| 150 | GMR Corporate Affairs Private Limited (GCAPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 15.09 | 0.16% | 157.74 | 1.46% | (0.21) | 0.01% | (2.85) | (2.63%) |
| 151 | Dhruvi Securities Private Limited (DSPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 556.00 | 5.76% | 323.57 | 3.00% | 27.98 | (0.95%) | 14.43 | 13.31% |
| 152 | Kakinada SEZ Private Limited (KSPL) | India | Subsidiary | 51.00% | 51.00% | 51.00% | 51.00% | 617.70 | 6.39% | 477.50 | 4.43% | (0.42) | 0.01% | (0.14) | (0.13%) |
| 153 | GMR Business Process and Services Private Limited (GBPSPL) | India | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 0.91 | 0.01% | 2.73 | 0.03% | (0.91) | 0.03% | (0.01) | (0.01%) |
| 154 | GMR Infrastructure (Mauritius) Limited (GIML) | Mauritius | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 31.15 | 0.32% | (286.94) | (2.66%) | (20.10) | 0.68% | (9.09) | (8.38%) |
| 155 | GMR Infrastructure (Cyprus) Limited (GICL) | Cyprus | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 611.47 | 6.33% | 833.41 | 7.73% | 5.67 | (0.19%) | (2.47) | (2.28%) |
| 156 | GMR Infrastructure Overseas (Malta) Limited (GIOSL) | Malta | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 4.41 | 0.05% | 742.03 | 6.88% | 9.71 | (0.33%) | 507.19 | 467.84% |
| 157 | GMR Infrastructure (UK) Limited (GIUL) | United Kingdom | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 19.56 | 0.20% | 48.38 | 0.45% | (23.46) | 0.79% | (8.41) | (7.76%) |
| 158 | TVS GMR Aviation Logistics Limited (TVS GMR) | India | Jointly controlled entity[14, 17] | - | - | - | - | - | - | - | - | - | - | 1.44 | 1.33% |
| 159 | Istanbul Sabiha Gokcen Uluslarasi Havalimani Yatirim Yapum Ve Isletme Sirketi (ISG) | Turkey | Jointly controlled entity[15, 17] | - | - | - | - | - | - | - | - | - | - | 494.64 | 456.27% |
| 160 | Istanbul Sabiha Gokcen Uluslararasi Hvalimani YerHizmetleri Anonim Sirketi (SGH) | Turkey | Jointly controlled entity[16, 17] | - | - | - | - | - | - | - | - | - | - | 47.78 | 44.07% |
| 161 | LGM Havalimani Isletmeleri Ticaret Ve Turizm Anonim Sirketi (LGM) | Turkey | Jointly controlled entity[15, 17] | - | - | - | - | - | - | - | - | - | - | 20.33 | 18.75% |
| 162 | Limak GMR Construction JV (CJV) | Turkey | Jointly controlled entity | 50.00% | 50.00% | 50.00% | 50.00% | 0.47 | 0.00% | 0.62 | 0.01% | (0.46) | 0.02% | (0.65) | (0.60%) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2 PRINCIPLES OF CONSOLIDATION** (Contd.)

(₹ in crore)

| Sl. No. | Name of the entity | Country of incorpora-tion | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly and indirectly) as at | | Percentage of voting rights held as at | | Net assets * As at | | | | Net profit / (loss) * For the year ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | As at March 31, 2015 | As % of consolidated net assets | March 31, 2014 | As % of consolidated net assets | March 31, 2015 | As % of consolidated profit or loss | March 31, 2014 | As % of consolidated profit or loss |
| 163 | GMR Infrastructure (Global) Limited (GIGL) | Isle of Man | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | (0.39) | 0.00% | 62.82 | 0.58% | (0.63) | 0.02% | 59.74 | 55.11% |
| 164 | GMR Energy (Global) Limited (GEGL) | Isle of Man | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 0.28 | 0.00% | 0.29 | 0.00% | (0.02) | 0.00% | (0.24) | (0.22%) |
| 165 | GMR Infrastructure Overseas Limited (GIOL) | Mauritius | Subsidiary | 100.00% | 100.00% | 100.00% | 100.00% | 3.93 | 0.04% | 0.19 | 0.00% | (0.16) | 0.01% | (0.14) | (0.13%) |

* Net assets means total assets minus total liabilities. The balances have been considered after eliminating all inter-company balances and transactions. Net profit / (loss) is profit / (loss) after exceptional items and tax but before minority interest and share of loss from associates.

The reporting dates of the subsidiaries and jointly controlled entities coincide with that of the parent Company except in case of HEGL and its subsidiaries and jointly controlled entities (refer Sl. No. 29 to 35 above), PTGEMS and its subsidiaries and jointly controlled entities (refer Sl. No. 37 to 48 above) and GMCAC (refer Sl. No. 115 above) whose financial statements for the year ended on and as at December 31, 2014 were considered for the purpose of consolidated financial statements of the Group. The amounts for net assets / (liabilities) and net profit / (loss) of HEGL and its subsidiaries and jointly controlled entities, PTDSU and its subsidiaries (refer Sl. No. 22 to 24 above) and PTGEMS and its subsidiaries and jointly controlled entities have been presented on a consolidated basis.

The financial statements of other subsidiaries / jointly controlled entities/ associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2015.

Notes:

1 Decrease in effective ownership consequent to change in holding structure of the subsidiary during the year.

2 Increase in percentage of voting right consequent to additional investment in GKEL.

3 Subsidiaries disposed off during the year consequent to sale agreement entered by HEGL/ wound up during the year.

4 Joint controlled entity disposed off during the year consequent to sale agreement entered by HEGL/ wound up during the year.

5 Consequent to acquisition of additional equity stake from the minority shareholder, GAEL has ceased to be a jointly controlled entity and became a subsidiary during the year.

6 Increase in effective ownership consequent to note 5 above.

7 Jointly controlled entities sold during the year. Refer note 31(g) and 31(h). Also refer note 17 below.

8 Jointly controlled entity merged with DFSPL.

9 Consequent to acquisition of additional equity stake from the minority shareholder, DAPSL has ceased to be a jointly controlled entity and became a subsidiary during the year.

10 Joint controlled entity incorporated during the year.

11 Subsidiaries acquired during the year.

12 Subsidiaries incorporated during the year.

13 Dilution of stake in BAS by PTGEMS.

14 Joint Venture agreement annulled during the previous year. Refer note 17 below.

15 Jointly controlled entities sold during the previous year. Refer note 17 below.

16 Ceased to be a jointly controlled entity pursuant to note 15 above. Refer note 17 below.

17 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) (including adjustments on account of consolidation ) from such disposal.

18 Consequent to dilution of stake during the year ended March 31, 2014, JEPL and UEPL ceased to be subsidiaries and became associates. The amounts disclosed with respect to net profit / (loss) in the table above for JEPL and UEPL comprises of the net profit / (loss) from the operations of such entities till the dilution of stake by the Group and net profit / (loss) (including adjustments on account of consolidation ) pursuant to dilution of such stake.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES**

**a) Use of estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles in India ('Indian GAAP') requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b) Revenue recognition**

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

Power sector business:

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 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.

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

Claims for delayed payment charges and any other claims, which the Group is entitled to under the PPAs, are accounted for in the year of acceptance by the customers.

Development of highways:

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll from the users of highways. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreement entered into with NHAI or with respective State Governments. Claims raised on NHAI under concessionaire agreement are accounted for in the year of acceptance.

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 carriageways has been disclosed as revenue share paid / payable to concessionaire grantors in the statement of profit and loss.

Airport sector business:

In case of airport infrastructure companies, aeronautical and non-aeronautical revenue is recognised on an accrual basis and is net of 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.

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

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

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

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

Revenue from sale of fuel is recognised when fuel is transferred to the customers and is measured based on the consideration received or receivable, net of returns and trade discounts.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

Revenue from developing, operating, maintaining and managing the sites at the airport for display of advertisements is recognised on pro-rata basis over the period of display of advertisements, net of taxes and rebates.

Revenue from flight training operations related to aircraft flying hour's fee is recognized on accrual basis based on actual flying hours of flying training imparted during the period and revenue from fees for other training courses is recognized on accrual basis across the training period on straight line basis.

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

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.

Construction business:

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. In the case of contracts with defined milestones and assigned price for each milestone, revenue is recognised on transfer of significant risks and rewards which coincides with achievement of milestone and its acceptance by its customer. Provision is made for all losses incurred till the balance sheet date. Any further losses that are foreseen in bringing contracts to completion are also recognised. 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.

Others:

i. Dividend income is recognised when the right to receive dividend is established by the reporting date.

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

iii. Interest income is recognised on a time proportion basis taking into account the amount invested and the applicable interest rate. Interest income is included under the head 'other operating income' for companies engaged in investing activities and under the head 'other income' for other companies in the statement of profit and loss.

iv. Benefits arising out of duty free scrips utilised for the acquisition of fixed assets or inventory are recognised as income once it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

v. On disposal of current investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. Such income is included under the head 'other operating income' for companies engaged in investing activities and under the head 'other income' for other companies in the statement of profit and loss.

vi. Revenue from certified emission reductions is recognised as per the terms and conditions agreed with the customers on sale of the certified emission reduction units, when the risks and rewards are passed on to the customer.

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

viii. 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 assets' as unbilled revenue and billings in excess of revenue has been disclosed under 'other liabilities' as unearned revenue.

Expenditure including pre-operative and other incidental expenses incurred by the Group on projects that are in the process of commissioning, being recoverable from the respective SPVs / subsidiaries incorporated for carrying out these projects, are not charged to the statement of profit and loss and are treated as advances to the respective entities.

**c) Operation and maintenance contracts**

Certain entities engaged in power generation have entered into a Long Term Service Agreements ('LTSAs'), Technical Service Agreement ('TSA') for maintenance of the power plants, Operations and Maintenance Agreement ('OMA') for regular and major maintenance and Long Term Assured Parts Supply Agreement ('LTAPSA'), Repair Work Supply Agreement ('PRWST') for supply of parts for planned and unplanned maintenance over the term of the agreements. Amounts payable under the LTSAs / TSA are charged to the statement of profit and loss based on actual factored fired hours of the gas turbines during the year on the basis of average factored hour cost including customs duty applicable at the current prevailing rate. Periodical minimum payments are accounted for as and when due. Amounts payable under PRWST are charged to the statement of profit and loss on an accrual basis.

OMAs have been entered by certain subsidiaries in the road sector for operations, regular and major maintenance of the highways. Amounts payable under such agreements are charged to the statement of profit and loss on an accrual basis.

**d) Fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation / amortization and accumulated impairment losses, if any. The cost comprises of purchase price and freight, duties, levies and borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Group adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the 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 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.

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

Tangible assets under installation or under construction as at balance sheet are shown as capital work-in-progress, intangible assets under development as at balance sheet date are shown as intangible assets under development and the related advances are shown as loans and advances.

In case of airport infrastructure companies, amounts in the nature of upfront fee and other costs incurred pursuant to the terms of the respective concession agreements are recognised as intangible assets.

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

Research and development cost:

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an 'intangible asset' when all of the below conditions are met:

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale
ii. The Group's intention to complete the asset
iii. The Group's ability to use or sell the asset
iv. The asset will generate future economic benefits
v. The availability of adequate resources to complete the development and to use or sell the asset
vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.

**e) Exploration and evaluation expenditure / mining properties under construction and production**

Exploration and evaluation expenditure

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

i. Such costs are expected to be either recouped in full through successful exploration and development of the area of interest or alternatively by its sale, or
ii. When exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically available reserves and active and significant operations in relation to the area are continuing or are planned for future.

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

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

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

Expenditure on mines under construction

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

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 2.1. **SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

Producing mines

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

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

**f) Stripping costs**

Stripping costs are the costs of removing overburden from a mine. Stripping costs incurred in the development of a mine before production commences are capitalized as part of the cost of developing the mine, and are subsequently depreciated or amortized using a unit-of-production method on the basis of proven and probable reserves, once production starts.

Stripping activity conducted during the production phase may provide two benefits: (i) ore that is processed into inventory in the current period and (ii) improved access to the ore body in future periods. To the extent that benefit from the stripping activity is realized in the form of inventory produced, the Group accounts for the costs of that stripping activity. To the extent the benefit is improved access to ore, the Group recognizes these costs as a stripping activity asset, if, and only if, all the following criteria are met; it is probable that the future economic benefits (improved access to the ore body) associated with the stripping activity will flow to the entity; the entity can identify the component of the ore body for which access has been improved; and the costs relating to the stripping activity associated with that component can be measured reliably.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore body, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, the costs associated with these incidental operations are not included in the cost of the stripping activity asset.

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, the Group uses an allocation basis that is based on a relevant production measure. This production measure is calculated for the identified component of the ore body, and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the actual versus expected volume of waste extracted.

Subsequently, the stripping activity asset is carried at cost less depreciation or amortization and any impairment losses, if any. The stripping activity asset is depreciated or amortized using the units of production method over the expected useful life of the identified component if the ore body that becomes more accessible as a result of the stripping activity unless another method is appropriate.

**g) Leases**

For lessee:

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

For lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

**h) Depreciation on tangible assets**

In case of entities under Central Electricity Regulatory Commission ('CERC') Regulations:

Depreciation on plant and machinery is provided using straight line method at the rate of 5.28% per annum. After a period of 12 years from the date of commencement of commercial operations, the remaining written down value shall be depreciated over the balance useful life of the asset estimated by the management or in the manner prescribed under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 in terms of MCA Circular No: 31/2011 dated May 31, 2011 ('CERC regulations').

Other tangible assets are depreciated using straight line method at the rates specified in the CERC regulations, which is estimated by the management to be the estimated useful lives of the fixed assets, except for fixed assets individually costing ₹ 5,000 or less, which are fully depreciated in the year of acquisition. The management has estimated the useful lives of asset individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

| Sl. No. | Block | Rate of depreciation |
|---|---|---|
| 1 | Buildings: | |
| | - Factory and office | 3.34% |
| 2 | Office equipments | |
| | - Computers | 15.00% |
| | - Others | 6.33% |
| 3 | Vehicles | 9.50% |
| 4 | Furniture and fixtures | 6.33% |

**Other entities:**

For other domestic subsidiaries, jointly controlled entities and associates in the energy sector, the depreciation on the tangible fixed assets 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 in case of plant and machinery where the life of the asset is considered as 25 years as prescribed by Central Electricity Regulatory Commission ('CERC') being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act.

On June 12, 2014, the Airport Economic Regulatory Authority ('the Authority') has issued a consultation paper whereby it proposes to lay down, to the extent required, the depreciation rates for certain airport assets. Pending issuance of final notification by the Authority on the useful lives of airport specific assets, the Group has continued to depreciate these assets over their estimated useful lives as determined by the management of the Group based on technical evaluation.

For entities other than aforesaid domestic subsidiaries, jointly controlled entities and associates, the depreciation on the tangible fixed assets 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.

Leasehold land is amortised over the tenure of the lease except in case of power plants where it is amortised from the date of commercial operation. Leasehold improvements are amortised over the primary period of the lease or estimated useful life whichever is shorter.

Depreciation on adjustments to the historical cost of the assets on account of foreign exchange fluctuations is provided prospectively over the residual useful life of the asset.

For overseas subsidiaries, jointly controlled entities and associates, the Group provides depreciation based on estimated useful lives of the fixed assets as determined by the management of such subsidiaries, jointly controlled entities and associates. In view of different sets of environment in which such foreign subsidiaries, jointly controlled entities and associates operate in their respective countries, depreciation is provided based on local laws and management estimates. These entities follow straight line method of depreciation spread over the useful life of each individual asset. It is practically not possible to align rates of depreciation of such subsidiaries, jointly controlled entities and associates with those of the domestic subsidiaries, jointly controlled entities and associates.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

The estimated useful lives of the assets considered by such overseas entities are as follows:

| Asset category | Useful life in years | |
|---|---|---|
| | Minimum | Maximum |
| Lease hold improvements | 3 | 16 |
| Buildings | 3 | 20 |
| Plant and machinery | 3 | 15 |
| Furniture and fixtures | 3 | 20 |
| Computer equipments, office equipment | 3 | 20 |
| Motor vehicles | 4 | 8 |
| Other tangible fixed assets | 5 | 10 |

**i) Amortisation of intangible assets**

Goodwill arising on consolidation is not amortised but tested for impairment except in case of goodwill paid for the acquisition of entities which owns mining reserves where goodwill attributable to mining reserves is amortised based on quantum of actual production during the year to the total estimated mining reserves which are re-assessed on a yearly basis and goodwill attributable to the other benefits derived by the Group are amortised based on other benefits received during the year to the total other estimated benefits.

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 amortised on a straight line method over the initial and extended periods of concession agreements, as applicable.

Carriageways related to annuity based projects are amortised over the period of the respective Concessionaire Agreements on a straight line basis.

Carriageways related to toll based road projects are amortised 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.

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 carriageways and airport concessionaire rights are amortised over the concession period, ranging from 17.5 to 25 years and 25 to 60 years respectively, which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

Depletion of producing mines are 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.

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

**j) Impairment of tangible and intangible assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units ('CGU') net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognised in the revaluation reserve upto the amount of any previous revaluation.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**k) Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the consolidated financial statements at lower of cost or fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in nature in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**l) Inventories**

Inventories are valued as follows:

<u>Raw materials, components, stores and spares:</u>

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

<u>Contract work-in-progress:</u>

Costs incurred that relate to future activities on the contract are recognised as contract work-in-progress. Contract work-in-progress comprises of construction cost and other directly attributable overheads and are measured at lower of cost and net realisable value.

<u>Traded / Finished goods:</u>

Traded goods are valued at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Self-generated certified emission reductions are recognised on grant of credit by United Nations Framework Convention on Climate Change and are measured at lower of cost and net realisable value.

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

**m) Employee benefits**

i. Defined contribution plans

Retirement benefits in the form of provident fund, pension fund and superannuation fund etc. are defined contribution schemes except in case of certain entities, wherein only pension fund and superannuation fund form part of the defined contribution scheme. The Group has no obligation, other than the contributions payable to the defined contribution schemes. The Group recognises contribution payable to the defined contribution schemes as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised 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 recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii. Defined benefit plans

The liability as at the balance sheet date is provided for based on the actuarial valuation, based on projected unit credit method at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised immediately in the statement of profit and loss as an income or expense.

Retirement benefit in the form of provident fund is a defined benefit scheme in DIAL. DIAL contributes a portion of contribution to DIAL Employees Provident Fund Trust ('the Trust'). DIAL has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate which is determined by actuary and accounted by the DIAL as provident fund cost.

iii. Other long term employee benefits

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

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

iv. Short term employee benefits

Accumulated leave, which is expected to be utilised 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.

**n) Foreign currency transactions**

Foreign currency transactions and balances

i. Initial recognition

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

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the Group's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.
2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.
3. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the remaining life of the concerned monetary item.
4. All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of 2 and 3 above, the Group treats a foreign currency monetary item as 'long-term foreign currency monetary item' if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items 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 difference.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. Any gain/ loss arising on forward contracts which are long-term foreign currency monetary items is recognised in accordance with paragraph (iii)(2) and (iii)(3) above.

v. Translation of integral and non-integral foreign operations

The Group classifies all its foreign operations as either 'integral foreign operations' or 'non-integral foreign operations'.

The financial statements of an integral foreign operations are translated as if the transactions of the foreign operations have been those of the Company itself.

The assets and liabilities of non-integral foreign operations are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operations, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the statement of profit and loss.

When there is a change in the classification of foreign operations, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

Any goodwill or capital reserve arising on acquisition of non-integral operations is translated at closing rate.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

**o) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. 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 numbers of equity shares outstanding during the period are 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.

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

**p) Government grants and subsidies**

Grants or subsidies including airport development fee from the government or any regulatory authority are recognised when there is reasonable assurance that the grant / subsidy will be received and all conditions attached to the grant / subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

**q) Taxes on income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 ('IT Act') enacted in India and tax laws prevailing in the respective tax jurisdictions where the entities in the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the entities in the Group have unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the entities in the Group are entitled to a tax holiday under IT Act enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the entities in the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the entities in the Group re-assess unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The entities in the Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the entities in the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the entities in the Group recognises MAT credit as an asset in accordance with the Guidance Note on 'Accounting for Credit Available in respect of Minimum Alternative Tax' under IT Act, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT credit entitlement'. The entities in the Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the entities in the Group does not have convincing evidence that it will pay normal tax during the specified period.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 2.1. SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

**r) Segment reporting policies**

Identification of segments:

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter segment transfers:

The Group accounts for intersegment sales / transfers at cost plus appropriate margins.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Unallocated items include general corporate income and expense items, which are not allocated to any business segment. It includes income tax, deferred tax charge or credit and the related tax liabilities and tax assets, interest expense or interest income and related interest generating assets, interest bearing liabilities, which are not allocated to any business segment.

Segment accounting policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

**s) Provisions**

A provision is recognised when the Group has a present obligation as a result of past events, 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where 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 any provision is presented in the statement of profit and loss net of any reimbursement.

**t) Derivative instruments**

In accordance with the Institute of Chartered Accountants of India ('ICAI') announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

**u) Shares/ debentures issue expenses and premium on redemption**

Shares issue expenses incurred are adjusted in the year of issue and debenture issue expenses and redemption premium payable on preference shares / debentures are adjusted over the term of preference shares / debentures. These are adjusted to the securities premium account, net of taxes, as permitted/prescribed under Section 78 of the Companies Act, 1956/ Section 52 of the Companies Act, 2013 to the extent of balance available in premium account.

**v) Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**w) Borrowing costs**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

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 respective asset. All other borrowing costs are expensed in the period they occur.

**x) Contingent liabilities**

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 recognised 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 recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

**y) Corporate Social Responsibility (CSR) expenditure**

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

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 3 SHARE CAPITAL**

| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| **Authorised shares** | | |
| 7,500,000,000 (March 31, 2014: 7,500,000,000) equity shares of ₹ 1 each | 750.00 | 750.00 |
| 6,000,000 (March 31, 2014: 6,000,000) Compulsorily Convertible Preference Shares ('CCPS' or 'preference shares') of ₹ 1,000 each ('Series A CCPS') | 600.00 | 600.00 |
| 6,000,000 (March 31, 2014: 6,000,000) CCPS of ₹ 1,000 each ('Series B CCPS') | 600.00 | 600.00 |
| **Issued, subscribed and fully paid-up shares** | | |
| 4,361,247,379 (March 31, 2014: 3,892,430,282) equity shares of ₹ 1 each | 436.13 | 389.24 |
| 5,683,351 (March 31, 2014: 5,683,351 ) Series A CCPS of ₹ 1,000 each | 568.33 | 568.33 |
| 5,683,353 (March 31, 2014: 5,683,353 ) Series B CCPS of ₹ 1,000 each | 568.34 | 568.34 |
| **Issued, subscribed but not fully paid-up shares** | | |
| Nil (March 31, 2014: 4,500) equity shares of ₹ 1 each not fully paid-up [₹ Nil (March 31, 2014: ₹ 2,250)] | - | 0.00 |
| **Forfeiture of shares** | | |
| 4,500 (March 31, 2014: Nil) equity shares of ₹ 1 each not fully paid-up [₹ 2,250 (March 31, 2014: ₹ Nil)] | 0.00 | - |
| **Total issued, subscribed and paid-up share capital** | **1,572.80** | **1,525.91** |

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

| Equity Shares | March 31, 2015 | | March 31, 2014 | |
|---|---|---|---|---|
| | Number | ₹ in crore | Number | ₹ in crore |
| At the beginning of the year | 3,892,434,782 | 389.24 | 3,892,434,782 | 389.24 |
| Add: Issued during the year (refer note 3(h)) | 468,817,097 | 46.89 | - | - |
| Less: Forfeited during the year [₹ 2,250 (March 31, 2014: ₹ Nil)] | (4,500) | (0.00) | - | - |
| **Outstanding at the end of the year** | **4,361,247,379** | **436.13** | **3,892,434,782** | **389.24** |

| Preference Shares | March 31, 2015 | | March 31, 2014 | |
|---|---|---|---|---|
| | Number | ₹ in crore | Number | ₹ in crore |
| At the beginning of the year | | | | |
| a) Series A CCPS of ₹ 1,000 each | 5,683,351 | 568.33 | - | - |
| b) Series B CCPS of ₹ 1,000 each | 5,683,353 | 568.34 | - | - |
| Add: Issued during the year | | | | |
| a) Series A CCPS of ₹ 1,000 each | - | - | 5,683,351 | 568.33 |
| b) Series B CCPS of ₹ 1,000 each | - | - | 5,683,353 | 568.34 |
| Outstanding at the end of the year | | | | |
| a) Series A CCPS of ₹ 1,000 each | 5,683,351 | 568.33 | 5,683,351 | 568.33 |
| b) Series B CCPS of ₹ 1,000 each | 5,683,353 | 568.34 | 5,683,353 | 568.34 |

**(b) Terms / rights attached to equity shares:**

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

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) Terms / rights attached to CCPS:**

During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 CCPS of face value of ₹ 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS shall be converted into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations'). The number of equity shares allotted to the Investors upon conversion of the Investor Securities shall be on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date.

The preference shareholders have a right to attend General Meetings of the Company and vote on resolutions directly affecting their interest. In the event of winding up, the Company would repay the preference share capital in priority to the equity shares of the Company but it does not confer any further right to participate either in profits or assets of the Company.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 3 SHARE CAPITAL (Contd.)**

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

Out of the equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries / associates are as below:

| | March 31, 2015 Number | March 31, 2014 Number |
|---|---|---|
| **GMR Holdings Private Limited ('GHPL'), the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 2,752,091,862 | 2,736,221,862 |
| **GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 31,321,815 | 31,321,815 |
| **GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 23,400,000 | 17,100,000 |
| **Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 17,999,800 | 17,999,800 |
| **GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 52,973,443 | - |
| **Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company** | | |
| Equity shares of ₹ 1 each, fully paid up | 100,000 | - |

**(e) Details of shareholders holding more than 5% shares in the Company:**

| | March 31, 2015 | | March 31, 2014 | |
|---|---|---|---|---|
| | Number | % holding in the class | Number | % holding in the class |
| **Equity shares of ₹ 1 each fully paid** | | | | |
| GHPL | 2,752,091,862 | 63.10% | 2,736,221,862 | 70.30% |
| **Series A CCPS of ₹ 1,000 each** | | | | |
| Dunearn Investments (Mauritius) Pte Limited | 3,944,084 | 69.40% | 3,944,084 | 69.40% |
| IDFC Limited* | 209,550 | 3.69% | 209,550 | 3.69% |
| GKFF Ventures* | 272,415 | 4.79% | 272,415 | 4.79% |
| Premier Edu-Infra Solutions Private Limited* | 209,550 | 3.69% | 209,550 | 3.69% |
| Skyron Eco Ventures Private Limited* | 1,047,752 | 18.43% | 1,047,752 | 18.43% |
| **Series B CCPS of ₹ 1,000 each** | | | | |
| Dunearn Investments (Mauritius) Pte Limited | 3,944,085 | 69.40% | 3,944,085 | 69.40% |
| IDFC Limited* | 209,550 | 3.69% | 209,550 | 3.69% |
| GKFF Ventures* | 272,416 | 4.79% | 272,416 | 4.79% |
| Premier Edu-Infra Solutions Private Limited* | 209,550 | 3.69% | 209,550 | 3.69% |
| Skyron Eco Ventures Private Limited* | 1,047,752 | 18.43% | 1,047,752 | 18.43% |

* Joint investors under the same share subscription and shareholders agreement.

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

(f) Pursuant to the approval of the Management Committee of the Board of Directors dated April 18, 2015, the Company approved the allotment of 934,553,010 equity shares of face value of ₹ 1 each at a price of ₹ 15 per equity share (including share premium of ₹ 14 per equity share) for an amount aggregating to ₹ 1,401.83 crore to the existing equity shareholders of the Company on rights basis in the ratio of 3 equity shares for every 14 equity shares held by equity shareholders under chapter IV of the ICDR Regulations and provisions of all other applicable laws and regulations.

(g) On July 02, 2014, the Board of Directors of the Company have approved an issue and allotment of up to 180,000,000 warrants having an option to apply for and be allotted equivalent number of equity shares of face value of ₹ 1/- each on a preferential basis under chapter VII of the ICDR Regulations and provisions of all other applicable laws and regulations and accordingly the Company has received an advance of ₹ 141.75 crore against such share warrants. The Shareholders have approved the aforesaid issue of warrants through postal ballot on August 12, 2014.

(h) Pursuant to the approval of the Management Committee of the Board of Directors dated July 10, 2014, the Company issued 468,817,097 equity shares of ₹ 1 each, at an issue price of ₹ 31.50 per equity share (which is at a discount of ₹ 1.64 per equity share on the floor price of ₹ 33.14 per equity share and including ₹ 30.50 per share towards share premium) aggregating to ₹ 1,476.77 crore to qualified institutional buyers ('QIB') under chapter VIII of the ICDR Regulations and provisions of all other applicable laws and regulations. The Shareholders had approved the aforesaid issue of equity shares by way of a special resolution dated March 20, 2014.

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 4 RESERVES AND SURPLUS

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| **Capital reserve on consolidation (as per the last financial statements)** | **125.87** | **125.87** |
| **Capital reserve on acquisition (as per the last financial statements) [refer note 4(a)]** | **3.41** | **3.41** |
| **Capital reserve (government grant) (as per the last financial statements) [refer note 4(e)]** | **65.49** | **65.49** |
| **Capital redemption reserve (as per the last financial statements)** | **28.53** | **28.53** |
| | | |
| **Debenture redemption reserve** | | |
| Balance as per the last financial statements | 172.36 | 158.62 |
| Add: Amount transferred from (deficit) / surplus in the statement of profit and loss | 49.36 | 122.49 |
| Less: Amount transferred to (deficit) / surplus in the statement of profit and loss on redemption of debentures | (46.25) | (108.75) |
| **Closing balance** | **175.47** | **172.36** |
| **Employee stock option outstanding** | | |
| Balance as per the last financial statements | 0.96 | 0.96 |
| Less: Employee stock compensation for options forfeited during the year | (0.96) | - |
| **Closing balance** | **-** | **0.96** |
| **Securities premium account** | | |
| Balance as per the last financial statements | 6,460.49 | 6,926.79 |
| Add: Received during the year on issue of preference shares / equity shares | 1,429.89 | 23.88 |
| Less: Utilised towards debenture / share issue expenses, debenture / preference shares redemption premium and redemption of preference shares (net of taxes and MAT credit) | (450.20) | (339.04) |
| Add / (less): Transfer from / (transfer to) minority interest | 27.89 | (151.14) |
| **Closing balance** | **7,468.07** | **6,460.49** |
| **Foreign currency translation reserve** | | |
| Balance as per the last financial statements | 419.06 | 337.91 |
| Movement during the year | 14.79 | 81.15 |
| **Closing balance** | **433.85** | **419.06** |
| **Foreign currency monetary items translation difference account** | | |
| Balance as per the last financial statements | 2.37 | (2.51) |
| Movement during the year [Refer note 36(ii)] | (2.42) | 4.88 |
| **Closing balance** | **(0.05)** | **2.37** |
| **Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act [refer note 4(b) and 4(c)]** | | |
| Balance as per the last financial statements | 0.20 | 0.20 |
| Add: Amount transferred from surplus / (deficit) in the statement of profit and loss | 11.82 | - |
| **Closing balance** | **12.02** | **0.20** |
| **(Deficit) / surplus in the statement of profit and loss** | | |
| Balance as per the last financial statements | (1,183.56) | (756.33) |
| (Loss)/ profit for the year | (2,733.29) | 10.01 |
| Appropriations | | |
| Add: Transfer from debenture redemption reserve | 46.25 | 108.75 |
| Less: Transfer to debenture redemption reserve | (49.36) | (122.49) |
| Less: Redemption premium to preference shareholders [refer note 40(i) and 40(ii) respectively] | (13.39) | (464.17) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 4 RESERVES AND SURPLUS (Contd.)

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Add / (less): Transfer of (profit) / loss to minority on dilution of interest in subsidiaries / jointly controlled entities | (7.81) | 98.27 |
| Less: Proposed equity dividend [refer note 4(d)] | - | (38.92) |
| Less: Tax on proposed equity dividend (March 31, 2014: includes tax on equity dividend of ₹ 0.30 crore for the year ended March 31, 2013)) | - | (6.92) |
| Less: Equity dividend [refer note 4(f)] | (4.69) | - |
| Less: Tax on equity dividend | (0.80) | - |
| Less: Net book value of assets whose useful life have expired as at April 1, 2014 as per the Companies Act, 2013 (net of deferred tax of ₹ 7.35 crore) [Refer note 10(7)(i)] | (36.92) | - |
| Less: Transferred to special reserve u/s.45-IC of RBI Act | (11.82) | - |
| Less: Proposed preference share dividend [refer note 4(d)] [March 31, 2014: ₹ 1,868] | (0.01) | (0.00) |
| Less: Dividend distribution tax on proposed preference share dividend [refer note 4(d)] [March 31, 2015: ₹ 23,139; March 31, 2014: ₹ 318] | (0.00) | (0.00) |
| Less: Preference share dividend declared by a subsidiary | (2.16) | (2.16) |
| Less: Dividend distribution tax on preference share dividend declared by a subsidiary | (10.29) | (9.60) |
| Add: Employee stock compensation for options forfeited during the year | 0.96 | - |
| **Net (deficit) / surplus in the statement of profit and loss** | **(4,006.89)** | **(1,183.56)** |
| **Total reserves and surplus** | **4,305.77** | **6,095.18** |

## NOTE 4(a)

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

## NOTE 4(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.

## NOTE 4(c)

During the year ended March 31, 2014, GAL has made an application to the RBI for granting a certificate of registration to carry on the business of Non-Banking Financial Institution i.e. Systematically Important Core Investment Company ('CIC-ND-SI'). During the year ended March 31, 2015, the RBI vide its letter reference DNBS (BG) No. 912/08.01.018/2013-14 dated April 22, 2014 has granted certificate of registration to GAL to commence and carry on the business of a CIC-ND-SI.

## NOTE 4(d)

The Board of Directors of the Company have recommended a dividend of ₹ Nil (March 31, 2014: ₹ 0.10) per equity share of ₹ 1 (March 31,2014: ₹ 1) each for the year ended March 31, 2015 and dividend on preference shares at the rate of 0.001% (March 31,2014: 0.001% on a prorata basis) on Series A CCPS and Series B CCPS for the year ended March 31, 2015.

## NOTE 4(e)

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). During the year ended March 31, 2012, pursuant to dilution in Group's effective holding in GHIAL, ₹ 1.92 crore was transferred to minority interest.

## NOTE 4(f)

During the year ended March 31,2015 pursuant to the issue of shares to QIB before the record date, dividend of ₹ 0.10 per equity share of ₹ 1 each for the year ended March 31,2014 was paid to QIB.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 5 LONG-TERM BORROWINGS

| | Non-current portion | | Current maturities | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Bonds / debentures** | | | | |
| Debentures (secured) | 2,111.54 | 2,249.27 | 212.73 | 48.88 |
| Debentures (unsecured) | - | - | - | 175.00 |
| Foreign currency senior notes (secured) | 1,820.86 | - | - | - |
| **Term loans** | | | | |
| Indian rupee term loans from banks (secured) | 21,942.12 | 16,960.33 | 1,571.04 | 1,334.32 |
| Indian rupee term loans from financial institutions (secured) | 7,290.68 | 6,380.57 | 452.55 | 738.18 |
| Indian rupee term loans from others (secured) | 0.18 | 0.23 | 0.05 | 0.04 |
| Foreign currency loans from banks (secured) | 3,998.31 | 6,061.62 | 2,499.65 | 2,693.60 |
| Foreign currency loans from financial institutions (secured) | 636.91 | 483.92 | - | - |
| Indian rupee term loans from banks (unsecured) | 62.50 | 198.72 | 125.00 | 123.08 |
| Indian rupee term loans from financial institutions (unsecured) | 0.14 | 244.64 | - | 109.41 |
| Indian rupee term loans from others (unsecured) | 13.76 | 10.41 | 1.65 | 7.25 |
| Foreign currency loans from banks (unsecured) | 312.08 | - | 3.15 | - |
| Foreign currency loans from others (unsecured) | 6.51 | 6.25 | - | - |
| Indian rupee term loans against development fees (secured) | 89.06 | 493.89 | 456.20 | 435.76 |
| Supplier's credit (secured) | 37.11 | 53.40 | 18.56 | 17.80 |
| Supplier's credit (unsecured) | 48.00 | 109.00 | - | - |
| **Other loans** | | | | |
| Bills discounted (secured) | - | - | 134.70 | 134.70 |
| Finance lease obligation (secured) | 0.32 | 0.52 | 0.31 | 0.31 |
| Negative grant (unsecured) (Refer note 37) | 5.25 | 31.46 | 61.16 | 34.95 |
| From the State Government of Telangana (unsecured) | 315.05 | - | - | - |
| From the State Government of Andhra Pradesh (unsecured) | - | 315.05 | - | - |
| | **38,690.38** | **33,599.28** | **5,536.75** | **5,853.28** |
| **The above amount includes** | | | | |
| Secured borrowings | 37,927.09 | 32,683.75 | 5,345.79 | 5,403.59 |
| Unsecured borrowings | 763.29 | 915.53 | 190.96 | 449.69 |
| Amount disclosed under the head 'Other current liabilities' (note 9) | - | - | (5,536.75) | (5,853.28) |
| Net amount | **38,690.38** | **33,599.28** | **-** | **-** |

1 During the year ended March 31, 2012, GEL has issued 8,000 secured, redeemable and non-convertible debentures ('NCD') of ₹ 0.10 crore (₹ 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between GEL and ICICI; and (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by GEL with ICICI. These debentures are redeemable at a premium yielding 14.25% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.25% p.a. in thirty seven quarterly unequal instalments commencing from March 2012. As at March 31, 2015, GEL has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.10 crore (₹ 967,500) (March 31, 2014: ₹ 0.10 crore (₹ 977,500)) per debenture. These secured, redeemable and non-convertible debentures are listed on the Wholesale Debt Segment of National Stock Exchange of India Limited.

2 During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non-convertible debentures of ₹ 0.10 crore each to ICICI ('Tranche 1'). During the year ended March 31, 2013, the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non-convertible debentures of ₹ 0.10 crore each ('Tranche 2'). These debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI; and (e) exclusive charge over DSRA maintained by the Company with ICICI. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 2012. As at March 31, 2015, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.10 crore (₹ 967,500) (March 31, 2014: ₹ 0.10 crore (₹ 977,500)) per debenture.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

3 Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by GPEPL amounting to ₹ 507.77 crore (March 31, 2014: ₹ 538.65 crore) bear an interest of 9.38% p.a. and are secured by way of first charge over all assets of GPEPL, both movable (including future annuity receivable) and immovable properties, both present and future, excluding project assets (unless permitted by National Highways Authority of India ('NHAI') under the Concession agreement). These debentures are redeemable in 34 unequal half yearly instalments commencing from April 2010 and ending in October 2026.

4 Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by EMCO amounting to ₹ 75.00 crore (March 31, 2014: ₹ Nil) are secured by way of first pari-passu charge by way of mortgage on all the immovable properties and hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and other movable assets and further secured by first charge/ hypothecation of book debts, operating cash flows, receivables, other current assets, revenues whatsoever in nature, present and future, assignment on all project related documents, all benefits incidental to the project as well as rights under letter of credit or such other security to be provided by the procurer of power under the terms of PPA and pledge of shares representing 51% of the total paid up equity share capital of EMCO. These debentures carry an interest rate of 12.15% p.a. These debentures are repayable in 3 equal instalments in September 2022, September 2023 and November 2023.

5 During the year ended March 31, 2010, the Company had issued 5,000 unsecured redeemable, non-convertible debentures of ₹ 0.10 crore each to a bank which were redeemable at a premium yielding 14.00% p.a. and were repayable in 5 annual unequal instalments commencing from April 2011. The Company has redeemed these debentures in full during the year ended March 31, 2015.

6 During the year ended March 31, 2015, DIAL has issued 6.125% Senior Secured Foreign Currency Notes ('Notes') of ₹ 1,820.86 crore from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February 2022. The notes are secured by a first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account ('TRA'), any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under Operation Management and Development Agreement ('OMDA').

7 Secured Indian rupee term loan from a bank of ₹ 208.33 crore (March 31, 2014: ₹ 250.00 crore) of KSPL is secured by pari passu first charge on land and buildings appurtenant thereon and first ranking exclusive charge over DSRA. Further, secured by an irrevocable and unconditional guarantee given by the Company. The loan is repayable in 12 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. October 2014 and carries an interest rate of 10.00% p.a. plus spread of 5.50% p.a. (March 31, 2014: 10.00% p.a. plus spread of 4.50% p.a.).

8 Secured Indian rupee term loan from a bank of ₹ 179.75 crore (March 31, 2014: ₹ 188.00 crore) of the Company is secured by a first charge over certain immovable properties, aircrafts, lien marked fixed deposit and an exclusive charge on loans and advances provided by the Company out of this loan facility, charge over 30% shares held by GHPL in GMR Sports Private Limited ('GSPL') and non-disposable undertaking with regard to 19% of shareholding of GHPL in GSPL. The loan carries interest rate at base rate of lender plus spread of 1.50% p.a. and is repayable in 8 equal quarterly instalments commencing from June 2016.

9 Secured Indian rupee term loan from a bank of ₹ 50.00 crore (March 31, 2014: ₹ 250.00 crore) of the Company is secured by 10% of cash margin on the outstanding amount in form of lien on fixed deposits in favour of lender and an exclusive charge on loans and advances provided by the Company created out of this facility. The loan carries an interest rate of base rate of lender plus spread of 0.85% p.a. (March 31, 2014: base rate of lender plus spread of 1.50% p.a.) and is repayable in 6 equal quarterly instalments commencing from March 2014.

10 Secured Indian rupee term loans from banks of ₹ 131.79 crore (March 31, 2014: ₹ 136.34 crore) of GHRL are secured by first pari passu charge by way of equitable mortgage of GHRL's immovable properties pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land; further secured by first pari passu charge on the whole of stocks of raw materials, goods-in-process, semi-finished goods and finished goods, consumable stores and spares, book debts, bills, movable plant and machinery, machinery spares, tools and accessories and other movables, whole of equipments including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of GHRL or not, all bank accounts (whether escrow and no lien or otherwise) and all estate, rights, title, interest, benefits, claims and demands, trade receivables, all cash flows and receivables and proceeds of GHRL. Further the loan is secured by corporate guarantee given by GHIAL. The loan carries an interest rate of 12.75% p.a. (March 31, 2014: 12.65% to 12.75% p.a.). The loan is repayable in 48 unequal quarterly instalments commencing from December 2012.

11 Secured Indian rupee term loans from banks and financial institutions of ₹ 1,679.39 crore (March 31, 2014: ₹ 1,684.72 crore) of GHVEPL are secured by way of pari passu first charge over GHVEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GHVEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GHVEPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and collection of tolls unless restricted by NHAI under the concession agreement and by pledge of 1,300,000 equity shares and 7,733,000 preference shares held by GMRHL in GHVEPL. The loans carry an interest rate of 11.25% p.a. (March 31, 2014: 11.75% p.a. till June 2013 and 11.25% p.a. thereafter) and are repayable in 46 unequal quarterly instalments commencing from April 2013.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

12 Secured Indian rupee term loans from a bank of ₹ 35.00 crore (March 31, 2014: ₹ 35.00 crore) of GHVEPL is secured by way of first pari passu charge on the same securities offered as security for the Project Loan mentioned in point 11 above and is repayable in 36 monthly instalments commencing after 24 months from the date of first disbursement i.e., March 2014. The loan carries an interest rate of 2.75% over bank's base rate.

13 Secured Indian rupee term loans from banks of ₹ 255.25 crore (March 31, 2014: ₹ 263.77 crore) of GACEPL are secured by way of pari passu first charge over GACEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GACEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GACEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 2.33 crore and 2.42 crore equity shares of GACEPL held by the Company and GEL respectively. The loans carry an interest at banks base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly instalments commencing from August 2010.

14 Secured Indian rupee term loans from banks of ₹ 205.33 crore (March 31, 2014: ₹ 241.30 crore) of GTTEPL are secured by way of mortgage of all the present and future immovable fixed assets of GTTEPL, hypothecation of movable fixed assets of the GTTEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTTEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee by GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest rate of 7.50% p.a. ±10% spread, now fixed at 8.25% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.

15 Secured Indian rupee term loans from banks of ₹ 695.25 crore (March 31, 2014: ₹ 716.00 crore) of GCORRPL are secured by way of first charge on all immovable and movable properties of GCORRPL, both present and future; assignment of all rights, titles and interests in respect of all assets (as permitted by Concession Agreement) and a first charge on all revenues and receivables and by way of pledge of 26% of paid up equity capital of GCORRPL held by the shareholders. The loans carry an interest of 11.25% p.a. (March 31, 2014: 11.75% p.a.) subject to reset from time to time. During the year ended March 31, 2015, GCORRPL has undertaken negotiation with the lenders pursuant to which, the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 27 unequal half yearly instalments commencing from June 2014.

16 Secured Indian rupee term loans from banks of ₹ 159.20 crore (March 31, 2014: ₹ 186.86 crore) of GTAEPL are secured by way of mortgage of all the present and future immovable fixed assets of GTAEPL, hypothecation of movable fixed assets of GTAEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTAEPL, assignment of revolving LC issued by NHAI, corporate guarantee from GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest of 7.50% p.a. ±10% spread, now fixed at 8.25% p.a. and are repayable in 29 unequal half yearly instalments commencing from November 2005.

17 Secured Indian rupee term loans from banks and financial institutions of ₹ 1,080.00 crore (March 31, 2014: ₹ 1,061.73 crore) of GOSEHHHPL are secured by way of hypothecation of all movable assets of GOSEHHHPL both present and future, first charge / assignment on all intangible assets of GOSEHHHPL but not limited to goodwill, right and undertakings, both present and future, uncalled capital of GOSEHHHPL both present and future, GOSEHHHPL's bank accounts including debt service escrow accounts and first charge / assignment / security interest on GOSEHHHPL's rights, title and interest in the project documents including the substitution agreement. Further these loans are secured by way of pledge of 51% of the equity shares of GOSEHHHPL held by its shareholders. The loans carry an interest rate ranging from 11.15% to 11.25% p.a. (March 31, 2014: 11.25% to 11.75% p.a.) with annual reset and are repayable in 46 unequal quarterly instalments from July 2015 to October 2026.

18 Secured Indian rupee term loans from banks and financial institutions of ₹ 2,971.97 crore (March 31, 2014: ₹ 2,979.56 crore) of DIAL are secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further by the pledge of requisite shares of DIAL held by GAL, Malaysia Airports (Mauritius) Private Limited ('MAMPL') and Fraport AG Frankfurt Airport Services Worldwide ('FAG') (shareholders of DIAL). The rupee term loans from banks and financial institutions carry an interest rate at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranges from 10.70% to 11.75% p.a. (March 31, 2014: 10.90% to 11.75% p.a.). During the year ended March 31, 2015, DIAL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. Indian rupee term loans from banks and financial institutions of ₹ 2,175.97 crore are repayable in 52 quarterly unequal instalments commencing from June 2015 till March 2028 and ₹ 796.00 crore is repayable in 36 quarterly unequal instalments from June 2015 to March 2024.

19 Secured Indian rupee term loan from a bank of ₹ 173.15 crore (March 31, 2014: ₹ 188.40 crore) of DDFS is secured by hypothecation of DDFS's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form and manner satisfactory to the banks. Further secured by a first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institutions) and pledge of 30% of sponsors' shareholding

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

held in DDFS and an escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 11.75% p.a. (March 31, 2014: 13.50% p.a.). The loan of ₹ 172.40 crore is repayable in 36 unequal quarterly instalments commencing from December 2011 to September 2020 and the balance loan of ₹ 0.75 crore is repayable in 11 equal quarterly instalments commencing from June 2015 to December 2017.

20 Secured Indian rupee term loans from banks and financial institutions and foreign currency loans including the interest rate swap ('IRS') arrangement from banks of ₹ 1,733.43 crore (March 31, 2014: ₹ 1,402.90 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land (to the extent of 2,044 acres and 29 guntas) and first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future, as well as assignment of all right, title, interest, benefits, claims and demands available under the concession agreement and other project documents, security interest in the TRA, DSRA and further secured by pledge of 16.41 crore and 2.87 crore equity shares, both present and future, held or to be held, upto 51% of the paid up share capital of GHIAL, as the case may be, by both, GAL and MAHB (Mauritius) Private Limited respectively. The foreign currency loans from banks of ₹ 574.16 crore (March 31, 2014: ₹ 604.90 crore) carry an interest rate of LIBOR plus agreed spread; however GHIAL has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 8.30% p.a. The Indian rupee term loans from banks and financial institutions of ₹ 1,159.27 crore (March 31, 2014: ₹ 798.00 crore) carry interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate ranges from 10.90% to 11.40% p.a. (March 31, 2014: 10.65% to 11.65% p.a.). The secured Indian rupee term loan from banks and financial institutions were refinanced with a moratorium of two years in repayment of loans beginning from September 2014. Out of the above, Indian rupee term loans from banks and financial institutions are repayable in 52 quarterly instalment beginning from July 2016 as against 56 quarterly instalments beginning from July 2010. The secured foreign currency loan from a bank is repayable in 56 quarterly instalments beginning from July 2010.

21 Secured Indian rupee term loan from a bank of ₹ 32.32 crore (March 31, 2014: ₹ 39.78 crore) of CDCTM is secured against charge on fixed assets and surplus account in accordance with an escrow agreement entered with the bank. The loan carries an interest rate of base rate plus 1.25% to 1.50% plus term premia. The loan is partially repayable in 28 equal quarterly instalments commencing from June 2012 and the balance portion is repayable in 20 equal quarterly instalments commencing from September 2014.

22 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,042.58 crore (March 31, 2014: ₹ 2,616.57 crore) of GREL are secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA, other reserves and any other bank accounts of GREL, both present and future. These loans are further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto and further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future, secured by way of pledge of 52.00 crore equity shares of GREL held by GEL. The rate of interest for loans from banks is the base rate of lead bank plus 3.50% to 3.75% p.a. and the rate of interest on loans from financial institution is 12.84% to 13.39% p.a. As per the amendment agreement dated March 27, 2015, the secured Indian rupee term loans from banks of ₹ 2,339.87 crore (March 31, 2014: ₹ 2,073.89 crore) are repayable in 46 quarterly instalments commencing from October 2015. Further, as per additional facility agreement dated March 27, 2015, the secured Indian rupee term loans from banks of ₹ 139.54 crore (March 31, 2014: ₹ Nil) are repayable in 36 quarterly instalments commencing from June 2018 till March 2027. Secured Indian rupee term loans from financial institutions of ₹ 563.17 crore (March 31, 2014 ₹ 542.69 crore) are repayable in 50 quarterly instalments commencing from October 2016. As at March 31, 2015, GREL has defaulted on the payment of interest of ₹ 24.86 crore (March 31, 2014: ₹ Nil) for the months from November 2014 to February 2015.

23 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,880.13 crore (March 31, 2014: ₹ 3,305.95 crore) of GKEL are secured by first mortgage and charge by way of registered mortgage in favour of the lenders / security trustees of all the immovable properties of GKEL, present and future / a first charge by way of hypothecation of all GKEL's movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, present and future, GKEL's stock of raw materials, semi-finished and finished goods and consumable goods, a first charge on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising present and future, intangibles, goodwill, uncalled capital, present and future / first charge on the TRA including the DSRA and other reserves and any other bank accounts, wherever maintained present and future first charge by way of assignment or creation of charge of all the right, title, interest, benefits, claims and demands whatsoever of GKEL in the project documents / in the clearances / in any letter of credit, guarantee, performance bond provided by any party to the project documents and all insurance contracts / insurance proceeds, pledge of shares (in the demat form) representing a minimum of 81.44% (March 31, 2014: 51%) of the total paid up equity share capital of GKEL. From the date of repayment of cost over-run funding of ₹ 550.00 crore, the number of shares under the pledge may be reduced to 51% of the paid up equity share capital of GKEL held by GEL. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The interest rate ranges from 12.65% to 14.10% p.a. (March 31, 2014: 12.75% to 14.50 % p.a.). During the year ended March 31, 2015, GKEL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans (excluding cost overrun funding) are repayable in 47 equal quarterly instalments commencing from April 2015, in line with the revised schedule date of commercial operations. Further, cost overrun funding is repayable in 48 structured quarterly instalments from April 2016. As at March 31, 2015, GKEL has defaulted on the payment of interest of ₹ 78.91 crore (March 31, 2014: ₹ Nil) for the months February 2015 and March 2015.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

24 Secured Indian rupee term loan from a financial institution of ₹ Nil (March 31, 2014: ₹ 300.00 crore) of GKEL was secured by way of hypothecation of all GKEL's movable assets, including movable plant and machinery, machinery spares, tools and accessories, present and future, stock of raw materials, semi-finished and finished goods and consumable goods. Further, secured by charge on book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and intangibles, goodwill, uncalled capital, all rights, title, interest, benefits, claims and demand whatsoever in the project documents, clearance, letter of credit, guarantee, performance bond provided to any party to the project documents, all insurance contracts/insurance proceeds, charge on escrow account, TRA, DSRA and any other bank account, pledge of shares held by the sponsor in dematerialised form in equity share capital representing 30.44% of the total paid up equity capital and pledge of shares held by the sponsor in a dematerialised form in the equity share capital of GGSPPL representing 49% of its total paid up equity capital. The loan carried an interest rate of 13.15% to 13.20% p.a. (March 31, 2014: 13.15% to 13.20% p.a.) and was repayable in a single bullet instalment on the date falling at the expiry of 13 months from the date of first disbursement of the loan. During the year ended March 31, 2015, the entire loan has been repaid.

25 Secured Indian rupee term loans from banks and financial institutions of ₹ 5,996.85 crore (March 31, 2014: ₹ 2,022.35 crore) of GCHEPL are secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on, all GCHEPL's immovable properties, all the movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, intangible goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature wherever arising including Clean Development Mechanism ('CDM') revenue of GCHEPL both present and future and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCHEPL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCHEPL and other rights, claims, etc. and pledge of shares held by the promoters / sponsors constituting 51% of preference and equity shares of GCHEPL (March 31, 2014: 51% of equity shares of GCHEPL), which shall be reduced to 26% of shares on repayment of half of the loans subject to the compliance of conditions put forth by the consortium of rupee lenders and foreign currency lender. All the security described above shall rank pari passu among all the rupee lenders, foreign currency lender and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) to the extent of ₹ 1,340 crore and second charge basis with lenders providing customs / excise bank guarantee and loan equivalent risk limits of ₹ 1,233 crore. The loans carry an interest rate of 13.40% p.a. (March 31, 2014: 13.50% p.a.) except for one lender which charges the rate prevailing at each rupee disbursement. During the year ended March 31, 2015, GCHEPL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. GCHEPL shall repay 70% of the loans in 40 equal quarterly instalments commencing from March 2016 and the balance 30% by way of a single instalment on April 2026, except for one lender to whom the loan is to be repaid in 60 equal quarterly instalments commencing from April 2016 to January 2031. As at March 31, 2015, GCHEPL has defaulted on the payment of interest of ₹ 131.19 crore (March 31, 2014: ₹ Nil) for period from January 2015 to March 2015.

26 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,115.56 crore (March 31, 2014: ₹ 2,644.10 crore) of EMCO are secured by way of a first charge by registered mortgage of all the immovable properties (present and future) and by hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi finished goods and consumable goods. Further, secured by way of a first charge on book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future, retention account, escrow account, DSRA and any other bank account, assignment / hypothecation on all rights, titles, interest, profit, benefits, claims, demand whatsoever of the borrower in the project documents/ clearances pertaining to the project / letter of credit / guarantee / performance bond/ corporate guarantee/ bank guarantee / provided by any party to the project documents as amended from time to time. Further, the loan is secured by pledge of equity shares representing 51% of the total paid up equity share capital of EMCO. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. During the year ended March 31, 2015, EMCO has undertaken refinancing of existing loans, pursuant to which loans amounting to ₹ 2,011.39 crore, are repayable after a moratorium of 18 months with first instalment due in June 2016, further 72% of the loan is repayable in 54 unequal structured quarterly instalments and balance 28% is repayable in September 2029. Certain banks / financial institution which did not participate in refinancing of existing loan amounting to ₹ 999.17 crore, would be repaid to the extent of 70.09% in 43 equal quarterly instalments commencing from the end of the moratorium period i.e. August 2014 and the balance of 29.91% by way of single instalment in May 2025. Further, loan from a bank amounting to ₹ 105.00 crore, is repayable in 20 equal quarterly instalments and first instalment shall commence after a moratorium period of 18 months. These loans carry an interest rate ranging from 12.15% to 13.75% p.a. (March 31, 2014: 13.25% to 14.25% p.a.). As at March 31, 2015, in case of few lenders, EMCO has defaulted in the payment of principal amount of loans of ₹ 13.92 crore (March 31, 2014: ₹ Nil) for the month of February 2015.

27 Secured Indian rupee term loans from banks and financial institutions of ₹ 215.13 crore (March 31, 2014: ₹ 195.95 crore) of GGSPPL except in case of one bank are secured by way of pledge of shares aggregating 51% of the total paid up capital of GGSPPL and first charge by way of mortgage of immovable properties of GGSPPL. Further, rupee term loan from the remaining one bank is secured by a subservient charge/ hypothecation/ mortgage/ assignment/ security interest on all movable and immovable assets present and future in favour of lender or security trustee The rate of interest in case of loans from banks ranges from 12.50% to 13.00% p.a. and in case of loans from financial institution, the rate ranges from 12.00% to 12.62% p.a. (March 31, 2014: loans from banks 12.50% p.a. and loans from financial institution, 12.62% p.a.). During the year ended March 31, 2015, GGSPPL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans from banks and financial institutions are repayable in 47 unequal quarterly instalments commencing from July 2012 to January 2024, except in case of one bank, which is repayable by March 2024.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

28 Secured Indian rupee term loans from banks of ₹ 92.35 crore (March 31, 2014: ₹ 85.99 crore) of MTSCL are secured by way of a first ranking mortgage / hypothecation / assignment/ security interest/ pledge on immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity shares of MTSCL and all rights, titles, permits and interests of MTSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries interest rate in the range of base rate plus spread of 2.75% to 3.00% p.a. (March 31, 2014: base rate plus spread of 2.75% p.a.). Rupee term loan of ₹ 75.35 crore (March 31, 2014: ₹ 85.99 crore) is repayable in 28 equated quarterly instalments commencing from March 2014 and new loan of ₹ 17.00 crore is repayable in 48 quarterly un-equal instalments commencing from June 2015.

29 Secured Indian rupee term loans from banks of ₹ 23.87 crore (March 31, 2014: ₹ 13.93 crore) of ATSCL are secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of ATSCL and all rights, titles, permits, and interests of ATSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries interest rate in the range of base rate plus spread of 2.75% p.a. to 3.00% p.a. (March 31, 2014: base rate plus spread of 2.75% p.a.). Rupee term loan of ₹ 11.87 crore is repayable in 28 equated quarterly instalments commencing from March 2014 and new loan of ₹ 12.00 crore is repayable in 48 quarterly un-equal instalment commencing from June 2015.

30 Secured Indian rupee term loans from banks of ₹ 18.70 crore (March 31, 2014: ₹ 23.10 crore) of DASPL are secured by first charge on DASPL's escrow accounts (i.e. after payment of statutory dues and payment of concession fee to DIAL). The loans carry interest rate at BPLR minus 2.75% p.a., which is subject to reset at the end of agreed interval. The loans are repayable in 32 quarterly instalments commencing from July 2011 till April 2019.

31 Secured Indian rupee term loans from banks of ₹ 26.56 crore (March 31, 2014: ₹ 40.84 crore) of HASSL are secured by an equitable mortgage of leasehold right and title in respect of leasehold land belonging to GHIAL and other immovable properties and first charge on all movables, including movable machinery, machinery spares, tools, accessories, furniture, fixtures, vehicles and other movable assets, book debts, operating cash flows, receivables, intangibles, uncalled capital, commissions, revenues, present and future and assignment of all claims and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.37 crore equity shares of HASSL held by GHIAL. The loan carries interest rate at RBI Prime Lending Rate ('PLR') plus 3.00% p.a. The loan is repayable in 21 equal quarterly instalments commencing from March 2012.

32 Secured Indian rupee term loans from banks of ₹ 49.78 crore (March 31, 2014: ₹ 56.44 crore) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and an exclusive charge on all movable and immovable assets, operating cash flows, book debts, receivables, commissions, revenue of whatsoever nature, both present and future, and an exclusive charge on all bank accounts of the project, including TRA, escrow accounts etc. During the year the rupee term loan has been restructured at an interest rate of 11.00 % p.a. as against an earlier rate of 12.00% p.a. Further, on account of restructuring, GHASL got the additional term loan facility by way of additional funded interest term loan ('FITL'). Further, GHASL also got the moratorium of two years for repayment of loans (term loan and FITL) repayable over 32 unequal quarterly instalments beginning from June 2017 as against an earlier repayment term of over 40 unequal quarterly instalments beginning from November 2013.

33 Secured Indian rupee term loans (including FITL) from banks of ₹ 257.53 crore (March 31, 2014: ₹ 116.00 crore) of GAEL are secured by first pari-passu charge by way of (a) equitable mortgage of leasehold rights of land of GAEL and GATL to the extent of 16.46 acres on which MRO facilities are constructed with all the buildings, structures, etc. on such land; (b) hypothecation of all the movable assets of the GAEL and the subsidiary, GATL, including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets; (c) book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of GAEL and GATL; (d) all rights, title, interests, benefits, claims and demands whatsoever of GAEL and GATL, with respect to the insurance contracts; (e) on all the bank accounts of GAEL and GATL; (f) pledge of 51% of paid up share capital of GAEL held by GHIAL; and (g) un-conditional and irrevocable corporate guarantee of GHIAL pari passu among the lenders for their respective term loans and funded interest term loan. The loans carry interest rate of 11.00% p.a. (March 31, 2014: 12.00% p.a. to 13.00% p.a.). During the year ended March 31, 2015, rupee term loans from banks were restructured with a moratorium period of two years in repayment of loan. The loans are repayable in 40 quarterly unequal instalments beginning from June 2016 as against earlier repayment term of 40 quarterly unequal instalments beginning from February 2014. Further, the interest for a period of 25 months commencing from March 2014 will be converted into FITL and the FITL is repayable in 28 quarterly unequal instalments beginning from June 2016. GAEL has made continuing default in payment of interest of ₹ Nil (March 31, 2014: ₹ 3.76 crore) and principal amount of ₹ Nil (March 31, 2014: ₹ 1.45 crore) on these loans taken. The period of default till March 31, 2015 in respect of interest is Nil (March 31, 2014: 92 days) and principal amount is Nil (March 31, 2014: 38 days).

34 Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2014: ₹ 3.32 crore) of DFSPL were secured against an exclusive charge on receivables of DFSPL through an escrow account maintained by DFSPL, non-disposal undertaking from Devyani International Limited ('DIL') for 60% shareholding in DFSPL, escrow receivables of DFSPL and corporate guarantee of DIL. The loan carried interest at base rate of the lender plus 2.25% p.a. The loans were taken in two tranches, the first tranche was repayable in 28 equal quarterly instalments commencing from September 2011 and the second tranche was repayable in 24 equal quarterly instalments commencing from September 2012. Pursuant to the divestment as detailed in note 31, DFSPL ceased to be a jointly controlled entity during the year ended March 31, 2015 and accordingly the Group has not consolidated financial statements of DFSPL in these consolidated financial statements.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

35 Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2014: ₹ 2.40 crore) of DSSHPL were secured by way of a charge on furniture and fixtures and equipments of DSSHPL installed at various outlets and security deposit of ₹ 0.80 crore given by DSSHPL to DIAL. The loan carried interest at base rate of the lender plus agreed premium minus 1.50% p.a. The loan was repayable in 25 unequal quarterly instalments commencing from March 2011 and ending in March 2017. During the year ended March 31, 2015, DSSHPL was merged with DFSPL and pursuant to the divestment of it's stake in DFSPL as detailed in note 31, the Group has not consolidated the financial statements of DFSPL in these consolidated financial statements.

36 Secured Indian rupee term loans from banks of ₹ 33.93 crore (March 31, 2014: ₹ 38.05 crore) of DAFF are secured by a charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL. The rate of interest is base rate of the lender plus 0.05% to 0.30% p.a. (March 31, 2014: base rate of the lender plus 0.05% to 0.25% p.a.). The loans were taken in two tranches, the first tranche is repayable in 48 quarterly instalments commencing from July 2011 and the second tranche is repayable in 20 quarterly instalments, calculated based on actual disbursements.

37 Secured Indian rupee term loans from banks of ₹ 139.86 crore (March 31, 2014: ₹ 74.31 crore) of DAPSL are secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of pledge of 30% of the issued and paid up capital of DAPSL, to be pledged at all the times during the tenure of loan. The loans carry interest rate ranging from 11.25% to 12.25% p.a. (March 31, 2014: 12.00% to 12.25 % p.a.) subject to reset at the end of every 12 months from the date of first disbursement. The loans were earlier repayable in 36 unequal quarterly instalments commencing from April 2011, however pursuant to refinancing the loans are repayable in 38 quarterly structured instalments commencing from October 2015.

38 Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2014: ₹ 43.26 crore) of DCSCPL were secured by first charge by way of hypothecation of all the current assets, all the movables and intangible assets, rights under concession agreement and pledge of 30% of the shares of DCSCPL held by one of its shareholders. The rate of interest was BPLR minus 2.50% on floating basis. The loans were repayable in 30 unequal quarterly instalments commencing from October 2012. Pursuant to the divestment as detailed in note 31, DCSCPL ceased to be a jointly controlled entity during the year ended March 31, 2015 and accordingly the Group has not consolidated financial statements of DCSCPL in these consolidated financial statements.

39 Secured Indian rupee term loans from banks of ₹ 3.72 crore (March 31, 2014: ₹ 4.86 crore) of TFS are secured by pledge of 30% of the shareholding in TFS and by way of lien on escrow account. The rate of interest ranges from 11.25% to 13.00% p.a. The loans are repayable in 28 equal quarterly instalments commencing from July 2011.

40 Secured Indian rupee term loans from a bank of ₹ 5.40 crore (March 31, 2014: ₹ 7.90 crore) of HDFRL is secured by current assets including stock and such other movables, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts and pledge of 30% of shares of total equity held by GHIAL. As on March 31, 2015, HDFRL has pledged 0.51 crore equity shares as per the sanction terms. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval. The loan carries interest rate ranging from 11.75% to 12.50% p.a. (March 31, 2014: 12.40% to 12.50% p.a.). The loan is repayable in 22 unequal quarterly instalments commencing from March 2012 till March 2017.

41 Secured Indian rupee term loans from banks of ₹ 6.66 crore (March 31, 2014: ₹ 8.61 crore) of TIM are secured by a charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM, both present and future, under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of ₹ 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lender, if any. The loans carry interest rate of 11.75% p.a. (March 31, 2014: 11.50% to 12.50% p.a.) The loans were taken in two tranches, the first tranche is repayable in 24 equal quarterly instalments commencing from December 2011 and the second tranche is repayable in 16 equal quarterly instalments commencing from May 2014.

42 Secured Indian rupee term loans from banks and financial institutions of ₹ 245.12 crore (March 31, 2014: ₹ 45.69 crore) of GBHHPL are secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA and other reserves and any other bank accounts of GBHHPL both present and future. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GBHHPL in the project documents. Further secured by way of pledge of 51% of its equity shares held by GEL. The loans from banks carry interest rate of base rate of the respective lender, plus 300 bbps to 330 bbps (March 31, 2014: base rate of respective lender plus 300 bbps) and the loans from financial institutions carry interest rate of PLR of the respective lender minus 225 bbps except in case of one financial institution, which charges interest rate as per the respective lenders interest rate. The loans are repayable in 54 unequal quarterly instalments commencing from July 2019.

43 Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2014: ₹ 21.61 crore) of GEL was secured by way of an equitable mortgage of immovable properties comprising of land and building acquired with the loan proceeds. The loan was repayable in 120 equated instalments of ₹ 0.74 crore each till August 2011. Further, with effect from September 2011, the loan was repayable in 87 equated monthly instalments of ₹ 0.41 crore each. The rate of interest was BPLR minus 1.00% p.a. During the year ended March 31, 2015, GEL has prepaid the loan in full.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

44 Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2014: ₹ 260.00 crore) of EMCO was secured by a second pari passu charge on all the assets of EMCO, a corporate guarantee provided by GEL and pledge of 26% equity shares of EMCO held by GEL. The beneficial interest in the security were ranked pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. The loan carried an interest rate of 13.15% p.a. (March 31, 2014: 13.25% p.a.) and was repayable at the end of three years from the date of drawdown through a single instalment. However, in case of refinancing of part / entire quantum of term loan, the loan is to be repaid immediately. During the year ended March 31, 2015, the entire loan has been prepaid in full.

45 Secured Indian rupee term loan from a bank of ₹ 92.50 crore (March 31, 2014: ₹ 97.50 crore) of GADL is secured by first exclusive charge on GADL's loans and advances, current assets, cash flows and interest on inter corporate deposits/ sub debt including corporate guarantee from the Company and GAL. The loan is repayable in 28 quarterly instalments commencing from December 2013 and carries an interest rate of 12.25% p.a.

46 Secured Indian rupee term loan from a bank of ₹ 800.00 crore (March 31, 2014: ₹ 900.00 crore) of the Company is secured by (a) subservient charge on the immovable properties and movable assets of EMCO both present and future; (b) subservient charge on non-agricultural land in the State of Andhra Pradesh ('AP') of KSPL; (c) pledge of 46 crore equity shares of the Company, held by GHPL; (d) pledge of 23% equity shares of EMCO held by GEL; (e) pledge of 30% equity shares of GCHEPL held by GEL; (f) pledge of 30% of equity shares of GEL held by GREEL; and (g) subservient charge on immovable properties situated in the State of Gujarat (both present and future) and all movable assets of GGSPPL. The loan carries an interest rate of base rate of lender plus spread of 4.75% p.a. The loan is repayable in 32 structured quarterly instalments commencing from April 2016 and ending in January 2024. There are certain mandatory prepayment events agreed with the bank including divestment of shareholding in ISG (refer note 31), thus leading to a mandatory prepayment of ₹ 200.00 crore in the current year. The Company proposes to further prepay ₹ 300 crore from the funds received from the issue of right shares as detailed in note 3(f) and hence the same has been shown as current maturities of long term borrowings.

47 Secured Indian rupee term loan from a bank of ₹ 250.00 crore (March 31, 2014: ₹ 500.00 crore) of the Company is secured by (a) residual charge over all current assets and movable fixed assets both present and future; (b) first charge over loans and advances both present and future (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding; (c) second charge over cash flows both present and future of GMRHL; (d) exclusive charge over rights and interest of the Group in IBC Knowledge Park property at Bengaluru and (e) pledge of 30% shares of GMRHL. The loan carries interest rate of base rate of lender plus spread of 1.05% p.a. (March 31, 2014: base rate of lender plus spread of 1.50% p.a.) and is repayable in 8 equal quarterly instalments after a moratorium of 39 months from the date of first disbursement. There are certain mandatory prepayment events agreed with the bank including divestment of shareholding in ISG and UEPL (refer note 31) and further issue of equity shares and accordingly the Company has prepaid ₹ 150.00 crore on account of divestment of shareholding in ISG and UEPL and ₹ 100.00 crore out of the proceeds from issue of equity shares on account of QIP. Additionally, the Company has to prepay ₹ 100.00 crore from the funds received from the issue of right shares as detailed in note 3(f) and hence the same has been shown as current maturities of long term borrowings.

48 Secured Indian rupee term loan from a bank of ₹ 225.00 crore (March 31, 2014: ₹ Nil) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposits lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at ₹ 300.00 crore; and (d) non disposable undertaking of the shares of the Company held by GHPL of ₹ 60.00 crore. The loan carries interest of bank's base rate plus 1.00% p.a. and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

49 Secured Indian rupee term loan from a bank of ₹ 330.00 crore (March 31, 2014: ₹ Nil) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at ₹ 210.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on immovable fixed assets owned by GEL or any associate Company/ Group Company/ promoters, such that a cover of 0.5x of the outstanding facility amount (net of fixed deposit margin) is maintained throughout the tenure of the facility; and (f) pledge of 25% equity shares of GVPGL held by GEL. The loan carries interest rate of bank's base rate plus 1.00% p.a. and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 24 months from the date of first disbursement and every 3 months thereafter.

50 Secured Indian rupee term loan from a bank of ₹ 475.00 crore (March 31, 2014: ₹ Nil) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) 10% DSRA of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL valued at ₹ 260.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on office space at Bandra Kurla complex, Mumbai; (f) pledge of 30% shares of GPCL; and (g) non-disposable undertaking of 21% shareholding of GPCL held by GEL. The loan carries interest rate of bank's base rate plus 1.25% p.a. and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The lender has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

51 Secured Indian rupee term loan from a bank of ₹ 150.00 crore (March 31, 2014: ₹ Nil) of GEL is secured by pledge of total paid up equity share capital of GEL held by the Company for an amount equivalent to the loan facility, subject to Banking Regulation Act, 1949 and corporate guarantee by the Company guaranteeing the repayment of the loan and payment of interest and other charges thereon. The loan carries interest rate of base rate of the bank plus 2.00% floating spread with reset option as stipulated by the lender from time to time and is repayable after 3 years from the drawdown date.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

52 Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2014: ₹ 250.00 crore) of the Company was secured by an exclusive first mortgage and charge on non-agricultural lands of NREPL, Sri Varalakshmi Jute Twine Mills Private Limited ('SVJTMPL') and Neozone Properties Private Limited ('NPPL'). The loan carried an interest rate of base rate of lender plus 1.50% p.a. and was repayable in 5 equated monthly instalments commencing from November 2014. During the year ended March 31, 2015, the entire loan has been prepaid.

53 Secured loan from a bank of ₹ 0.50 crore (March 31, 2014: ₹ 0.61 crore) of the Company are secured on certain vehicles of the Company. The loan carries an interest rate of 10.00% p.a. (March 31, 2014: 10.00% p.a.). The loan is repayable in 60 equal monthly instalments commencing from October 2013.

54 Secured Indian rupee term loan from a financial institution of ₹ 700.00 crore (March 31, 2014: ₹ 800.00 crore) of the Company is secured by an exclusive first charge on barge mounted plant of GEL and pledge of 3.32 crore (March 31, 2014: 13.32 crore) equity shares of ₹ 1 each of the Company, held by GHPL. The loan carries an interest rate of 11.75% p.a. and is repayable in 10 equated annual instalments commencing from December 2012.

55 Secured Indian rupee term loans from financial institutions of ₹ 250.00 crore (March 31, 2014: ₹ 250.00 crore) of GMRHL are secured by way of a pledge of 26% equity shares of GMRHL held by the Company. This term loan carries an interest rate of 13% p.a. for the first 13 months from the date of disbursement; 14% p.a. for the next 12 months from the end of 13 months from the date of first disbursement; 15% p.a. for the rest of the tenure of loan and the principle is repayable in a lumpsum within 37 months from the date of agreement i.e. March 2013.

56 Secured Indian rupee term loans from financial institutions of ₹ 20.72 crore (March 31, 2014: ₹ 25.59 crore) of GAPL are secured by way of hypothecation of aircrafts of GAPL and guarantee issued by the Company. The rate of interest ranges from 10.97% to 12.39% p.a. (March 31, 2014: 10.94% to 13.06% p.a.). The loan is repayable in quarterly instalments of ₹ 1.22 crore each with an option to preclose at the end of year 1 and thereafter on every interest reset date with 30 days written notice to the lender without any prepayment premium.

57 Secured Indian rupee term loan from a financial institution of ₹ 700.00 crore (March 31, 2014: ₹ 700.00 crore) of GEL is secured by way of first pari-passu charge on the land of KSPL and corporate guarantee given by the Company. The loan carries an interest of 12.00% p.a. (March 31, 2014: 12.00% p.a.) and is repayable in 6 equal instalments after the fifth year from the date of first disbursement. The loan was taken during the year ended March 31, 2013.

58 Secured Indian rupee term loan from a financial institution of ₹ 150.00 crore (March 31, 2014: ₹ 150.00 crore) of the Company is secured by exclusive first charge on land held by GKSEZ. The loan carries interest rate of 12.00% p.a. (March 31, 2014: 12.00% p.a.). The loan is repayable in 7 equal annual instalments commencing from the end of four years from the date of first disbursement.

59 Secured Indian rupee term loan from a financial institution of ₹ 36.93 crore (March 31, 2014: ₹ 44.00 crore) of the Company is secured by a charge on the assets of the Company. The loan carries interest rate of 14.75% p.a. linked with lender's base rate on reducing balance and is repayable in 57 monthly instalments commencing from April 2014.

60 Secured Indian rupee term loan from a financial institution of ₹ 195.00 crore (March 31, 2014: ₹ 195.00 crore) of the Company is secured by way of (a) first mortgage and charge on non-agriculture lands of SJK; (b) pledge of 2 crore equity shares of ₹ 1 each of the Company, held by GHPL and (c) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 crore held by the Company and in case of default in repayment of loan, the lender has the right to convert the loan into equity. The loan carries an interest rate of 14.25% p.a. and is repayable in 18 quarterly instalments commencing from October 2016.

61 Secured Indian rupee term loan from a financial institution of ₹ 260.00 crore (March 31, 2014: ₹ Nil) of the Company is secured by exclusive first charge on certain immovable properties located in the State of AP owned by NREPL, Corporate Infrastructure Services Private Limited, a fellow subsidiary, SVJTMPL, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi. The loan carries an interest rate of 12.15% p.a. The loan is repayable in 6 equal annual instalments commencing at the end of five years from the date of first disbursement.

62 Secured Indian rupee term loan from a bank of ₹ 70.00 crore (March 31, 2014: ₹ Nil) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of 6.71 crore equity shares of ₹ 1 each of the Company, held by GHPL and (d) Corporate guarantee of GHPL. The loan carries an interest rate of base rate of lender plus spread of 0.85% p.a. and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

63 Secured Indian rupee term loan from a bank of ₹ 120.00 crore (March 31, 2014: ₹ Nil) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of shares of the Company on completion of 18 months from the date of first disbursement to cover the outstanding amount of loan facility less amount of fixed deposit as stated aforesaid on such date; and (d) cross collaterization with existing securities of the Company with the lender. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. The loan is repayable in 16 unequal quarterly instalments commencing after 39 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 18 months from the date of first disbursement and every 3 months thereafter.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

64 Secured Indian rupee term loan from a bank of ₹ 90.00 crore (March 31, 2014: ₹ Nil) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) cross collaterization with existing securities available to the lender under various facilities extended to the Group by the lender; (c) pledge over 8.3% shareholding of GEL held by the Company; (d) exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank; (e) pledge on CCPS invested by GISPL in GCRPL in favour of lender approved correspondent bank; (f) cash flows of GISPL from the underlying contract with the Company or its subsidiaries to be escrowed / charged in favour of lender approved correspondent bank; (g) exclusive charge on loans given to GEL, and / or exclusive charge on all the movable/immovable fixed assets of Raxa Securities Services Private Limited ('RSSL') and / or charge on other assets acceptable to the lender to cover the outstanding loan amount; and (h) DSRA covering interest payment for the first 3 months. The loan carries an interest rate of base rate of lender plus spread of 1.25% p.a. The loan is repayable in 14 unequal semi-annual instalments commencing after 12 months from the date of first disbursement.

65 Secured Indian rupee term loan from a bank of ₹ 171.01 crore (March 31, 2014: ₹ 300.00 crore) of the Company is secured by an exclusive first mortgage and charge on (a) residential property of Mr. G.B.S Raju at Bengaluru; (b) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL'); (c) non-agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at AP; (d) certain immovable property owned by D G Buildwell Private Limited ('DGBPL') in New Delhi; (e) office space of Grandhi Enterprises Private Limited ('GREPL') at Mumbai; (f) an irrevocable and unconditional guarantee of GREPL, BIPL, DGBPL and HJPPL limited to the extent of the value of their property as stated aforesaid; (g) non-agricultural lands of Mr. G. M. Rao; (h) commercial apartment owned by HFEPL; and (i) an irrevocable and unconditional guarantee of GHPL, BIPL and HFEPL and demand promissory note equal to principal amount of the loan and interest payable on the loan. The loan carries an interest rate of base rate of lender plus applicable spread of 3.25% p.a. and is repayable in 13 equal quarterly instalments commencing from July 2015 as per the revised agreement dated April 10, 2015. The Company proposes to prepay ₹ 60.79 crore from the funds received from issue of right shares as detailed in note 3(f) and hence the same has been shown as current maturities of long term borrowings, along with the quarterly instalments.

66 Secured loan from others of ₹ 0.23 crore (March 31, 2014: ₹ 0.27 crore) of the Company is secured by certain vehicles of the Company. The loan carries an interest rate of 10.33% p.a. (March 31, 2014: 10.33% p.a.) and is repayable in 60 equal monthly instalments commencing from April 2014.

67 Secured foreign currency loans from banks of ₹ 346.07 crore (March 31, 2014: ₹ 335.36 crore) of GKEL are secured by first ranking charge/ assignment / mortgage / hypothecation / security interest on pari passu basis on all the immovable (including land) and movable properties (excluding mining equipment's) including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicles and other movable assets of GKEL, both present and future in relation to the project, all the tangible and intangible assets including but not limited to its goodwill, undertaking and uncalled capital, both present and future in relation to the project, all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any person under the project documents, all the rights, titles, permits, clearances, approvals and interests of GKEL in, to and in respect of the project documents and all contracts relating to the project, all the book debts, operating cash flows, receivables, all other current assets, commission, revenues of GKEL, both present and future in relation to the project and all the accounts and all the bank accounts of GKEL in relation to the project and pledge of shares (in the demat form) held by GEL, constituting 51% of the shares which shall be reduced to 26% of shares on repayment of half the loans subject to the compliance of conditions put forth by the lenders. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The rate of interest for each interest period is the rate p.a. which is aggregate of six months LIBOR and the applicable margin calculated at two business days prior to the relevant interest period. GKEL has to repay 1% p.a. of the total foreign currency loans drawdown amount commencing 12 months from the initial drawdown date for first four years and thereafter the balance amount is to be paid in 32 quarterly instalments from fifth year onwards.

68 Secured foreign currency loans from a bank of ₹ 144.81 crore (March 31, 2014: ₹ 311.63 crore) of GIML is secured by way of pledge of shares of GISPL held by GIML and further secured by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 6.45% (March 31, 2014: LIBOR plus 3.50% to 6.45%). The loan is repayable in 3 equal annual instalments commencing from August 2013.

69 Secured foreign currency loan from a bank of ₹ 104.84 crore (March 31, 2014: ₹ 100.57 crore) of MTSCL is secured by way of first ranking mortgage / hypothecation / assignment / security interest / pledge on (a) the immovable property comprising of land and building both present and future; (b) movable current assets both present and future; (c) pledge of shares representing 30% of the total equity shares of MTSCL held by GEL; and (d) all rights, titles, permits and interests of MTSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries an interest at LIBOR plus 4.50% p.a. MTSCL has entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The effective rate of interest is 11.20% p.a. The entire foreign currency loan is repayable as a single instalment in May 2018.

70 Secured foreign currency loans from banks of ₹ 575.39 crore (March 31, 2014: ₹ 2,443.14 crore) of DIAL are secured by first rank pari-passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further secured by the pledge of requisite shares held by the consortium of GAL, MAMPL and FAG (shareholders of DIAL). The loans carry an interest at 6 months

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

LIBOR plus agreed spread of 480 bbps. However, DIAL had entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per terms of the loan agreement. During the year ended March 31, 2015, DIAL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 23 unequal half yearly instalments commencing from December 2013 to December 2024.

71 Secured foreign currency loans from banks of ₹ 84.10 crore (March 31, 2014: ₹ 80.67 crore) of GENBV are secured by pledge of shares of GENBV, pledge of 100% shares of PTDSU, PTDSI, and PT, non-disposal undertaking from PTDSI and PT for their entire shareholding in PTBSL, non-disposal undertaking from GEL for its shareholding in GEML and non disposal undertaking of 100% shareholding of GEML in GECL and undertaking by the Group to retain 51% direct ownership and control in GEL. Further secured by way of an irrevocable and unconditional guarantee by the Company and charge over escrow of cash flows from PTDSU, PTDSI, PTBSL, and PT including dividends and cash sweeps. The rate of interest is LIBOR plus 550 bbps. The loan was repayable in 3 equal annual instalments commencing from February 2013 and ending in February 2015. GENBV has defaulted in repayment of final instalment which was due in February 2015 and the same is outstanding as at March 31, 2015.

72 Secured foreign currency loan from a bank of ₹ 104.62 crore (March 31, 2014: ₹ 100.35 crore) of ATSCL is secured by way of first ranking mortgage / hypothecation / assignment / security interest / pledge on (a) the immovable property comprising of land and building, both present and future acquired; (b) movable current assets both present and future; (c) pledge of shares representing 30% of the total equity shares of ATSCL; and (d) all rights, titles, permits and interest of ATSCL in respect of all the assets, project documentation, including all insurance contracts and clearances. The loan carries an interest at LIBOR plus 4.50% p.a. ATSCL has entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The effective rate of interest is 10.71% p.a. The entire foreign currency loan is repayable as a single instalment in December 2017.

73 Secured foreign currency loans from banks of ₹ 2,388.46 crore (March 31, 2014: ₹ 2,697.74 crore) of GCRPL are secured by a charge over all tangible and intangible assets of GCRPL and a charge over the shares of GCRPL held by GEL and the Company. Further, secured by way of guarantee by the Company and a non-disposable undertaking with respect to shares held in PTGEMS by GCRPL. The loan carries interest rate of six month LIBOR plus 4.25% p.a. The term loans are repayable in 4 instalments of 5% of the loans within 24 months from the first utilisation date i.e. in October 2011, 10% within 36 months from the first utilisation date, 10% within 48 months from the first utilization date and the final instalment of 75% on the maturity date i.e. in October 2016.

74 Secured foreign currency loans from banks amounting to ₹ 1,008.96 crore (March 31, 2014: ₹ 967.84 crore) of GMIAL are secured by first charge / assignment of all revenues and receivables of GMIAL from the project or otherwise, first charge of existing and future movable properties, all banks accounts including without limitation, the escrow accounts and each of the other accounts required to be created by GMIAL under any project document or contract, all intangible assets including but not limited to the goodwill, undertaking, uncalled capital and intellectual property rights, assignments of all the rights, titles, and interests of GMIAL from all contractors, insurances, licenses in, to, and under all assets of the project, all project documents, which GMIAL is a party to including contractor guarantees, liquidated damages and all other contracts relating to the project, a first charge or assignment of all the rights, titles, interests, benefits, claims and demands whatsoever of GMIAL in any letter of credit, guarantee, performance bonds, provided by EPC contractors, or any party to the project documents, lender's security package listed in the project documents, including substitution rights and termination payments due in respect of the project in specified circumstances and pledge of 51% of the equity share capital of GMIAL. As per the direct agreement signed between Maldives Airport Company Limited ('MACL'), Government of Maldives ('GoM'), lenders and GMIAL, GoM has guaranteed the loan of GMIAL to the lenders. All the securities created would be shared on pari passu basis amongst the lenders participating in the facility and the lenders providing the operations and maintenance bonds, works bonds, capex LCs, working capital facilities and interest and currency hedge providers. The rate of interest is six months LIBOR plus 375 bbps. The loan was originally repayable in half yearly instalments commencing from June 2015. However, pursuant to the takeover of control of Ibrahim Nasir International Airport ('Male airport') by MACL/GoM, the bank has served a notice of events default on December 7, 2012 and has recalled the total loan outstanding. Accordingly, the loans have been classified as current maturities of long term borrowings. However, GMIAL is in the process of negotiating with the bank to defer the loan repayment till the process of arbitration is complete. During the year ended March 31, 2015, GMIAL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. As at March 31, 2015, the bank has extended the repayment of the loans till June 2015.

75 Secured foreign currency loan from a bank of ₹ 252.24 crore (March 31, 2014: ₹ 241.96 crore) of PTBSL is secured by a charge over insurance, inventory, plant and machinery, receivables of PTBSL and further secured by corporate guarantee from the Company. The loan carries an interest rate of LIBOR plus 6.07% p.a. and is repayable in 10 half yearly instalments commencing after 42 months from the first utilisation date.

76 Secured foreign currency loans from banks of ₹ 6.25 crore (March 31, 2014: ₹ Nil) of GUKPL is secured by mortgage of land and building existing or to be created in future owned by GUKPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender by GEL and also secured by way of acknowledgment letter from Government of Nepal through Investment Board of the Government of Nepal, as per Section 14.1 of Project Development Agreement of GUKPL's assignment/transfer of GUKPL's rights or benefits. Further secured by way of assignment of rights and benefits as per Section 14.1 of Project Development Agreement and hypothecation of entire work in progress. The bridge gap loan is for three years from the first disbursement date (i.e. December 2014) or till three months after financial closure whichever is earlier. The loan carries interest rate at 8.50 % p.a. The interest rate shall be reviewed semi-annually.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

77 Secured foreign currency loan from a financial institution of ₹ 636.91 crore (March 31, 2014: ₹ 483.92 crore) of GCHEPL is secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on all GCHEPL's immovable and movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and wherever arising including CDM revenue of GCHEPL both present and future and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCHEPL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCHEPL and other rights, claims, etc. and pledge of shares held by promoters / sponsors constituting 51% of preference and equity shares of GCHEPL (March 31, 2014: 51% of equity shares of GCHEPL), which shall be reduced to 26% on repayment of half of the loans subject to compliance of conditions put forth by the consortium of rupee term lenders and foreign currency lenders. All the security described above shall rank pari passu among all the rupee lenders, foreign currency lender and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) and second charge basis with lenders providing customs / excise bank guarantee and loan equivalent risk limits. The loan carries an interest rate of six months USD LIBOR plus margin that ranges from 215 bbps to 410 bbps (March 31, 2014: rate of six months USD LIBOR plus margin of 215 bbps). During the year ended March 31, 2015, GCHEPL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled to be repaid in 68 unequal quarterly instalments commencing from May 2016 to February 2033. (March 31, 2014: April 2015 and ending in January 2032).

78 Unsecured Indian rupee term loan from a bank of ₹ 187.50 crore (March 31, 2014: ₹ 250.00 crore) of GPCL is to be secured by second charge over all current assets (inventory, book debts, bank accounts and investments) and an exclusive charge over DSRA of GPCL subject to receipt of no objection from the existing working capital lenders. Pending receipt of no objection certificate from the existing lenders, the loan has been classified as unsecured during the current year ended March 31, 2015. The above term loan is repayable in 8 equal quarterly instalments commencing from the end of 15 months from the date of first disbursement i.e. July 2013 and carries an interest rate of 14.60% p.a. (March 31, 2014: 13.35% to 14.60% p.a.).

79 Unsecured Indian rupee loans from banks of ₹ Nil (March 31, 2014: ₹ 221.80 crore) of GHIAL were guaranteed by the Company. The rate of interest was base rate plus agreed spread, which was subject to reset at the end of agreed interval. The interest rate during the year was 12.00% p.a. (March 31, 2014: 11.75% to 12.00% p.a.). The loans were repayable in 43 unequal quarterly instalments commencing from October 2012. During the year ended March 31, 2015, the loans were refinanced and converted into secured term loans from banks.

80 Unsecured Indian rupee term loan from a bank of ₹ Nil (March 31, 2014: ₹ 100.00 crore) of GEL carried an interest rate of base rate of the bank plus 1.75% p.a. and was repayable in four equal quarterly instalments from the end of 15 months from the date of first disbursement. During the year ended March 31, 2015, GEL has repaid the loan in full.

81 Unsecured Indian rupee term loan from a financial institution of ₹ Nil (March 31, 2014: ₹ 183.33 crore) of the Company was secured by way of corporate guarantee issued by GHPL and pledge of Nil (March 31, 2014: 26.92 crore) equity shares of ₹ 1 each of the Company, held by GHPL. The loan carried periodic rates of interest as agreed with the lenders. The loan was repayable in 3 equated annual instalments commencing from August 2013; however the entire loan has been prepaid during the year ended March 31, 2015

82 Unsecured Indian rupee loan from a financial institution of ₹ Nil (March 31, 2014: ₹ 170.36 crore) of GHIAL was guaranteed by the Company. The rate of interest was base rate plus agreed spread and was subject to reset at the end of agreed interval, which was 11.65% p.a. The loan was repayable in 41 quarterly instalments commencing from March 2013. During the year ended March 31, 2015, the loan was refinanced and converted into secured term loans from banks and financial institutions.

83 Unsecured Indian rupee loans from a financial institution of ₹ 0.14 crore (March 31, 2014: ₹ 0.36 crore) of WAISL carry an interest rate of 10.50% p.a. The loan is repayable in 72 equal monthly instalments commencing from January 2012 to December 2017.

84 Unsecured Indian rupee term loan from others of ₹ Nil (March 31, 2014: ₹ 0.91 crore) of DCSCPL was interest free. The loan was payable after 48 months from the date of disbursement. Pursuant to the divestment as detailed in note 31, DCSCPL ceased to be a jointly controlled entity during the year ended March 31, 2015 and accordingly the Group has not consolidated financial statements of DCSCPL in these consolidated financial statements.

85 Unsecured Indian rupee term loan from others of ₹ 14.51 crore (March 31, 2014: ₹ 14.51 crore) of Laqshya is interest free. The loan is repayable in 6 unequal annual instalments commencing from the year 2015 to 2021.

86 Unsecured Indian rupee term loan from others of ₹ 0.90 crore (March 31, 2014: ₹ 1.00 crore) of HMACPL is interest free. The loan is repayable in 15 equal annual instalments of ₹ 0.10 crore each commencing from April 2009.

87 Unsecured Indian rupee term loan from others of ₹ Nil (March 31, 2014: ₹ 1.25 crore) of DSSHPL carried an interest rate of base rate plus 2.5% p.a. Loans of ₹ 0.56 crore were repayable in 45 equal monthly instalments commencing from November 2011 and loans of ₹ 0.69 crore were repayable in 8 equal quarterly instalments after completion of one year of moratorium period. During the year ended March 31, 2015, DSSHPL was merged with DFSPL and pursuant to the divestment of the it's stake in DFSPL as detailed in note 31, the Group has not consolidated the financial statements of DFSPL in these consolidated financial statements.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 5 LONG-TERM BORROWINGS** (Contd.)

88 Unsecured foreign currency loan from a bank of ₹ 315.23 crore (March 31, 2014: ₹ Nil) of GISPL is secured by an irrecoverable and unconditional standby letter of credit up to a limit of USD 5.00 crore guaranteed by the Company. The loan carries an interest at 6 months LIBOR plus margin of 3.07% p.a. and is repayable over a period of 5 years over 9 instalments of 1% within 12 months from the first utilisation date, 1% within 18 months from the first utilisation date, 1.25% within 24 months from the first utilisation date, 2.50% within 30 months from the first utilisation date, 7.50% within 36 months from the first utilisation date, 9.25% within 42 months from the first utilisation date, 9.50% within 48 months from the first utilisation date, 9.50% within 54 months from the first utilisation date and a final instalment of 58.50% on the maturity period of 60 months.

89 Secured foreign currency loan from a bank of ₹ 908.06 crore (March 31, 2014: ₹ 871.06 crore) of GIML is secured by certain fixed deposits of GIML and by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 200 bbps. The loan is repayable in July 2015.

90 Unsecured foreign currency loans from others of ₹ 6.51 crore (March 31, 2014: ₹ 6.25 crore) of CDCTM carries an interest rate of six month LIBOR rate plus spread of 500 bbps and is repayable in a single instalment on maturity i.e. May 2018.

91 Secured Indian rupee term loans from banks and financial institutions against development fees receipts of ₹ 545.26 crore (March 31, 2014: ₹ 929.65 crore) of DIAL are secured by pari passu first charge on development fees. The loans are repayable from collection of development fees receipts and the repayment commitments are as per the loan agreement. The loans carry fixed rate of interest at 11.50% p.a.

92 Secured suppliers' credit of ₹ 55.67 crore (March 31, 2014: ₹ 71.20 crore) of GAPL is secured by way of hypothecation of aircrafts, guarantee issued by the Company and a bank guarantee given by GAPL. The rate of interest is six months LIBOR plus spread of 115 bbps. The interest rate is hedged at 3.66% p.a. The loan is repayable in 16 equal half yearly instalments commencing from April 2010.

93 Unsecured suppliers' credit of ₹ Nil (March 31, 2014: ₹ 61.00 crore) of GVPGL was interest free and was repayable in a single instalment on December 31, 2018. The rights, benefits and obligations under this suppliers' credit were assigned to Grandhi Enterprises Private Limited ('GREPL'), on terms accepted by GVPGL. Further, GREPL had assigned the credit facilities to Prolific Finvest Private Limited ('assignee') ('PFPL'). The assignee on acceptance by GVPGL had an option to convert the above facility into fully convertible debentures at par to be issued by GVPGL. During the year ended March 31, 2015, GVPGL has settled the Supplier's credit in full.

94 Unsecured suppliers' credit of ₹ 48.00 crore of GGSPPL (March 31, 2014: ₹ 48.00 crore) represents interest free retention money repayable after 15 years i.e. within December 2026.

95 Bills discounted of ₹ 134.70 crore (March 31, 2014: ₹ 134.70 crore) of GEL are secured by first charge over the current assets of GEL and second charge over the entire fixed assets of GEL. The securities are shared on a pari passu basis with existing charge holders. The amount was repayable in April 2015 and has been further renewed till May 2015 and GEL has applied for further extension.

96 Finance lease obligations of ₹ 0.63 crore (March 31, 2014: ₹ 0.84 crore) of GPCL are secured by underlying assets taken on finance lease arrangement. The lease term is of 4 to 5 years and it carries an interest of 10.00% p.a. (March 31, 2014: 8.50% to 10.00% p.a.).

97 Negative grant of ₹ 66.41 crore (March 31, 2014: ₹ 66.41 crore) of GACEPL is interest free. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2015, an amount of ₹ 34.95 crore (March 31, 2014: ₹ 17.48 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. Refer note 37.

98 Interest free loan from others of ₹ 315.05 crore (March 31, 2014: ₹ 315.05 crore) of GHIAL received from the State Government of Telangana (March 31, 2014: erstwhile State Government of Andhra Pradesh) is repayable in 5 equal instalments commencing from 16th anniversary of the commercial operations date of GHIAL i.e. March 2008.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 6 OTHER LONG-TERM LIABILITIES**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Trade payables | 21.03 | 20.97 |
| | **21.03** | **20.97** |
| **Others** | | |
| Advance / deposits received from customers | 252.82 | 290.33 |
| Unearned revenue | 17.37 | 22.14 |
| Deposits / advances from concessionaires | 6.66 | 3.21 |
| Deposits / advances from commercial property developers | 1,471.51 | 1,471.51 |
| Concession fee payable | 157.88 | 140.16 |
| Non-trade payable (including retention money) | 157.83 | 471.36 |
| | **2,064.07** | **2,398.71** |
| | **2,085.10** | **2,419.68** |

**NOTE 7 PROVISIONS**

| Particulars | Long-term | | Short-term | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Provision for employee benefits** | | | | |
| Provision for gratuity (refer note 48) | 6.89 | 2.91 | 0.55 | 0.42 |
| Provision for leave benefits | - | - | 64.74 | 46.13 |
| Provision for voluntary retirement compensation (refer note 51) | 52.50 | 70.76 | 18.26 | 18.72 |
| Provision for other employee benefits | - | - | 34.96 | 51.09 |
| | **59.39** | **73.67** | **118.51** | **116.36** |
| **Other provisions** | | | | |
| Provision for taxation (net) | - | - | 38.41 | 45.55 |
| Provision for wealth tax | - | - | 0.01 | 0.01 |
| Provision for debenture redemption premium | - | - | 4.81 | 9.52 |
| Provision for preference shares redemption premium | - | - | - | 11.62 |
| Provision for mark to market losses on derivate contracts | - | - | 45.99 | - |
| Provision for operation and maintenance (net of advances) (refer note 51) | - | 4.78 | 56.39 | 58.18 |
| Proposed equity dividend | - | - | - | 38.92 |
| Provision for tax on proposed equity dividend | - | - | 6.42 | 9.73 |
| Proposed preference dividend | - | - | 0.55 | 0.54 |
| Provision for tax on proposed preference dividend | - | - | 0.11 | 0.09 |
| | **-** | **4.78** | **152.69** | **174.16** |
| | **59.39** | **78.45** | **271.20** | **290.52** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 8 SHORT TERM BORROWINGS

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| **Secured:** | | |
| Cash credit and overdraft from banks | 436.27 | 490.21 |
| Letters of credit/ bills discounted | 201.35 | 3,158.25 |
| Indian rupee short term loans from banks | 802.16 | 950.92 |
| Foreign currency short term loans from banks | 650.62 | 323.31 |
| Indian rupee short term loans from financial institutions | 388.76 | 160.56 |
| **Unsecured:** | | |
| Foreign currency short term loan from banks | 772.48 | 414.36 |
| Letters of credit / bills discounted | - | 61.76 |
| Indian rupee short term loans from banks | 258.50 | - |
| Indian rupee short term loans from others | 1.04 | 28.80 |
| | **3,511.18** | **5,588.17** |
| **The above amount includes** | | |
| Secured borrowings | 2,479.16 | 5,083.25 |
| Unsecured borrowings | 1,032.02 | 504.92 |
| | **3,511.18** | **5,588.17** |

1 Cash credit from a bank of ₹ 0.03 crore (March 31, 2014: ₹ 47.67 crore) of GHIAL is secured by way of first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future and a second ranking charge by way of mortgage of leasehold right title, interest and benefit in respect of leasehold land (to an extent of 2,044 acres and 29 guntas) but not limited to documents of title to the goods. The rate of interest is 12.75% p.a. (March 31, 2014: 12.50% p.a.).

2 Cash credit from a bank of ₹ 0.02 crore (March 31, 2014: ₹ Nil) of HDFRL is secured by way of pari passu charge on current assets including stock, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts, a pledge of 30% of shares of total equity share capital of HDFRL held by GHIAL. The rate of interest is ranging from 11.75% to 12.50% p.a. (March 31, 2014: 12.40% to 12.50% p.a.).

3 Cash credit from a bank of ₹ 0.54 crore (March 31, 2014: ₹ Nil) of TIM is secured by charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM both present and future under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of ₹ 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lenders, if any. The rate of interest is 12.25% p.a. (March 31, 2014: 12.00% to 12.50% p.a.).

4 Cash credit from a bank of ₹ Nil (March 31, 2014: ₹ 125.19 crore) of DIAL is secured by first rank pari passu charge on all the future revenues / receivables (excluding dues to Airports Authority of India ('AAI')) and all insurance policies, contractors' guarantees and liquidated damages and all the rights, titles, interests, permits in respect of the project documents as permissible under the Project documents of DIAL, to the extent permissible under OMDA. The facility is further secured by the pledge of requisite shares held by consortium of GAL, MAMPL and FAG (shareholders of DIAL). The rate of interest is base rate plus spread of 2.00% p.a. (March 31, 2014: base rate plus spread of 2.75% p.a.), which is subject to reset at the end of agreed interval.

5 Cash credit from a bank of ₹ 2.95 crore (March 31, 2014: ₹ Nil) of GETL is secured by exclusive charge on current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is 13.03% p.a.

6 Cash credit from a bank of ₹ 0.18 crore (March 31, 2014: ₹ 0.36 crore) of GAPL is secured by way of a corporate guarantee from the Company and a charge over current assets of GAPL. The rate of interest is 14.35% p.a. (March 31, 2014: 14.35% p.a.).

7 Cash credit from a bank of ₹ 22.41 crore (March 31, 2014: ₹ 8.11 crore) of GATL is secured by first charge on entire current assets and cash flows including stocks, receivables, bank balances etc., first pari passu charge by way of extension of equitable mortgage of leasehold rights of land to the extent of 16.46 acres registered in the name of GAEL on which MRO facilities have been created along with all the buildings and structures, first pari passu charge by way of hypothecation of all the movable assets belonging to GATL and GAEL and including but not limited to plant and machinery, machinery spares, tools and accessories and corporate guarantee from GAEL. The rate of interest is base rate of the bank plus 4.00% p.a. (March 31, 2014: base rate of the bank plus 4.00% p.a.).

8 Cash credit from a bank of ₹ 4.96 crore (March 31, 2014: ₹ 4.98 crore) of GHRL is secured by way of first pari passu charge on entire current assets and cash flows including stocks, receivables, bank balances etc. with existing term lenders and collateral first pari passu charge by way of extension of equitable mortgage of the immovable properties and assets pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land. The rate of interest is ranging from base rate of the lender plus 2.50% to 3.80% p.a. (March 31, 2014: base rate of the lender plus 2.50% p.a.).

9 Cash credit from banks of ₹ 60.17 crore (March 31, 2014: ₹ 42.13 crore) of GKEL are secured by way of first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 8 SHORT-TERM BORROWINGS** (Contd.)

and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 51% of the total paid up equity share capital of GKEL held by GEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders. The rate of interest is ranging from 12.50% to 13.50% p.a. (March 31, 2014: 12.50% to 13.20% p.a.).

10 Cash credit from banks of ₹ 148.58 crore (March 31, 2014: ₹ 96.07 crore) of EMCO are secured by way of a first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 51% of the total paid up equity share capital of EMCO. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements/ bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. The rate of interest is ranging from base rate of the lender plus 2.25% to 2.75% p.a. (March 2014: base rate of the lender plus 2.25% p.a.).

11 Cash credit from a bank of ₹ 0.28 crore (March 31, 2014: ₹ Nil) of DASPL is secured by way of first charge on DASPL escrow account after payment of statutory dues and dues to DIAL. The rate of interest is bank prime lending rate minus 2.25%, which is subject to reset at the end of agreed interval.

12 Cash credit from banks of ₹ 24.68 crore (March 31, 2014: ₹ 8.19 crore) of DDFS are secured by first charge by way of hypothecation on DDFS's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank and first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institution), in a form and manner satisfactory to the bank and pledge of 30% of sponsors' shareholding in DDFS worth ₹ 24.00 crore in accordance with section 19(2) and 19(3) of the Banking Regulation Act and escrow agreement between the bank and DDFS for first and exclusive charge on receivables. The rate of interest is 13.25% p.a. (March 31, 2014: 13.25% p.a.).

13 Bank overdraft of ₹ 93.44 crore (March 31, 2014: ₹ 20.87 crore) of GPCL is secured by way of first charge on current assets (inventories and book debts) and second charge on movable assets (other than current assets) of GPCL. The beneficial interest in the security shall rank pari passu among rupee lender and lenders participating in the bank borrowings for the working capital requirements. The rate of interest is ranging from 13.00% to 15.50% p.a. (March 31, 2014: 13.00% to 14.75% p.a.).

14 Bank overdraft of ₹ 78.03 crore (March 31, 2014: ₹ 136.64 crore) of the Company is secured by a first charge on current assets of the EPC division of the Company and a lien on fixed deposits with banks amounting to ₹ 20.55 crore of the Company and the rate of interest is ranging from 13.00% to 13.75% p.a. (March 31, 2014: 13.50% p.a.)

15 Domestic letters of credit of ₹ 201.35 crore (March 31, 2014: ₹ 1,695.53 crore) and foreign letters of credit of ₹ Nil (March 31, 2014: ₹ 1,462.72 crore) of GCHEPL are sub limit to rupee term loans as per the facility agreement entered into by GCHEPL and are secured in the same manner and terms and conditions as that of rupee term loans of GCHEPL. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. Rate of interest of domestic letters of credit is ranging from 9.65% to 11.75% p.a. and foreign letters of credit is ranging from 0.92% to 1.01% p.a. (March 31, 2014: 0.82% to 1.25% p.a.).

16 Secured Indian rupee short term loans from banks and financial institutions of ₹ 494.81 crore (March 31, 2014: ₹ 422.08 crore) of KSPL are secured by way of a charge on fixed deposits of the Company and other group companies. The rate of interest is interest rate on fixed deposit plus 1.00% p.a. or base rate whichever is higher. As at March 31, 2015, KSPL has defaulted in the payment of interest of ₹ 3.36 crore (March 31, 2014: ₹ 1.38 crore) for the months of February 2015 and March 2015.

17 Secured Indian rupee short term loan from a bank of ₹ 2.94 crore (March 31, 2014: ₹ Nil) of GCAPL is secured against fixed deposits of GCAPL. The rate of interest is 10.25% p.a.

18 Secured Indian rupee short term loan from a bank of ₹ 130.00 crore (March 31, 2014: ₹ 280.00 crore) of GEL is secured by 10% cash margin in the form of fixed deposit lien marked in favour of the bank. The rate of interest is base rate plus 1.25% p.a. and is repayable in eight equal quarterly instalments commencing from the end of 36th month from the date of first disbursement. GEL has prepaid loan aggregating to ₹ 50.00 crore and ₹ 150.00 crore during the years ended March 31, 2014 and March 31, 2015 respectively. Further, the bank has a put option for full or part of the facility amount at the end of 4.5 months from the date of first disbursement and every 3 months thereafter.

19 Secured Indian rupee short term loan from a bank of ₹ 2.20 crore (March 31, 2014: ₹ 2.21 crore) of CDCTM is secured against trade receivables including unbilled revenue. The rate of interest is ranging from 11.50% to 12.00% p.a.

20 Secured Indian rupee short term loan from a bank of ₹ 5.15 crore (March 31, 2014: ₹ Nil) of GETL is secured by an exclusive charge over the current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is 12.82% p.a.

21 Secured Indian rupee short term loans from a bank of ₹ Nil (March 31, 2014: ₹ 1.14 crore) of DAFF was secured by way of charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL and rate of interest was 10.30% p.a. (March 31, 2014: 10.25% p.a.).

22 Secured Indian rupee short term loan from banks of ₹ 140.79 crore (March 31, 2014: ₹ 140.79 crore) of GETL are secured against GPCL's bank deposits. The interest rate is ranging from 10.00% to 10.65% p.a. (March 31, 2014: 10.25% to 10.65% p.a.).

23 Secured Indian rupee short term loans from banks of ₹ 189.99 crore (March 31, 2014: ₹ 189.99 crore) of GEL are secured against fixed deposits of GPCL and GVPGL and the rate of interest is ranging from 9.75% to 12.00% p.a.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 8 SHORT-TERM BORROWINGS (Contd.)

24 Secured Indian rupee short term loans from banks of ₹ 68.29 crore (March 31, 2014: ₹ 75.27 crore) of DSPL are secured against fixed deposits of certain Group Companies. The rate of interest is ranging from 10.25% to 11.30% p.a. (March 31, 2014: 10.25% to 10.50% p.a.).

25 Secured foreign currency short term loans from banks of ₹ Nil (March 31, 2014: ₹ 314.46 crore) of GREL were sub limit to rupee term loans as per the facility agreement entered into by GREL and were secured in the same manner and terms and conditions as that of rupee term loans of GREL. The security details of the rupee term loans have been disclosed in note 5. The rate of interest is 6 months LIBOR plus 350 bbps. During the year ended March 31, 2015, these loans were partially converted into long term rupee term loans and the remaining portion was repaid.

26 Secured foreign currency short term loan from a bank of ₹ 9.55 crore (March 31, 2014: ₹ 8.85 crore) of PTGEMS bears an interest rate ranging from 5.25% to 5.50% p.a. (March 31, 2014: 5.50% p.a.) and is secured against trade receivables / inventories and margin money deposits of PTGEMS.

27 Secured foreign currency short term loans from a bank of ₹ 641.07 crore (March 31, 2014: ₹ Nil) of GMCAC is secured against the collateral security of all monies standing in the project debt accounts, all receivables under loans and advances extended by the assignor to GMCAC, all termination payments payable to GMCAC and sponsors under the concession agreement, the proceeds, products and fruits of all the foregoing and the 100% of the total issued and the outstanding capital of GMCAC. The rate of interest is 3.75% p.a.

28 Secured Indian rupee short term loans from a financial institution of ₹ 156.75 crore (March 31, 2014: ₹ Nil) of GEL is secured against (a) exclusive charge by way of pledge on 100% equity shares of GPEL; (b) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (d) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (e) cross collateralisation with existing securities (including pledge of the Company's shares, mortgage of properties, DSRA deposits and others at the sole discretion of the financial institution) offered for the existing facilities extended to the Group by the lender under the existing loan agreements; (f) corporate guarantee of GMRHL and (g) DSRA deposit of 1 quarter principal and interest obligations on roll over basis. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter has an option to require GEL to repay the entire loan. The rate of interest is lender's benchmark rate plus 4.00% p.a. spread. The loan is repayable unequally over a period of four years, after a moratorium period of six months.

29 Unsecured foreign currency short term loan from a bank of ₹ 340.52 crore (March 31, 2014: ₹ Nil) of GISPL is secured by a standby letter of credit provided by the Group, up to a limit of USD 5.50 crore and bears interest at 3 months LIBOR plus margin of 1.25% p.a.

30 Unsecured foreign currency short term loans from a bank of ₹ 431.96 crore (March 31, 2014: ₹ 414.36 crore) of GALM is secured through corporate guarantee by GAL. The rate of interest upto March 10, 2015 was 3 months LIBOR plus 375 bbps and from March 11, 2015 the rate of interest has been reduced to 1 month LIBOR plus 125 bbps.

31 Bills of ₹ Nil (March 31, 2014: ₹ 61.76 crore) of PTGEMS carried an interest rate of 2.25% p.a.

32 Unsecured Indian rupee short term loans from banks of ₹ 70.00 crore (March 31, 2014: ₹ Nil) of GETL carry an interest rate of 11.30% p.a.

33 Unsecured Indian rupee short term loans from a bank of ₹ 188.50 crore (March 31, 2014: ₹ Nil) of GBHPL carries an interest rate of 11.30% p.a.

34 Unsecured short term loans from others of ₹ Nil (March 31, 2014: ₹ 28.80 crore) of GETL carried an interest rate of 13.00% p.a.

35 Unsecured short term loans from others of ₹ 1.04 crore (March 31, 2014: ₹ Nil) of WAISL taken from Wipro Limited, carries an interest rate of 10.00% p.a.

## NOTE 9 OTHER CURRENT LIABILITIES

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| **Trade payables (including acceptances)** | 2,035.08 | 1,759.31 |
| | **2,035.08** | **1,759.31** |
| **Other liabilities** | | |
| Current maturities of long-term borrowings (refer note 5) | 5,536.75 | 5,853.28 |
| Deposits / advances from concessionaires | 11.68 | 15.10 |
| Deposits / advances from commercial property developers | 93.41 | 98.14 |
| Interest accrued but not due on borrowings | 202.13 | 299.86 |
| Interest accrued and due on borrowings | 238.32 | 5.14 |
| Others | | |
| Advances / deposits from customers | 1,380.00 | 1,305.23 |
| Non trade payables (including retention money) | 2,583.71 | 2,618.70 |
| Statutory dues payable | 81.12 | 69.31 |
| Unearned revenue | 72.13 | 59.01 |
| Development fee accrued (to the extent not utilised) (refer note 41) | 41.17 | 150.04 |
| Book Overdraft | 22.76 | 2.36 |
| Other liabilities | 94.34 | 71.67 |
| | **10,357.52** | **10,547.84** |
| | **12,392.60** | **12,307.15** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 10 TANGIBLE ASSETS**

(₹ in crore)

| | Freehold land | Leasehold land | Runways, taxiways, aprons etc. | Buildings (including roads) | Bridges, Culverts, Bunders etc. | Plant and machinery | Leasehold improvements | Office equipments (including computers) | Furniture and fixtures (including electrical installations and equipments) | Vehicles and aircrafts | Leased assets - plant and machinery | Leased assets - office equipments | Leased assets - vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross block** | | | | | | | | | | | | | | |
| **Cost or Valuation** | | | | | | | | | | | | | | |
| As at April 1, 2013 | 267.80 | 123.53 | 2,685.38 | 8,224.22 | - | 9,415.02 | 259.36 | 587.64 | 343.44 | 334.67 | 2.46 | 5.39 | 0.07 | 22,248.98 |
| Additions | 5.34 | 79.47 | 9.69 | 492.37 | - | 6,160.42 | 13.90 | 12.95 | 17.36 | 171.75 | - | - | - | 6,963.25 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | 17.55 | - | - | 23.14 | - | 3.82 | 9.52 | 1.58 | 6.16 | 0.12 | - | - | - | 61.89 |
| Disposals | - | - | - | (8.46) | - | (3.46) | (0.27) | (4.19) | (2.34) | (187.25) | - | - | - | (205.97) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | - | - | (1,307.66) | - | (9.33) | (6.56) | (1.09) | (16.32) | (0.99) | - | - | - | (1,341.95) |
| Adjustments against development fund ('DF') | - | - | 0.33 | 1.56 | - | 0.97 | - | - | 0.04 | - | - | - | - | 2.90 |
| Exchange differences | 0.02 | (4.50) | 37.35 | 362.80 | - | 413.34 | 4.60 | 5.31 | 11.93 | 7.91 | - | - | - | 838.76 |
| Borrowing costs | - | - | - | 66.36 | - | 816.63 | - | - | - | - | - | - | - | 882.99 |
| Other adjustments | - | 4.76 | 6.82 | 43.54 | - | (78.03) | - | (0.38) | 14.17 | 4.12 | - | (5.39) | - | (10.39) |
| **As at March 31, 2014** | **290.71** | **203.26** | **2,739.57** | **7,897.87** | **-** | **16,719.38** | **280.55** | **601.82** | **374.44** | **330.33** | **2.46** | **-** | **0.07** | **29,440.46** |
| Reclassification | - | 18.74 | (160.54) | (355.12) | 394.19 | (777.06) | (18.74) | (229.25) | 1,127.22 | - | - | - | - | (0.56) |
| Additions | 81.81 | 27.62 | 7.01 | 55.99 | - | 505.80 | 5.87 | 16.44 | 19.23 | 2.91 | - | - | - | 722.68 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | 9.57 | - | - | 176.89 | - | 58.68 | - | 2.81 | 13.49 | 0.10 | - | - | - | 261.54 |
| Disposals | (4.30) | (1.00) | - | (2.16) | - | (3.74) | (1.66) | (23.35) | (5.90) | (6.08) | - | - | - | (48.19) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | - | - | (37.48) | - | (12.82) | (6.42) | (1.68) | (5.85) | - | - | - | - | (64.25) |
| Adjustments against development fund ('DF') | - | - | 0.56 | 2.50 | 0.11 | 1.26 | - | - | 0.44 | - | - | - | - | 4.87 |
| Exchange differences | 0.01 | 0.37 | 15.35 | 63.19 | 2.17 | 55.31 | (1.18) | 2.14 | 11.84 | 2.79 | - | - | - | 151.99 |
| Borrowing costs | - | - | - | 2.37 | - | 88.19 | - | - | - | - | - | - | - | 90.56 |
| Other adjustments | - | - | - | (28.56) | - | (75.52) | - | - | - | - | - | - | - | (104.08) |
| **As at March 31, 2015** | **377.80** | **248.99** | **2,601.95** | **7,775.49** | **396.47** | **16,559.48** | **258.42** | **368.93** | **1,534.91** | **330.05** | **2.46** | **-** | **0.07** | **30,455.02** |
| **Accumulated depreciation** | | | | | | | | | | | | | | |
| As at April 1, 2013 | - | - | 355.79 | 989.81 | - | 2,362.29 | 26.57 | 255.37 | 108.99 | 76.21 | 1.98 | 5.39 | 0.07 | 4,182.47 |
| Charge for the year | - | 5.24 | 101.35 | 329.23 | - | 636.59 | 10.88 | 53.45 | 39.09 | 25.78 | 0.48 | - | - | 1,202.09 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | - | 1.05 | - | 1.80 | 2.20 | 0.81 | 3.31 | 0.08 | - | - | - | 9.25 |
| Disposals | - | - | - | (2.06) | - | (0.29) | - | (3.13) | (1.28) | (9.35) | - | - | - | (16.11) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | - | - | (300.50) | - | (4.09) | (1.53) | (0.45) | (11.38) | (0.50) | - | - | - | (318.45) |
| Exchange differences | - | (0.98) | - | 38.88 | - | 0.31 | 1.22 | 0.41 | 1.68 | 0.02 | - | - | - | 41.54 |
| Other adjustments | - | 6.34 | 0.58 | 4.22 | - | (7.58) | - | (0.31) | 2.42 | 0.78 | - | (5.39) | - | 1.06 |
| **As at March 31, 2014** | **-** | **10.60** | **457.72** | **1,060.63** | **-** | **2,989.03** | **39.34** | **306.15** | **142.83** | **93.02** | **2.46** | **-** | **0.07** | **5,101.85** |
| Reclassification | - | - | (9.77) | (53.27) | 60.79 | (182.06) | 0.53 | (47.25) | 230.55 | - | - | - | - | (0.48) |
| Charge for the year | - | 8.41 | 107.87 | 330.38 | 13.17 | 791.69 | 14.28 | 39.91 | 196.10 | 24.69 | - | - | - | 1,526.50 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | - | 27.59 | - | 10.17 | - | 1.16 | 4.05 | 0.03 | - | - | - | 43.00 |
| Disposals | - | (0.03) | - | (0.35) | - | (1.01) | (1.62) | (16.94) | (4.04) | (4.30) | - | - | - | (28.29) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | - | - | (4.92) | - | (5.76) | (2.65) | (1.11) | (2.28) | - | - | - | - | (16.72) |
| Exchange differences | - | 0.01 | - | (0.57) | - | 0.11 | (0.50) | (0.02) | 0.11 | (0.01) | - | - | - | (0.87) |
| Other adjustments | - | - | - | - | - | 2.24 | - | 41.42 | 0.05 | 0.16 | - | - | - | 43.87 |
| **As at March 31, 2015** | **-** | **18.99** | **555.82** | **1,359.49** | **73.96** | **3,604.41** | **49.38** | **323.32** | **567.37** | **113.59** | **2.46** | **-** | **0.07** | **6,668.86** |
| **Accumulated impairment** | | | | | | | | | | | | | | |
| As at April 1, 2013 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Charge for the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2014 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Charge for the year | - | - | - | - | - | 18.00 | - | - | - | - | - | - | - | 18.00 |
| Other adjustments | - | - | - | - | - | 7.64 | - | - | - | - | - | - | - | 7.64 |
| **As at March 31, 2015** | **-** | **-** | **-** | **-** | **-** | **25.64** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **25.64** |
| **Net Block** | | | | | | | | | | | | | | |
| **As at March 31, 2014** | **290.71** | **192.66** | **2,281.85** | **6,837.24** | **-** | **13,730.35** | **241.21** | **295.67** | **231.61** | **237.31** | **-** | **-** | **-** | **24,338.61** |
| **As at March 31, 2015** | **377.80** | **230.00** | **2,046.13** | **6,416.00** | **322.51** | **12,929.43** | **209.04** | **45.61** | **967.54** | **216.46** | **-** | **-** | **-** | **23,760.52** |

**Notes:**

1. Buildings with a gross book value of ₹ 7,165.88 crore (March 31, 2014: ₹ 6,919.74 crore), runways, taxiways, aprons, bridges, culverts, bunders etc.are on leasehold land.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 10 TANGIBLE ASSETS** (Contd.)

2. Additions on inclusion / additional stake in subsidiaries / jointly controlled entities includes:
   a. Gross block of ₹ 99.98 crore and accumulated depreciation of ₹ 12.67 crore pertaining to GAEL during the year ended March 31, 2015.
   b. Gross block of ₹ 16.89 crore and accumulated depreciation of ₹ 2.47 crore pertaining to GATL during the year ended March 31, 2015.
   c. Gross block of ₹ 135.10 crore and accumulated depreciation of ₹ 27.86 crore pertaining to DAPSL during the year ended March 31, 2015.
   d. Gross block of ₹ 3.08 crore pertaining to LPPL during the year ended March 31, 2015.
   e. Gross block of ₹ 6.49 crore pertaining to SUPPL during the year ended March 31, 2015.
   f. Gross block of ₹ 34.94 crore and accumulated depreciation of ₹ 1.10 crore pertaining to HFEPL during the year ended March 31, 2014.
   g. Gross block of ₹ 6.83 crore pertaining to NREPL during the year ended March 31, 2014.
   h. Gross block of ₹ 20.12 crore and accumulated depreciation of ₹ 8.15 crore pertaining to DDFS during the year ended March 31, 2014.
3. Deletions on disposal / dilution of subsidiaries / jointly controlled entities includes:
   a. Gross block of ₹ 52.96 crore and accumulated depreciation of ₹ 11.71 crore pertaining to DCSCPL during the year ended March 31, 2015.
   b. Gross block of ₹ 11.29 crore and accumulated depreciation of ₹ 5.01 crore pertaining to DFSPL during the year ended March 31, 2015.
   c. Gross block of ₹ 1,334.24 crore and accumulated depreciation of ₹ 314.86 crore pertaining to ISG during the year ended March 31, 2014.
   d. Gross Block of ₹ 7.71 crore and accumulated depreciation of ₹ 3.59 crore pertaining to SGH, LGM, UEPL, EDWPCPL and TVS GMR during the year ended March 31, 2014.
4. Disposals in Gross block includes ₹ 5.33 crore (March 31, 2014: ₹ 6.39 crore) pertaining to reversal of outstanding liabilities related to project construction which are no longer payable in case of GHIAL and reversal of accumulated depreciation thereon amounting to ₹ 5.08 crore (March 31, 2014: ₹ 1.18 crore)has been adjusted with the depreciation for the year ended March 31, 2015.
5. DF collection charges of ₹ 4.87 crore (March 31, 2014: ₹ 2.90 crore) paid towards development of aeronautical assets in DIAL is capitalised. Refer note 41(ii)(a).
6. During the year ended March 31, 2015, the Group has reclassified some of its assets to new categories pursuant to the introduction of Schedule II of the Companies Act, 2013.
7. Other adjustments / reclassifications in the gross block and accumulated depreciation includes:
   a. Adjustments in gross block of ₹ 24.47 crore (March 31, 2014: ₹ 4.70 crore) and accumulated depreciation of Nil (March 31, 2014: ₹ 0.55 crore)of DIAL towards reduction in liability in final settlement with vendors in respect of Terminal 3. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   b. Adjustments in gross block of ₹ Nil (March 31, 2014: ₹ 4.70 crore) and accumulated depreciation of ₹ Nil (March 31, 2014: ₹ 0.08 crore) of GHASL on reversal of outstanding liabilities pertaining to project construction which are no longer payable.
   c. Adjustments in gross block of ₹ 34.00 crore (March 31, 2014: ₹ Nil) in plant and machinery of GVPGL towards reduction in liability of ₹ 61.00 crore on final settlement of interest free 'Supplier's credit' for ₹ 27.00 crore. As the facility was originally provided by the EPC contractor, the Group has adjusted the difference of ₹ 34.00 crore towards 'Plant and machinery'. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   d. Reclassification of gross block ₹ 0.56 crore (March 31, 2014: ₹ 0.36 crore) and accumulated depreciation of ₹ 0.48 crore (March 31, 2014: ₹0.36 crore) from tangible assets to intangible assets.
   e. Adjustments in gross block of ₹ Nil(March 31, 2014: ₹ 8.47 crore) and in accumulated depreciation of ₹ Nil(March 31, 2014: ₹ 6.34 crore)in leasehold land on account of reclassification of leasehold land from prepaid expenses in a jointly controlled entity.
   f. De-capitalisation in EMCO of ₹ 26.08 crore (March 31, 2014: ₹ Nil) in plant and machinery on account of settlement with a capital vendor and refund received of ₹ 15.40 crore (March 31, 2014: ₹ Nil) from Power Grid Corporation of India Limited ('PGCIL') in respect of point of connection charges paid earlier and refund received from Maharashtra Industrial Development Corporation ('MIDC') in respect of lease hold land ₹ Nil (March 31, 2014: ₹ 3.71 crore). The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   g. Adjustments in gross block of ₹ 4.13 crore (March 31, 2014: ₹ Nil) of GAEL on reversal of outstanding liabilities which are no longer payable. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   h. Other adjustments of ₹ 5.39 crore in gross block and ₹ 5.39 crore in accumulated depreciation of leased office equipments during the year ended March 31, 2014 represents represent deletion of leased office equipments pursuant to the completion of finance lease period in GEL.
   i. Other adjustments in accumulated depreciation includes:
      i. In accordance with the provisions of Schedule II of the Companies Act, 2013, the Group has revised the estimated useful lives of its fixed assets of its domestic companies with effect from April 01, 2014 except for certain power sector companies (as detailed in note 10(7)(i)(ii) below) which are following the rates prescribed as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations,

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 10 **TANGIBLE ASSETS** (Contd.)

2009 and certain assets in Companies in airport sector as stated in note 10(7)(i)(iii) below. Accordingly, the net book value of the fixed assets as at April 01, 2014, is being depreciated on a prospective basis over the remaining useful life, wherever applicable. This change in accounting estimate has resulted in increase in depreciation and amortization expenses for the year ended March 31, 2015 by ₹ 245.69 crore. Further, in case of fixed assets whose useful life on such reassessment had expired as of April 01, 2014, net book value of ₹ 44.27 crore (including deferred tax charge of ₹ 7.35 crore) (including tangible assets ₹ 43.87 crore and intangible assets ₹ 0.40 crore) is adjusted with the deficit in the consolidated statement of profit and loss as of April 01, 2014.

ii. The Group has revised the estimated useful lives of its fixed assets with effect from April 01, 2014 from the rates prescribed as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 to the provisions of Schedule II of the Companies Act, 2013, in case of certain domestic power sector Companies, except in case of plant and machinery for which useful life is considered as 25 years as prescribed by Central Electricity Regulatory Commission being the regulatory authority in the energy sector. Accordingly, the net book value of the fixed assets as at April 01, 2014, is being depreciated on a prospective basis over the remaining useful life, wherever applicable. This change in accounting estimate has resulted in decrease in depreciation and amortization expenses for the year ended March 31, 2015 by ₹ 53.69 crore with an corresponding increase in the net block of tangible assets.

iii. On June 12, 2014, the Airport Economic Regulatory Authority ('the Authority') has issued a consultation paper whereby it proposes to lay down, to the extent required, the depreciation rates for certain airport assets. Pending issuance of final notification by the Authority on the useful lives of airport specific assets, the Group has continued to depreciate these assets over their estimated useful lives as determined by the management of the Group based on technical evaluation.

8. Foreign exchange differences in gross block:
   a. Foreign exchange gain of ₹ 4.65 crore (March 31, 2014: ₹ 230.53 crore) on account of the effect of translation of assets held by foreign entities which are consolidated as non-integral foreign operations as per the requirements of AS - 11.
   b. Foreign exchange loss of ₹ 147.34 crore (March 31, 2014: ₹ 608.23 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets. Refer note 36(i)
9. Depreciation for the year includes ₹ 11.66 crore (March 31, 2014: ₹ 3.88 crore) relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in note 32(a) and intangible assets under development in note 32 (b).
10. Foreign exchange differences in accumulated depreciation represents foreign exchange gain of ₹ 0.87 crore (March 31, 2014: ₹ 41.54 crore foreign exchange loss) on account of the effect of translation of assets held by foreign entities which are consolidated as non-integral foreign operations as per the requirements of AS - 11.
11. Disposals from vehicles and aircraft during the year ended March 31, 2014 include sale of two aircrafts with gross block of ₹ 182.71 crore and accumulated depreciation of ₹ 7.15 crore.
12. EMCO has declared commercial operations of first phase of project on March 19, 2013 and second phase of the project on September 01, 2013. Accordingly the tangible assets and intangible assets have been capitalised on these dates based on the completion certified by the technical team of EMCO. Claims / Counter claims arising out of the project related EPC contracts and non-EPC contracts on account of delays in commissioning of the project and other reasons is pending settlement/ negotiations with the respective vendors. The management believes that any adjustments on account of aforesaid claims/counter claims by the vendors would be adjusted to the cost of the fixed assets in the year of settlement / crystallisation.
13. GKEL has declared commercial operation of Phase 1 of the project constituting Unit 1, 2 and 3 of 350 MW each on April 29, 2013, November 11, 2013 and March 24, 2014 respectively. Accordingly the tangible assets and intangible assets have been capitalised on the dates based on the completion certified by the technical team of GKEL. Certain common items of Phase 2, consisting of Unit 4, which is put to use along with Phase 1 have also been capitalised. Claims/ Counter claims arising out of the project related contracts including EPC contracts and Non-EPC vendors on account of delays in commissioning of the project or any other reasons is pending settlement / negotiations with concerned vendors. GKEL has considered its best estimate of cost on the work completed based on the contract, work and purchase orders issued where the final bills are pending to be received /approved. Any adjustment on account of these contracts / bills would be adjusted to the cost of fixed asset in the year of settlement / crystallisation.
14. Impairment of plant and machinery of ₹ 25.64 crore (including ₹ 7.64 crore during the year ended March 31, 2014 transferred from capital work-in-progress), represents impairment of plant and machinery of ATSCL and GGSPPL. For details, refer note 44(iv) and note 44(v).
15. Additions to plant and machinery include trial run costs of ₹ Nil (March 31, 2014: ₹ 217. 89 crore of GKEL and ₹ 34.61 crore of EMCO).
16. During the year ended March 31, 2014, MTSCL has completed all the works and requested Rajasthan Rajya Vidyut Prasaran Nigam Limited ('RRVPNL') for issue of Commercial Operation Date ('COD') for the project to commence operations. However, RRVPNL have accepted 70% completion w.e.f December 16, 2013. Accordingly, MTSCL had capitalised 70% of the cost incurred in respect of tangible assets during the previous year. During the year ended March 31, 2015, MTSCL has capitalised balance 30% of the cost incurred in respect of tangible assets, pending approval from RRVPNL and the management of the Group is confident of obtaining the pending approval for the remaining 30% of the project.
17. Also refer note 2.1 for changes in useful lives/ depreciation rates of tangible assets.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 11 INTANGIBLE ASSETS** (₹ in crore)

| Particulars | Goodwill on consolidation | Airport concessionaire rights | Capitalised software | Carriageways | Mining properties (including deferred exploration and stripping costs) | Technical know-how | Total |
|---|---|---|---|---|---|---|---|
| **Gross block** | | | | | | | |
| **Cost or Valuation** | | | | | | | |
| As at April 1, 2013 | 3,261.84 | 508.48 | 103.46 | 6,145.13 | 228.20 | 17.03 | 10,264.14 |
| Additions | 77.90 | 1.13 | 4.09 | 765.44 | 54.41 | - | 902.97 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | 1.08 | - | - | - | 1.08 |
| Disposals | - | - | (0.51) | (0.26) | - | - | (0.77) |
| Disposals of the assets impaired in earlier years | - | - | - | - | (98.76) | - | (98.76) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | (11.87) | - | (1,012.10) | - | - | (1,023.97) |
| Exchange differences | 221.43 | 1.74 | (0.39) | - | (11.01) | - | 211.77 |
| Borrowing costs | - | - | - | 98.22 | - | - | 98.22 |
| Other adjustments | - | - | 0.36 | (6.25) | - | - | (5.89) |
| **As at March 31, 2014** | **3,561.17** | **499.48** | **108.09** | **5,990.18** | **172.84** | **17.03** | **10,348.79** |
| Reclassification | - | - | 0.56 | - | - | - | 0.56 |
| Additions | 188.82 | 789.89 | 3.09 | 282.53 | 60.95 | 0.58 | 1,325.86 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | 4.40 | - | - | 17.60 | 22.00 |
| Disposals | - | - | (0.01) | - | - | - | (0.01) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | (1.30) | (0.43) | - | - | - | (1.73) |
| Exchange differences | 94.41 | 27.80 | 0.04 | - | 3.05 | - | 125.30 |
| Borrowing costs | - | - | - | 70.43 | - | - | 70.43 |
| Other adjustments | - | - | - | (0.93) | (27.22) | (3.85) | (32.00) |
| **As at March 31, 2015** | **3,844.40** | **1,315.87** | **115.74** | **6,342.21** | **209.62** | **31.36** | **11,859.20** |
| **Accumulated amortization** | | | | | | | |
| As at April 1, 2013 | - | 49.63 | 58.14 | 660.53 | 24.76 | 4.90 | 797.96 |
| Charge for the year | - | 9.52 | 17.85 | 189.59 | 36.56 | 4.08 | 257.60 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | 0.94 | - | - | - | 0.94 |
| Disposals | - | - | (0.43) | - | - | - | (0.43) |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | (6.69) | - | (100.91) | - | - | (107.60) |
| Exchange differences | - | 0.94 | (0.17) | - | (1.48) | - | (0.71) |
| Other adjustments | - | - | 0.36 | - | - | - | 0.36 |
| **As at March 31, 2014** | **-** | **53.40** | **76.69** | **749.21** | **59.84** | **8.98** | **948.12** |
| Reclassification | - | - | 0.48 | - | - | - | 0.48 |
| Charge for the year | 38.56 | 13.78 | 14.24 | 200.06 | 28.98 | 2.80 | 298.42 |
| Additions on inclusion / additional stake in subsidiaries / jointly controlled entities | - | - | 2.96 | - | - | 10.58 | 13.54 |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities | - | (1.30) | (0.38) | - | - | - | (1.68) |
| Exchange differences | - | 0.18 | - | - | 1.05 | - | 1.23 |
| Other adjustments | - | - | 0.40 | - | (21.30) | - | (20.90) |
| **As at March 31, 2015** | **38.56** | **66.06** | **94.39** | **949.27** | **68.57** | **22.36** | **1,239.21** |
| **Accumulated impairment** | | | | | | | |
| As at April 1, 2013 | 98.71 | - | - | - | 98.76 | - | 197.47 |
| Charge for the year | 1.31 | - | - | - | - | - | 1.31 |
| Disposals | - | - | - | - | (98.76) | - | (98.76) |
| **As at March 31, 2014** | **100.02** | **-** | **-** | **-** | **-** | **-** | **100.02** |
| Charge for the year | 97.74 | - | - | - | - | - | 97.74 |
| **As at March 31, 2015** | **197.76** | **-** | **-** | **-** | **-** | **-** | **197.76** |
| **Net Block** | | | | | | | |
| **As at March 31, 2014** | **3,461.15** | **446.08** | **31.40** | **5,240.97** | **113.00** | **8.05** | **9,300.65** |
| **As at March 31, 2015** | **3,608.08** | **1,249.81** | **21.35** | **5,392.94** | **141.05** | **9.00** | **10,422.23** |

**Notes:**

1. Additions in goodwill for the year ended March 31, 2015 represents :
    a. Deferred Consideration ₹ 120.22 crore to the erstwhile shareholders of PTDSU as per share purchase agreement.Refer note 44(i).
    b. ₹ 32.66 crore arising out of acquisition of additional stake in DAPSL by GISPL.
    c. ₹ 35.94 crore arising out of acquisition of additional stake in GAEL and GATL by GHIAL

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE | 11 | INTANGIBLE ASSETS** (Contd.)

2. Additions in goodwill for the year ended March 31, 2014 represents goodwill on acquisition of additional stake in DDFS ₹ 75.45 crore and acquisition of NREPL and HFEPL ₹ 2.45 crore.
3. Additions in airport concessionaire rights during the year ended March 31, 2015 represents bid premium paid by GMCAC to the Mactan-Cebu International Airport Authority and Department of Transportation and Communication, Republic of the Philippines for the Mactan-Cebu International Airport Project.
4. Additions on inclusion / additional stake in subsidiaries / jointly controlled entities in capitalised software and technical know-how, as applicable, include:
   a. Gross block of ₹ 0.01 crore and accumulated amortisation of ₹ 0.01 crore pertaining to GAEL during the year ended March 31, 2015.
   b. Gross block of ₹ 21.85 crore and accumulated amortisation of ₹ 13.51 crore pertaining to GATL during the year ended March 31, 2015.
   c. Gross block of ₹ 0.14 crore and accumulated amortisation of ₹ 0.02 crore pertaining to DAPSL during the year ended March 31, 2015.
   d. Gross block of ₹ 0.90 crore and accumulated amortisation of ₹ 0.82 crore pertaining to DDFS during the year ended March 31, 2014.
   e. Gross block of ₹ 0.18 crore and accumulated amortisation of ₹ 0.12 crore pertaining to HFEPL during the year ended March 31, 2014.
5. Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities during the year ended March 31, 2015 in airport concessionaire rights and capitalised software include:
   a. Gross block of ₹ 1.44 crore and accumulated amortisation of ₹ 1.39 crore pertaining to DCSCPL.
   b. Gross block of ₹ 0.29 crore and accumulated amortisation of ₹ 0.29 crore pertaining to DFSPL.
6. Deletions on disposal / dilution of equity stake in subsidiaries / jointly controlled entities in carriageways during the year ended March 31, 2014 represents divestment of shareholding in UEPL. For details, refer note 31(e).
7. Deletions on disposal / dilution of equity stake in subsidiaries / jointly controlled entities in Airport concessionaire rights during the year ended March 31, 2014 represents divestment of shareholding in ISG and LGM. For details, refer note 31(a).
8. Impairment of goodwill represents:
   a. ₹ 61.80 crore of SJK during the year ended March 31, 2015. For details refer note 44(ix).
   b. ₹ 35.94 crore of GAEL and GATL during the year ended March 31, 2015. For details, refer note 42(ii).
   c. ₹ 1.31 crore of MTSCL and ATSCL during the year ended March 31, 2014. For details, refer 44(iv).
9. Exchange difference in goodwill on consolidation represents foreign exchange gain of ₹ 94.41 crore (March 31, 2014: ₹ 221.43 crore) on account of effect of translation of goodwill arising out of consolidation of foreign subsidiaries / jointly controlled entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.
10. Foreign exchange differences in gross block includes foreign exchange gain of ₹ 30.89 crore (March 31, 2014: foreign exchange loss of ₹ 9.66 crore) on account of the effect of translation of intangible assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.
11. Amortisation for the year includes ₹ 0.73 crore (March 31, 2014: ₹0.82 crore) relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in note 32(a) and intangible assets under development in note 32(b).
12. Foreign exchange differences in accumulated amortisation represents foreign exchange loss of ₹ 1.23 crore (March 31, 2014: exchange gain of ₹ 0.71 crore) on account of the effect of translation of intangible assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.
13. During the year ended March 31, 2015, the Group has reclassified gross block of ₹ 0.56 crore and accumulated amortisation of ₹ 0.48 crore from tangible assets to intangible assets.
14. Other adjustments in the gross block and accumulated amortisation includes:
   a. Gross block of ₹ 27.22 crore of PTGEMS and accumulated amortisation of ₹ 21.30 crore pertaining to PTGEMS as a result of change in the method of amortisation of stripping costs during the year ended March 31, 2015. Refer note 2.1(f)
   b. Reclassification of gross block ₹ Nil (March 31, 2014: ₹ 0.36 crore) and accumulated amortisation ₹ Nil (March 31, 2014: ₹ 0.36 crore) of GIL from tangible assets to intangible assets.
   c. Gross block of ₹ Nil (March 31, 2014: ₹ 6.25 crore) of GACEPL on account of consideration from NHAI towards settlement of dues incurred for additional works undertaken by GACEPL during construction of carriageways.
   d. Gross block of ₹ 3.85 crore (March 31, 2014: ₹ Nil) of GATL on reversal of outstanding liabilities which are no longer payable. The corresponding amortisation of ₹ 2.76 crore (March 31, 2014: ₹ Nil) has been adjusted with the amortisation for the current year.
   e. Gross block of ₹ 0.93 crore (March 31, 2014: ₹ Nil) of GHVEPL on reversal of outstanding liabilities which are no longer payable. The corresponding amortisation of ₹ 0.03 crore (March 31, 2014: ₹ Nil) has been adjusted with the amortisation for the current year.
   f. Refer note 10(7)(i) regarding the changes in the estimates of depreciation and amortisation expenses during the year ended March 31, 2015.
15. During the year ended March 31, 2015, GOSEHHHPL have capitalised carriageways of ₹ 352.96 crore (including borrowing cost) pursuant to completion of construction of the remaining part of its carriageways.
16. During the year ended March 31, 2014, GHVEPL and GPEPL have capitalised carriageways of ₹ 16.24 crore and ₹ 2.07 crore respectively on account of further construction activities.Further,additions in carriageways during the year ended March 31, 2014 includes ₹ 845.35 crore (including borrowing costs) in gross block of GCORRPL.
17. During the year ended March 31, 2014, the sale transaction towards divestment of the key coal mines in HEGL have been completed pursuant to which the Group have disposed mines of ₹ 98.76 crore which were impaired during the year ended March 31, 2013.
18. Considering the fluctuation in coal prices globally, the management has decided to amortise goodwill pertaining to mining reserves on a systematic basis during the year ended March 31, 2015. Refer 2.1(i).
19. Also refer note 10 (12) and 10 (13) of tangible assets.
20. Also refer note 2.1 for changes in useful lives/ amortisation rates of intangible assets.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 12 NON-CURRENT INVESTMENTS**

| Particulars | | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|---|
| **Long term - at cost, unquoted** | | | |
| **A. In Equity shares of companies - Trade** | | | |
| Vemagiri Power Services Limited | | | |
| [5,000 (March 31, 2014: 5,000) equity shares of ₹ 10 each, fully paid up] | | 0.01 | 0.01 |
| Power Exchange India Limited | | | |
| [4,000,000 (March 31, 2014: 4,000,000) equity shares of ₹ 10 each, fully paid up] | | 4.00 | 4.00 |
| Indian Highways Management Company Limited | | | |
| [565,370 (March 31, 2014: Nil) equity shares of ₹ 10 each, fully paid up] | | 0.56 | - |
| **B. Investment in equity shares of associates - Trade #** | | | |
| JEPL* (net off share of losses amounting to ₹ 7.29 crore till the date on which JEPL ceased to be a subsidiary and became an associate) [49,117,388 (March 31, 2014: Nil#) equity shares of ₹ 10 each, fully paid up] | 41.83 | | |
| Less: Share of losses | (12.50) | 29.33 | - |
| UEPL* (net off share of losses amounting to ₹ 11.53 crore till the date on which UEPL ceased to be a subsidiary and became an associate) [68,783,615 (March 31, 2014: Nil#) equity shares of ₹ 10 each, fully paid up] | 77.28 | | |
| Less: Share of losses | (0.48) | 76.80 | - |
| EDWPCPL (net off share of losses amounting to ₹ 0.01 crore till the date) [7,839 (March 31, 2014: 7,839) equity shares of ₹ 10 each, fully paid up] | 0.07 | | |
| Less: Share of losses | (0.01) | 0.06 | 0.06 |
| **C. In Equity shares of body corporates - Trade** | | | |
| GMR Holding (Malta) Limited ('GHML') | | | |
| [58 (March 31, 2014: 58) equity shares of EURO 1 each] (₹ 3,924 (March 31, 2014: ₹ 3,924)) | | 0.00 | 0.00 |
| PT DSSP Power Sumsel | | | |
| [125 (March 31, 2014: 125) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%] | | 0.01 | 0.01 |
| PT Manggala Alam Lestari ('MAL') | | | |
| [12,939 (March 31, 2014: 12,939) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%] | | 0.03 | 0.03 |
| **D. In Debentures of companies - Trade** | | | |
| Kakinada Infrastructure Holdings Private Limited ('KIHPL') ** | | | |
| [100 (March 31, 2014: 100) 0.10% cumulative optionally convertible Debentures of ₹ 10,000,000 each] | | 100.00 | 100.00 |
| **E. In Equity shares of companies - Other than trade** | | | |
| Business India Publications Limited | | | |
| [5,000 (March 31, 2014: 5,000) equity shares of ₹ 10 each, fully paid up] | | 0.01 | 0.06 |
| Ujjivan Financial Services Private Limited | | | |
| [50,000 (March 31, 2014: 50,000) equity shares of ₹ 10 each, fully paid up] | | 0.05 | 0.05 |
| **Total (A+B+C+D+E)** | | **210.86** | **104.22** |
| Less: Current portion of non-current investments (₹ 3,924) (refer note 16) | | (0.00) | - |
| | | **210.86** | **104.22** |

\# Pursuant to the divestments of its investments in JEPL, UEPL and EDWPCPL by the Group during the year ended March 31, 2014, these entites ceased to be subsidiaries and have become associates. Further, the Group had entered into definitive sale agreements with private equity investors for divestment of its stake in JEPL and UEPL, pursuant to which the management had classified the investment as 'current investments' during the year ended March 31, 2014. During the year ended March 31, 2015, since the term for the transfer of the balance shares under the said agreement has expired, these investments have been reclassified as 'long term investments'.

* Refer note 31 (d) and 31(e) for details of definitive sale agreements entered by the Group for divestment of stake in JEPL and UEPL.

** During the year ended March 31, 2011, GSPHPL had invested ₹ 100 crore in 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 has been extended by 18 months with effect from March 18, 2014. 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.

**Notes:**

1. Aggregate amount of non-current unquoted investments - ₹ 210.86 crore (March 31, 2014: ₹ 104.22 crore)
2. Aggregate provision for diminution in the value of non current investments - ₹ 0.05 crore (March 31, 2014: ₹ Nil)

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 13 | Loans and advances

| | Non-current | | Current | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Capital advances** | | | | |
| Unsecured, considered good | 1,221.64 | 1,282.79 | - | - |
| (A) | **1,221.64** | **1,282.79** | **-** | **-** |
| **Security deposit** | | | | |
| Unsecured, considered good | 64.40 | 216.39 | 49.04 | 38.07 |
| Unsecured, considered doubtful | 0.31 | 0.31 | - | - |
| | **64.71** | **216.70** | **49.04** | **38.07** |
| Provision for doubtful deposits | (0.31) | (0.31) | - | - |
| (B) | **64.40** | **216.39** | **49.04** | **38.07** |
| **Advances recoverable in cash or kind** | | | | |
| Unsecured, considered good | 211.79 | 216.31 | 362.45 | 281.85 |
| Unsecured, considered doubtful[1] | 16.24 | 3.18 | 1.96 | 0.43 |
| | **228.03** | **219.49** | **364.41** | **282.28** |
| Provision for doubtful advances | (16.24) | (3.18) | (1.96) | (0.43) |
| (C) | **211.79** | **216.31** | **362.45** | **281.85** |
| **Other loans and advances** | | | | |
| **Unsecured, considered good** | | | | |
| Advance income-tax (net), including paid under protest | 299.40 | 225.43 | - | - |
| MAT credit entitlement | 153.00 | 145.44 | - | 0.65 |
| Prepaid expenses | 9.70 | 6.21 | 70.28 | 76.23 |
| Loan to others | 209.40 | 238.74 | 47.43 | 43.84 |
| Loans to employees | 3.40 | 5.59 | 9.17 | 11.16 |
| Deposits / balances with statutory / government authorities | 212.02 | 104.18 | 48.82 | 41.35 |
| | **886.92** | **725.59** | **175.70** | **173.23** |
| **Unsecured, considered doubtful** | | | | |
| Loans to others | 49.32 | 49.32 | - | - |
| Balances with statutory / government authorities | 6.23 | 6.23 | - | - |
| | **55.55** | **55.55** | **-** | **-** |
| Provision for doubtful advances | (55.55) | (55.55) | - | - |
| (D) | **886.92** | **725.59** | **175.70** | **173.23** |
| **Total (A+B+C+D)** | **2,384.75** | **2,441.08** | **587.19** | **493.15** |

Notes:

1.The Group has given an advance of ₹ 15.00 crore towards investment in Dheeru Powergen Limited. In view of the Orders of the Court as referred in Note 34(b)(xv), the Group has made a provision towards such an advance of ₹ 15.00 crore during the year ended March 31, 2015.

| | | | | |
|---|---|---|---|---|
| **Capital advances includes advances to related parties:** | | | | |
| GMR Projects Private Limited ('GPPL') | 690.00 | 690.00 | - | - |
| Polygon Enterprises Private Limited ('Polygon') | 22.90 | 22.90 | - | - |
| **Security deposit includes deposits with related parties:** | | | | |
| GMR Family Fund Trust ('GFFT') | 7.75 | 13.00 | 31.24 | 19.08 |
| GMR Bannerghatta Properties Private Limited ('GBPPL') | - | 1.12 | - | - |
| GMR Hebbal Towers Private Limited ('GHTPL') | - | 135.00 | - | - |
| Corporate Infrastructure Services Limited ('CISL') | 8.59 | 8.59 | - | - |
| Raxa Security Services Limited ('RSSL') | 6.13 | 6.87 | 0.60 | 0.48 |
| APFT | - | - | - | 0.08 |
| G Varalakshmi | 0.09 | - | - | - |
| B Ramadevi | 0.02 | - | - | - |
| GPPL | 0.02 | - | - | - |
| **Advances recoverable in cash or kind includes advances to related parties:** | | | | |
| Airport Authority of India ('AAI') | - | - | 9.05 | 0.94 |
| Asia Pacific Flight Training Sdn Bhd ('APFTSB') | - | - | - | 0.26 |
| GFFT | - | - | 0.21 | - |
| GHPL | - | - | 2.87 | 0.41 |
| GBPPL | 1.11 | - | - | - |
| RSSL | - | - | 1.18 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 13 Loans and advances** (Contd.)

| | Non-current | | Current | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| GPPL | - | - | 0.53 | - |
| WAISL | 2.09 | - | 0.52 | - |
| GMCAC | - | - | 0.21 | - |
| GEOKNO India Private Limited ('GEOKNO') | - | - | 0.37 | - |
| Laqshya | - | - | - | 0.06 |
| Celebi Ground Handling Delhi Private Limited ('CELBI GHDPL') | - | - | - | 0.33 |
| Cambata Aviation Private Limited ('CAPL') | - | - | - | 2.17 |
| Bird World Wide Flight Services India Private Limited ('BWWFSIPL') | - | - | - | 1.41 |
| DAFF | - | - | 0.11 | - |
| TIM | - | - | 0.04 | - |
| CDCTM | - | - | 0.05 | - |
| DASPL | - | - | 0.04 | - |
| TFS | - | - | 0.04 | - |
| Yalorvin Limited (YL) | - | - | 0.23 | - |
| **Loan to others includes loans to related parties:** | | | | |
| GWT | 115.00 | 115.00 | - | - |
| GPPL | 10.00 | 10.00 | - | - |
| Limak Insaat San. Ve Ticaret A.S. (LISVT) | - | - | 0.24 | - |
| RSSL | - | - | 1.16 | - |
| UEPL | 74.43 | 74.43 | - | - |
| JEPL | 4.50 | - | - | - |
| GMR Varalakshmi Foundation ('GVF') | - | - | 8.64 | 20.34 |
| Laqshya | 4.55 | 5.10 | 0.55 | - |
| Crossridge Investments Limited ('CIL') | - | 2.45 | - | - |
| GMR Holdings Mauritius Limited ('GHLM') | - | - | - | 6.43 |
| AAI | - | - | - | 7.80 |
| DASPL | - | - | - | 0.05 |
| DSSHPL | - | - | - | 0.02 |
| DAPSL | - | - | - | 1.33 |
| TFS | - | - | - | 0.12 |
| WAISL | - | - | - | 2.09 |
| DAFF | - | - | - | 0.11 |
| CDCTM | - | - | - | 0.06 |
| GAEL | - | 10.20 | - | - |

**NOTE 14 TRADE RECEIVABLES**

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Outstanding for a period exceeding six months from the date they are due for payment** | | | | |
| Unsecured, considered good | 47.33 | 69.13 | 545.82 | 586.78 |
| Unsecured, considered doubtful | 7.64 | 3.96 | 31.97 | 32.45 |
| | **54.97** | **73.09** | **577.79** | **619.23** |
| Provision for doubtful trade receivables | (7.64) | (3.96) | (31.97) | (32.45) |
| **(A)** | **47.33** | **69.13** | **545.82** | **586.78** |
| **Other receivables** | | | | |
| Unsecured, considered good | 49.83 | 102.63 | 1,078.45 | 1,013.36 |
| Unsecured, considered doubtful | - | - | 0.04 | 0.03 |
| | **49.83** | **102.63** | **1,078.49** | **1,013.39** |
| Provision for doubtful trade receivables | - | - | (0.04) | (0.03) |
| **(B)** | **49.83** | **102.63** | **1,078.45** | **1,013.36** |
| **Total (A+B)** | **97.16** | **171.76** | **1,624.27** | **1,600.14** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 15 OTHER ASSETS

| Particulars | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Unsecured, considered good unless stated otherwise** | | | | | |
| Non-current bank balances (refer note 18) | | 2,283.68 | 1,894.24 | - | - |
| | **(A)** | **2,283.68** | **1,894.24** | **-** | **-** |
| **Unamortised expenditure** | | | | | |
| Ancillary cost of arranging the borrowings | | 424.86 | 397.70 | 116.56 | 84.76 |
| | **(B)** | **424.86** | **397.70** | **116.56** | **84.76** |
| **Others, unsecured considered good unless stated otherwise** | | | | | |
| Interest accrued on fixed deposits | | 7.67 | 9.74 | 65.51 | 59.38 |
| Interest accrued on current investments | | - | - | 0.18 | 2.30 |
| Development fund receivable (refer note 41) | | 106.35 | 511.18 | 456.20 | 435.76 |
| Non trade receivables | | 1,078.27 | 985.20 | 70.06 | 1,756.39 |
| Non trade receivables, considered doubtful | | 130.99 | - | 27.27 | 27.27 |
| Grant receivable from authorities | | - | - | 0.04 | 0.04 |
| Unbilled revenue | | - | 4.87 | 369.39 | 316.81 |
| | | **1,323.28** | **1,510.99** | **988.65** | **2,597.95** |
| Provision for doubtful non trade receivables [refer note 43(iii)] | | (130.99) | - | (27.27) | (27.27) |
| | **(C)** | **1,192.29** | **1,510.99** | **961.38** | **2,570.68** |
| **Total (A+B+C)** | | **3,900.83** | **3,802.93** | **1,077.94** | **2,655.44** |

## NOTE 16 CURRENT INVESTMENTS

| Particulars | | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|---|
| **Other than trade, quoted (valued at lower of cost and fair value)** | | | |
| **A. Investment in equity shares of companies** | | | |
| Caracara Silver Inc. | | | |
| [2,116,451 (March 31, 2014: 2,116,451) unlimited common shares without par value] | | 0.06 | 0.25 |
| Western Uranium Corporation | | | |
| [14,861 (March 31, 2014: Nil) common shares without par value] | | 0.36 | - |
| Karur Vysya Bank Limited | | | |
| [Nil (March 31, 2014: 27,126) equity shares of ₹ 10 each, fully paid up] | | - | 1.03 |
| Decimal Software Limited [Formerly known as Aviva Corporation Limited] | | | |
| [Nil (March 31, 2014: 4,000,000) common shares without par value] | | - | 3.09 |
| | **(i)** | **0.42** | **4.37** |
| **Trade, unquoted** | | | |
| **A. Investment in equity shares of associates (refer note 12 for details)** | | | |
| JEPL [Nil (March 31, 2014: 49,117,388) equity shares of ₹ 10 each, fully paid up] | | - | 41.83 |
| UEPL<br>[Nil (March 31, 2014: 68,783,615) equity shares of ₹ 10 each, fully paid up] | | - | 77.28 |
| **B. In Equity shares of body corporates** | | | |
| GHML (refer note 12) | | 0.00 | - |
| | **(ii)** | **0.00** | **119.11** |
| **Other than trade, unquoted** | | | |
| **A. Investment in mutual funds** | | | |
| ICICI Prudential - Super Institutional Plan - Growth Option | | | |
| [352,962 (March 31, 2014: 30,507) units of ₹ 100 each] | | 7.30 | 0.58 |
| Birla Sunlife Cash Plus - Institutional Premium Growth | | | |
| [879,921 (March 31, 2014: 3,908,327) units of ₹ 100 each] | | 19.72 | 80.32 |
| Birla Sunlife Cash Plus - Growth - Regular Plan | | | |
| [1,273,179 (March 31, 2014: 776,693) units of ₹ 100 each] | | 28.41 | 15.94 |
| IDFC Cash Fund - Growth - Regular Plan | | | |
| [259,782 (March 31, 2014: 1,093) units of ₹ 1,000 each] | | 44.03 | 0.17 |
| SBI Premier Liquid Fund - Regular Plan - Growth | | | |
| [572,784 (March 31, 2014: 92,502) units of ₹ 1,000 each] | | 125.49 | 18.61 |
| Axis Liquid Fund Growth | | | |
| [686,364 (March 31, 2014: Nil) units of ₹ 1,000 each] | | 106.09 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 16 **CURRENT INVESTMENTS** (Contd.)

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| ICICI Prudential Liquid Regular Plan Growth | | |
| [1,230,627 (March 31, 2014: Nil) units of ₹ 100 each] | 25.40 | - |
| IDFC Cash Fund-Super Institutional Plan C-Daily Dividend | | |
| [577,587 (March 31, 2014: Nil) units of ₹ 1,000 each] | 95.00 | - |
| Tata Liquid Fund Plan A - Growth | | |
| [62,345 (March 31, 2014: Nil) units of ₹ 1,000 each] | 16.04 | - |
| Baroda Pioneer Liquid Fund - Plan A - Growth Option | | |
| [285,607 (March 31, 2014: Nil) units of ₹ 1,000 each] | 45.67 | - |
| Axis Liquid Institutional - Growth Option | | |
| [Nil (March 31, 2014: 70,511) units of ₹ 1,000 each] | - | 10.00 |
| Birla Sunlife Infrastructure Fund - Plan - Dividend - Payout | | |
| [Nil (March 31, 2014: 4,720,000) units of ₹ 10 each] | - | 5.54 |
| IDFC Cash Fund Super Institutional Plan C - Growth | | |
| [Nil (March 31, 2014: 7,722) units of ₹ 1,000 each] | - | 1.20 |
| IDBI Liquid Fund - Regular Plan - Growth | | |
| [Nil (March 31, 2014: 137,495) units of ₹ 1,000 each] | - | 18.86 |
| Reliance Liquidity Fund Growth Plan | | |
| [Nil (March 31, 2014: 163,297) units of ₹ 1,000 each] | - | 30.86 |
| Sundaram Money Fund - Regular Growth | | |
| [3,974,725 (March 31, 2014: 1,853,722) units of ₹ 10 each] | 11.70 | 5.01 |
| TATA Liquid Super High Investment Fund - Appreciation | | |
| [Nil (March 31, 2014: 65,871) units of ₹ 1,000 each] | - | 15.57 |
| UTI Liquid Fund - Cash Plan - Institutional Growth | | |
| [Nil (March 31, 2014: 143,654) units of ₹ 1,000 each] | - | 30.13 |
| **B. Investments in venture capital funds:** | | |
| Faering Capital India Evolving Fund | | |
| [90,358 (March 31, 2014: 56,855) units of ₹ 1,000 each] | 9.15 | 4.84 |
| Bharat Nirman Fund | | |
| [1,500,000 (March 31, 2014: Nil) units of ₹ 100 each] | 15.00 | - |
| **C. Investment in hedge funds:** | | |
| Haussmann Holdings | | |
| [32 (March 31, 2014: 36) units of USD 2,555 each] | 0.52 | 0.57 |
| Star Emerging Asia Fixed Income Fund | | |
| [9,998 (March 31, 2014: Nil) units of USD 1,000 each] | 63.06 | - |
| Ilya Multisector Strategy Fund | | |
| [100,000 (March 31, 2014: Nil) units of USD 100 each] | 63.06 | - |
| **D. Investment in other funds:** | | |
| CNC Global Opportunities Fund SPC | | |
| [63,500 (March 31, 2014: 63,500) units of USD 1,000 each] | 400.43 | 384.11 |
| Harrington Master | | |
| [4,863 (March 31, 2014: 4,898) units of USD 1,000 each] | 30.74 | 29.56 |
| Shs Global Emerging Strategies Fund Limited | | |
| [50,000 (March 31, 2014: Nil) units of USD 100 each] | 31.53 | - |
| Capital Emerging Markets Bond Fund | | |
| [9,998 (March 31, 2014: Nil) units of USD 1,000 each] | 63.06 | - |
| **(iii)** | **1,201.40** | **651.87** |
| **Total - (iv) = (i)+(ii)+(iii)** | **1,201.82** | **775.35** |

**Notes:**

1. Aggregate market value of current quoted investments - ₹ 0.42 crore (March 31, 2014: ₹ 4.37 crore)
2. Aggregate amount of current unquoted investments - ₹ 1,201.40 crore (March 31, 2014: ₹ 770.98 crore)
3. Aggregate provision for diminution in the value of current investments - ₹ 0.80 crore (March 31, 2014: ₹ 1.11 crore)

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 17 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Raw materials | 95.08 | 114.02 |
| Work-in-progress | - | 82.11 |
| Traded goods / finished goods | 127.70 | 107.70 |
| Stores, spares and components | 82.07 | 55.09 |
| | **304.85** | **358.92** |

## NOTE 18 CASH AND BANK BALANCES

| | Non-current | | Current | |
|---|---|---|---|---|
| | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
| **Cash and cash equivalents** | | | | |
| Cheques / drafts on hand | - | - | 8.49 | 14.13 |
| Cash on hand / credit card collection | - | - | 9.81 | 11.11 |
| **Balances with banks:** | | | | |
| - On current accounts ^^ ** | 10.18 | 11.31 | 1,206.26 | 822.12 |
| - Deposits with less than three months maturity | - | - | 473.56 | 646.95 |
| | **10.18** | **11.31** | **1,698.12** | **1,494.31** |
| **Other bank balances** | | | | |
| - Deposits with maturity for more than 12 months | 11.39 | 15.33 | 15.38 | 24.88 |
| - Deposits with maturity for more than 3 months but less than 12 months | - | 15.18 | 822.39 | 279.31 |
| - Restricted deposits * ^ | 2,262.11 | 1,852.42 | 1,368.15 | 1,522.69 |
| | **2,273.50** | **1,882.93** | **2,205.92** | **1,826.88** |
| Amount disclosed under non-current assets (refer note 15) | **2,283.68** | **1,894.24** | **-** | **-** |
| | **-** | **-** | **3,904.04** | **3,321.19** |

* Includes fixed deposits in GICL of ₹ 609.15 crore (March 31, 2014: ₹ 832.78 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.

** Includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts

^^ Includes unclaimed dividend of ₹ 0.27 crore (March 31, 2014: ₹ 0.14 crore) and ₹ 9.91 crore (March 31, 2014: ₹ 11.17 crore) towards DSRA maintained by the Company with ICICI. Includes ₹347.65 crore (March 31, 2014: ₹ Nil) towards share application money for issue of rights shares. The funds are received in an escrow account and are restricted till the allotment of equity shares pursuant to the right issue. Refer note 3(f).

^ 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 availed by the Group.

Refer note 5 and note 8 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 19 SALES / INCOME FROM OPERATIONS

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| **Sale of products** | | |
| Power segment: | | |
| Income from sale of electrical energy | 3,067.99 | 2,287.77 |
| Income from mining activities | 455.70 | 266.70 |
| | **3,523.69** | **2,554.47** |
| **Traded goods** | | |
| Power segment: | | |
| Income from sale of electrical energy | 532.56 | 353.77 |
| Income from coal trading | 337.80 | 426.15 |
| | **870.36** | **779.92** |
| Airport segment: | | |
| Non-aeronautical | | |
| Fuel trading | - | 203.44 |
| Duty free items | 859.65 | 706.56 |
| | **859.65** | **910.00** |
| **Sale of services / others** | | |
| Power segment: | | |
| Electrical energy transmission charges | 56.53 | 8.22 |
| | **56.53** | **8.22** |
| Airport segment: | | |
| Aeronautical | 2,905.58 | 3,331.45 |
| Non-aeronautical | 1,263.44 | 1,364.92 |
| Cargo operations | 326.70 | 287.37 |
| Income from commercial property development | 108.36 | 102.38 |
| | **4,604.08** | **5,086.12** |
| Roads segment: | | |
| Annuity income from expressways | 366.82 | 342.33 |
| Toll income from expressways | 374.92 | 395.55 |
| | **741.74** | **737.88** |
| EPC segment: | | |
| Construction revenue | 86.84 | 239.75 |
| | **86.84** | **239.75** |
| Others segment: | | |
| Income from hospitality services | 49.70 | 106.34 |
| Income from management and other services | 142.66 | 144.27 |
| | **192.36** | **250.61** |
| **Sales / income from operations** | **10,935.25** | **10,566.97** |

## NOTE 20 OTHER OPERATING INCOME

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Interest income on | | |
| Bank deposits | 116.37 | 73.04 |
| Current investments | 6.61 | 6.51 |
| Sale of certified emission reductions | 0.35 | - |
| Dividend income on current investments | 0.04 | 0.06 |
| Net gain on sale of current investments | 24.58 | 6.64 |
| Others | 4.48 | - |
| | **152.43** | **86.25** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 21 OTHER INCOME**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Interest income on | | |
| Bank deposits | 136.49 | 124.73 |
| Current investments | - | 0.03 |
| Others | 31.60 | 25.32 |
| Provisions no longer required, written back | 21.45 | 14.67 |
| Net gain on sale of current investments | 36.49 | 37.33 |
| Exchange differences (net) | - | 29.12 |
| Profit on sale of fixed assets (net) | 2.03 | 13.83 |
| Lease income | 8.51 | 3.77 |
| Income from management fees | 41.00 | 39.86 |
| Miscellaneous income [net of expenses directly attributable to such income are of ₹ Nil (March 31, 2014: ₹ Nil)] | 49.89 | 27.21 |
| | **327.46** | **315.87** |

**NOTE 22 COST OF MATERIALS CONSUMED**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Inventory at the beginning of the year | 114.02 | 68.95 |
| Add: Purchases | 27.87 | 105.72 |
| | **141.89** | **174.67** |
| Less: Inventory at the end of the year | 95.08 | 114.02 |
| | **46.81** | **60.65** |

**NOTE 23 PURCHASE OF TRADED GOODS**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Purchase of electrical energy | 427.45 | 306.12 |
| Purchase of fuel | - | 170.58 |
| Purchase of coal for trading | 257.31 | 280.75 |
| Purchase of duty free items | 359.42 | 287.61 |
| | **1,044.18** | **1,045.06** |

**NOTE 24 (INCREASE) / DECREASE IN STOCK IN TRADE**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Stock as at April 1, | 107.70 | 73.18 |
| Add: Stock on acquisition of subsidiary during the year | - | 35.21 |
| Less: Transferred at cost * | - | 7.83 |
| Less: Stock on disposal of a jointly controlled entity during the year | - | 7.28 |
| Less: Stock as at March 31, | 127.70 | 107.70 |
| | **(20.00)** | **(14.42)** |

* Transfer at cost on account of takeover of Male International Airport ('MIA') by MACL. Refer note 31(b).

**NOTE 25 EMPLOYEE BENEFITS EXPENSES**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Salaries, wages and bonus | 544.18 | 506.08 |
| Contribution to provident and other funds | 36.69 | 32.73 |
| Gratuity expenses | 8.20 | 3.01 |
| Staff welfare expenses | 30.58 | 32.40 |
| | **619.65** | **574.22** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 26 OTHER EXPENSES

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Consumption of stores and spares | 64.93 | 42.50 |
| Electricity and water charges | 207.37 | 212.29 |
| Prompt payment rebate | 26.32 | 20.33 |
| Open access charges paid | 107.02 | 51.01 |
| Airport service charges / operator fees | 128.42 | 107.68 |
| Cargo handling charges | 14.36 | 12.81 |
| Freight | 20.73 | 18.56 |
| Rent [includes land lease rentals of ₹ 10.20 crore (March 31, 2014: ₹ 6.95 crore)] | 84.33 | 111.80 |
| Rates and taxes | 76.24 | 143.97 |
| Insurance | 42.32 | 37.04 |
| Repairs and maintenance | | |
| Plant and machinery | 160.71 | 117.68 |
| Buildings | 31.99 | 51.37 |
| Others | 138.28 | 132.18 |
| Manpower charges | 52.24 | 49.89 |
| Advertising and sales promotion | 32.13 | 44.02 |
| Transmission and distribution charges | 169.49 | 127.65 |
| Travelling and conveyance | 54.13 | 50.10 |
| Communication costs | 9.99 | 10.18 |
| Printing and stationery | 6.08 | 6.69 |
| Legal and professional fees | 356.10 | 372.56 |
| Directors' sitting fees | 1.96 | 1.60 |
| Adjustments to the carrying amount of current investments | 3.72 | 5.29 |
| Adjustments to the carrying amount of long term investments | 0.05 | - |
| Loss on derivative contracts (including provisions for mark-to-market loss) | 27.25 | - |
| Provision / write off of doubtful advances and trade receivables | 33.64 | 34.81 |
| Exchange differences (net) | 52.90 | - |
| Donation (includes corporate social responsibility expenditure) | 40.18 | 22.26 |
| Fixed assets written off / loss on sale of fixed assets (net) | 4.05 | 38.11 |
| Office maintenance | 39.68 | 51.96 |
| Security expenses | 30.91 | 54.76 |
| Logo fees | 5.00 | 9.91 |
| Impairment of intangible assets under development (note 34(b)(xv)) | 2.37 | - |
| Miscellaneous expenses | 96.08 | 76.08 |
| | **2,120.97** | **2,015.09** |

## NOTE 27 DEPRECIATION AND AMORTISATION EXPENSES

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Depreciation of tangible assets | 1,514.84 | 1,198.21 |
| Amortisation of intangible assets | 297.69 | 256.78 |
| | **1,812.53** | **1,454.99** |

## NOTE 28 FINANCE COSTS

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Interest | 3,255.34 | 2,828.54 |
| Bank charges | 147.71 | 75.26 |
| Amortisation of ancillary borrowing costs | 168.81 | 68.08 |
| | **3,571.86** | **2,971.88** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 29 EXCEPTIONAL ITEMS - (LOSSES)/ GAINS

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Profit on dilution in subsidiaries [refer note 31(d) and 31(e)] | - | 69.73 |
| Loss on impairment of assets in subsidiaries [refer note 42(ii)] | (35.94) | - |
| Profit on sale of assets (consists of exchange differences amounting to ₹ Nil (March 31, 2014: ₹ 63.52 crore))[refer note 31(c)] | - | 100.54 |
| Profit on sale of jointly controlled entities (net of expenses directly attributable to such income of ₹ Nil (March 31, 2014: ₹ 164.98 crore)) [refer note 31 (a), 31 (g) and 31 (h)] | 34.44 | 1,658.93 |
| Breakage cost of interest rate swap [refer note 42(ix)] | (91.83) | - |
| Loss on account of provision towards claims recoverable (including prior period expenditure of ₹ 124.43 crore) [refer note 43(iii)] | (130.99) | - |
| Loss on impairment of assets in subsidiaries [refer note 44(iv), 44(v) and 44(ix)] | (79.80) | (8.95) |
| | **(304.12)** | **1,820.25** |

## NOTE 30

During the year ended March 31, 2015, the Company received a letter from National Stock Exchange of India Limited ('NSE') whereby Securities and Exchange Board of India ('SEBI') directed NSE to advise the Company to restate the consolidated financial statements of the Group for the year ended March 31, 2013 for the qualifications in the Auditor's Report for the year then ended in respect of the matters stated in the Paragraph 1 and 2 of 'Basis for Qualified Opinion' in the said Auditor's Report, pursuant to the Paragraph 5(d)(ii) of the SEBI Circular CIR/CFD/DIL/7/2012 dated August 13, 2012. Further, SEBI vide Circular CIR/CFD/DIL/9/2013 dated June 5, 2013 had clarified that restatement of books of account indicated in Paragraph 5 of the aforesaid circular shall mean that the Company is required to disclose the effect of revised financial accounts by way of revised pro-forma financial results immediately to the shareholders through Stock Exchanges. However, the financial effects of the revision may be carried out in the annual accounts of the subsequent financial year as a prior period item.

In response to its representations made, the Company received a letter from SEBI dated April 27, 2015, whereby SEBI has re-iterated its earlier advice for restatement of financial results, in terms of the aforementioned circulars. Further, SEBI has advised the Company to restate financial results for financial year 2012-13 and 2013-14 and the effect of these restatement adjustments may be carried out in the annual accounts of the financial year 2014-15, as a prior period item in terms of the aforementioned circulars. With regard to matter described in note 43(iii), the Group made adjustments in these consolidated financial statements for the year ended March 31, 2015. With regard to the matter described in note 44(ii)(b), the Hon'ble High Court of Delhi, while hearing the writ petition filed by the Group in this regard, directed SEBI not to insist on restatement of accounts till the next hearing date, which is scheduled on September 04, 2015. Further, the High Court of Delhi directed the Company that if the accounts for 2014-15 are prepared, the aforementioned issue will be reflected in the accounts and the effect of both capitalisation and non-capitalisation on the net worth will also be disclosed in due prominence, in the financial accounts prepared by the Company. Refer note 44(ii)(b) for the disclosure of such effects.

## NOTE 31 DISCONTINUING OPERATIONS

a) During the year ended March 31, 2014, the Company along with its subsidiaries GIGL and GIOL had entered into a definitive agreement ('SPA') with Malaysia Airports MSC Sdn Bhd ('the buyer') for sale of their 40% equity stake in jointly controlled entities ISG and LGM for a sale consideration of Euro 20.90 crore (net of equity gap adjustment of Euro 1.60 crore and subject to debt and other working capital adjustments). The management represented that no further working capital adjustments were made on account of the aforesaid sale transaction. The management based on its internal assessment and a legal opinion was of the view that all 'Conditions Precedent' were either fulfilled or waived or agreed to be not applicable as at March 31, 2014 except for the buyer to obtain approval from Bank Negara Malaysia which was obtained on April 3, 2014. Subsequently after receipt of the sale consideration, the shares were transferred to the buyer on April 30, 2014, in view of which, the Group recognized the profit on the sale of its shares in ISG (net of costs of ₹ 164.98 crore incurred towards such sale) of ₹ 1,658.93 crore, which was disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2014.

   Further, pursuant to the SPA entered with the buyer, the Group has provided a guarantee of Euro 4.50 crore towards claims, as specified in the SPA for a period till December 2015 and in respect of tax claims, if any, the guarantee period is upto May 2019.

   The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue, expenses and cash flows of discontinuing operations with regard to ISG, LGM and SGH.

b) GMIAL entered into an agreement on June 28, 2010 with MACL and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of 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. It was also stated that MACL would take over the possession and control of MIA within 7 days of the said letter.

   Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. This has resulted in GMIAL's principal activity becoming impossible from the date of takeover. The matter is currently under arbitration and the procedural meeting was held on April 10, 2013. On June 18, 2014, the tribunal delivered its award declaring that the Concession agreement was not void ab initio and is valid and binding on the parties. Further, the tribunal declared that the Government of Maldives ('GoM') and MACL are jointly and severally liable to GMIAL for loss caused by repudiation of the contract. The quantum of the damages is yet to be decided and the damages are limited to the sum which would have been recovered under clause 19.4.3(b) had the Concession Agreement been terminated on grounds of public interest pursuant

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 31 DISCONTINUING OPERATIONS (Contd.)**

to clause 19.2.1(h). On November 21, 2014 GMIAL served its schedule of loss on the tribunal and on GoM and MACL together with the termination date claim report and the expert report quantifying the losses incurred by GMIAL and which GMIAL assert are recoverable on account of the tribunal's award. Further, GoM and MACL, on November 26, 2014, served a letter on the tribunal and on GMIAL asserting that the parties to the arbitration have different interpretations of the limitation in Paragraph 167(1)(g) of the aforesaid award of the tribunal ('preliminary issue') and the timetable was agreed by the parties for hearing of the preliminary issue in the first half of 2015. Accordingly, after the tribunal has decided in respect of the preliminary issue, a timetable will be set for the hearing on the substantive quantum of the award. The final outcome of the arbitration is pending as at March 31, 2015. In view of the aforesaid matter, GMIAL continues to reflect assets amounting to ₹ 1,486.96 crore (USD 23.58 crore) including claim recoverable of ₹ 1,145.16 crore (USD 18.16 crore) at their carrying values as at March 31, 2015, net of assets written off of ₹ 202.61 crore during the year ended March 31, 2013. GMIAL's ability to continue its future business operations and consequential impact on net assets / guarantees given by the Company and GIML is solely dependent on the outcome of arbitration and / or a negotiated settlement. However, financial statements of GMIAL as at and for the year ended March 31, 2015 have been prepared and accordingly consolidated on a going concern basis.

Further, GMIAL had executed work construction contracts with GADLIL and other service providers for rehabilitation, expansion, modernization of MIA. Pursuant to the aforesaid takeover of airport, GMIAL has terminated the contracts with GADLIL and these service providers. As per the terms of contracts, in the event of discontinuation of construction, GMIAL is required to pay termination payment to the service providers. GMIAL has received claims of around USD 8.00 crore as at March 31, 2015 from GADLIL and other service providers. However, no such claims relating to the termination of contracts have been recognised in these consolidated financial statements as at March 31, 2015 since the amounts payable are not certain.

Based on the aforesaid award by the tribunal, internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident that GMIAL would be entitled for compensation under the Concession agreement atleast to the extent of the carrying value of the assets taken over by the GoM / MACL and the subsequent expenditure incurred by GMIAL as at March 31, 2015 and accordingly these consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and cash flows of discontinuing operations with regard to GMIAL.

c) GEL has an investment of ₹ 167.94 crore and granted a loan of ₹ 221.89 crore to HEGL which is outstanding as at March 31, 2015. During the year ended March 31, 2013 the Group had entered into agreements for divestment of the key coal mines held by certain subsidiaries and jointly controlled entities of HEGL subject to obtaining necessary approvals. During the year ended March 31, 2014, the sale transaction was completed for the coal mines of HEGL after obtaining the requisite approvals and the Group had realised a profit of ₹ 37.02 crore on sale of one of such mines, which was disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2014. On account of the disposal of the shares in the entities having the abovementioned mining rights, the Group had recognised foreign exchange gain (inclusive of Foreign Currency Translation Reserve) of ₹ 63.52 crore for the year ended March 31, 2014, which has been disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2014. During the year ended March 31, 2015, the Group has entered into a conditional Share Purchase Agreement for sale of its entire stake in HEGL for CAD 100, subject to obtaining necessary approvals from the relevant authorities.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and cash flows of discontinuing operations with regard to HEGL and its subsidiaries.

d) During the year ended March 31, 2013, the Group had entered into definitive sale agreements for divestment of 74% stake in JEPL, an erstwhile subsidiary of the Company to Macquarie SBI Infrastructure Investments Pte Limited and SBI Macquarie Infrastructure Trustee Limited. During the year ended March 31, 2014, the sale transaction was completed and the Group had realised a profit of ₹ 55.08 crore on such sale of shares which was disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2014.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue, expenses and cash flows of discontinuing operations with regard to JEPL.

e) During the year ended March 31, 2014, the Group divested 74% of its stake in UEPL and realised a profit of ₹ 14.65 crore on such divestment, which was disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2014. Further, as at March 31, 2015, the Group has provided a loan of ₹ 74.43 crore to UEPL carrying an interest rate of 0.01% p.a. The loan is repayable by January 22, 2027.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue, expenses and cash flows of discontinuing operations with regard to UEPL.

f) During the year ended March 31, 2014, the Group sold its entire stake of 49% in TVS GMR to the joint venture partner, TVS Logistics Services Limited ('TVSLSL') for ₹ 0.00 crore (₹ 10,000) and terminated the joint venture agreement entered into with TVSLSL.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue, expenses and cash flows of discontinuing operations with regard to TVS GMR.

g) DSSHPL has been merged with DFSPL w.e.f. April 1, 2013, pursuant to a scheme of merger approved by Hon'ble High Court of Delhi. Further, during the year ended March 31, 2015, the Group divested its entire stake of 40 % in DFSPL and realised a profit of ₹ 8.17 crore on such divestment, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and cash flows of discontinuing operations with regard to DFSPL.

h) During the year ended March 31, 2015, the Group divested its entire stake of 26% in DCSCPL and realised a profit of ₹ 26.27 crore on such divestment, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

The statement disclosed in note 31(i) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and cash flows of discontinuing operations with regard to DCSCPL.

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 31 | DISCONTINUING OPERATIONS (Contd.)

i) 1) Profit / ( loss) from discontinuing operations

(₹ in crore)

| Particulars | DCSCPL | | DFSPL | | HEGL | | GMIAL | | TVS GMR | ISG | SGH | LGM | UEPL | Consolidation adjustments | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| **Income** | | | | | | | | | | | | | | | | | |
| Revenue from operations: | | | | | | | | | | | | | | | | | |
| Sales / income from operations | 25.10 | 23.39 | 16.27 | 14.34 | - | - | - | 0.77 | - | 646.75 | - | 63.12 | 82.14 | - | - | 41.37 | 830.51 |
| Other income | 0.24 | 1.27 | 1.44 | 2.09 | 0.23 | 0.54 | 25.05 | 0.74 | - | 2.95 | 5.97 | 2.94 | 1.23 | - | - | 26.96 | 17.73 |
| **Total** | **25.34** | **24.66** | **17.71** | **16.43** | **0.23** | **0.54** | **25.05** | **1.51** | **-** | **649.70** | **5.97** | **66.06** | **83.37** | **-** | **-** | **68.33** | **848.24** |
| | | | | | | | | | | | | | | | | | |
| **Expenses** | | | | | | | | | | | | | | | | | |
| Cost of materials consumed | - | - | 3.87 | 3.85 | - | - | - | - | - | - | - | 7.40 | - | - | - | 3.87 | 11.25 |
| Purchase of traded goods | - | - | - | - | - | - | - | - | - | 170.58 | - | - | - | - | - | - | 170.58 |
| (Increase) / decrease in stock in trade | - | - | - | - | - | - | - | - | - | (1.05) | - | - | - | - | - | - | (1.05) |
| Sub-contracting expenses | - | - | - | - | - | - | - | - | - | - | - | - | 1.81 | - | - | - | 1.81 |
| Employee benefits expenses | 5.79 | 5.21 | 2.78 | 2.92 | 0.84 | 4.19 | 7.92 | 8.67 | - | 33.11 | 0.17 | 4.47 | 1.33 | - | - | 17.33 | 60.07 |
| Other expenses | 4.70 | 4.58 | 2.97 | 3.46 | 23.68 | 29.90 | 29.63 | 39.36 | 0.07 | 160.95 | 0.06 | 29.15 | 8.80 | - | - | 60.98 | 276.33 |
| Utilisation fees | - | - | - | - | - | - | - | - | - | 186.18 | - | - | - | - | - | - | 186.18 |
| Depreciation and amortisation expenses | 4.50 | 4.30 | 1.14 | 1.23 | - | 0.20 | 0.11 | 0.08 | 0.01 | 70.31 | 0.10 | 0.50 | 23.09 | - | - | 5.75 | 99.82 |
| Finance costs | 5.80 | 5.81 | 0.53 | 1.35 | 0.07 | 2.68 | 0.01 | 0.07 | - | 118.25 | 2.10 | 4.33 | 46.54 | - | - | 6.41 | 181.13 |
| **Total** | **20.79** | **19.90** | **11.29** | **12.81** | **24.59** | **36.97** | **37.67** | **48.18** | **0.08** | **738.33** | **2.43** | **45.85** | **81.57** | **-** | **-** | **94.34** | **986.12** |
| | | | | | | | | | | | | | | | | | |
| **Profit/ (loss) before exceptional items, tax expenses and minority interest** | **4.55** | **4.76** | **6.42** | **3.62** | **(24.36)** | **(36.43)** | **(12.62)** | **(46.67)** | **(0.08)** | **(88.63)** | **3.54** | **20.21** | **1.80** | **-** | **-** | **(26.01)** | **(137.88)** |
| **Exceptional items - (losses)/ gains** | | | | | | | | | | | | | | | | | |
| Profit on dilution in subsidiaries [refer note 31(d) and 31(e)] | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 69.73 | - | 69.73 |
| Profit on sale of assets (consists of exchange differences amounting to ₹ Nil (March 31, 2014: ₹ 63.52 crore)) [refer note 31(c)] | - | - | - | - | - | 100.54 | - | - | - | - | - | - | - | - | - | - | 100.54 |
| Profit on sale of jointly controlled entities (net of expenses directly attributable to such income of ₹ Nil (March 31, 2014: ₹ 164.98 crore)) [refer note 31 (a), 31 (g) and 31 (h)] | - | - | - | - | - | - | - | - | - | - | - | - | - | 34.44 | 1,658.93 | 34.44 | 1,658.93 |
| **Profit/ (loss) before tax expenses and minority interest** | **4.55** | **4.76** | **6.42** | **3.62** | **(24.36)** | **64.11** | **(12.62)** | **(46.67)** | **(0.08)** | **(88.63)** | **3.54** | **20.21** | **1.80** | **34.44** | **1,728.66** | **8.43** | **1,691.32** |
| **Tax expenses** | | | | | | | | | | | | | | | | | |
| Current taxes | - | - | - | - | - | - | 0.01 | - | - | - | - | - | - | - | 51.18 | 0.01 | 51.18 |
| Tax adjustments for prior years | 0.05 | (0.27) | - | - | - | - | - | (0.46) | - | - | - | (0.59) | - | - | - | 0.05 | (1.32) |
| Less: MAT credit written off / (entitlement) | 0.16 | - | - | - | - | - | - | - | - | - | - | - | - | - | (45.20) | 0.16 | (45.20) |
| Deferred tax expenses/ (credit) | - | - | - | - | - | - | 0.03 | (0.01) | - | - | - | - | - | - | - | 0.03 | (0.01) |
| **Profit/ (loss) after tax expenses and before minority interest** | **4.34** | **5.03** | **6.42** | **3.62** | **(24.36)** | **64.11** | **(12.66)** | **(46.20)** | **(0.08)** | **(88.63)** | **3.54** | **20.80** | **1.80** | **34.44** | **1,722.68** | **8.18** | **1,686.67** |
| Minority interest - share of (profit) / loss | (1.56) | (1.78) | (4.89) | (0.61) | - | - | 2.91 | 19.26 | - | - | - | - | - | - | - | (3.54) | 16.87 |
| **Net Loss / (Profit) after minority interest** | **2.78** | **3.25** | **1.53** | **3.01** | **(24.36)** | **64.11** | **(9.75)** | **(26.94)** | **(0.08)** | **(88.63)** | **3.54** | **20.80** | **1.80** | **34.44** | **1,722.68** | **4.64** | **1,703.54** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 31 DISCONTINUING OPERATIONS (Contd.)

2) The carrying amount of the total assets and liabilities attributable to the discontuning operations are as follows:

(₹ in crore)

| Particulars | DCSCPL | | DFSPL | | HEGL | | GMIAL | | TVS GMR | ISG | SGH | LGM | UEPL | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| Total Assets | - | 54.58 | - | 10.51 | 2.50 | 19.87 | 1,122.35 | 1,043.22 | - | - | - | - | - | 1,124.85 | 1,128.18 |
| Total Liabilities | - | 48.38 | - | 10.88 | 0.98 | 8.05 | 1,057.00 | 1,009.10 | - | - | - | - | - | 1,057.98 | 1,076.41 |
| **Net Assets** | **-** | **6.20** | **-** | **(0.37)** | **1.52** | **11.82** | **65.35** | **34.12** | **-** | **-** | **-** | **-** | **-** | **66.87** | **51.77** |

3) Net cash flows attributable to the discontinuing operations are as tabulated below

| Particulars | DCSCPL | | DFSPL | | HEGL | | GMIAL | | TVS GMR | ISG | SGH | LGM | UEPL | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| Cash flow from / (used in) operating activities | 2.66 | 8.07 | (2.41) | 3.04 | (3.95) | (57.56) | (59.82) | (50.67) | (1.82) | 51.59 | (0.77) | 6.10 | 60.68 | (63.52) | 18.66 |
| Cash flow from / (used in) investing activities | (1.09) | (2.99) | (0.06) | (1.01) | (4.30) | 176.34 | (15.26) | 0.72 | - | (20.43) | (0.03) | 3.63 | 5.93 | (20.71) | 162.16 |
| Cash flow from / (used in) financing activities | (0.89) | (10.75) | 2.35 | (2.09) | (2.09) | (126.72) | 36.86 | (0.07) | 1.47 | (1.12) | 0.89 | (7.77) | (72.98) | 36.23 | (219.14) |
| **Net cash inflows/ (outflows)** | **0.68** | **(5.67)** | **(0.12)** | **(0.06)** | **(10.34)** | **(7.94)** | **(38.22)** | **(50.02)** | **(0.35)** | **30.04** | **0.09** | **1.96** | **(6.37)** | **(48.00)** | **(38.32)** |

1) The disclosures with regard to net cashflows attributable to the discontinuing operations do not include net cash inflow on sale of stake in these entities.
2) The disclosures with regard to profit/ (loss) from discontinuing operations do not include share of loss from associates recognised during the year ended March 31, 2015.
3) The diclosures with regard to TVS GMR, ISG, LGM and UEPL have not been provided for the year ended March 31, 2015 as these entities have been disposed during the year ended March 31, 2014.Further with the disposal of ISG, SGH has ceased to be a jointly controlled entity as at March 31, 2014.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 32 (a) CAPITAL WORK IN PROGRESS**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Capital expenditure incurred on tangible assets | 11,358.04 | 16,384.09 |
| Salaries, allowances and benefits to employees | 364.07 | 466.25 |
| Contribution to provident and other funds | 23.21 | 28.72 |
| Staff welfare expenses | 16.75 | 25.14 |
| Rent [includes land lease rentals of [₹ 2.29 crore (March 31, 2014: ₹ 1.64 crore)] | 98.43 | 120.77 |
| Repairs and maintenance | | |
| Buildings | 5.65 | 7.56 |
| Others | 36.91 | 68.34 |
| Rates and taxes | 42.76 | 51.76 |
| Insurance | 37.74 | 64.62 |
| Legal and professional fees | 552.79 | 560.94 |
| Travelling and conveyance | 140.86 | 187.18 |
| Communication costs | 10.16 | 12.74 |
| Depreciation of tangible assets | 19.85 | 17.03 |
| Amortisation of intangible assets | 4.95 | 4.37 |
| Interest costs | 4,108.70 | 3,703.73 |
| Amortisation of ancillary borrowing costs | 87.50 | 56.34 |
| Bank charges | 299.00 | 408.31 |
| Printing and stationery | 3.68 | 4.72 |
| Exchange differences (net) | 190.10 | 500.61 |
| Trial run costs | 117.25 | 294.62 |
| Power and Fuel | 8.42 | 21.29 |
| Brokerage and commission | - | 7.31 |
| Community development expenses | 22.05 | 28.43 |
| Security charges | 29.33 | 23.08 |
| Miscellaneous expenses | 63.48 | 95.31 |
| **(i)** | **17,641.68** | **23,143.26** |
| **Less: Other income** | | |
| Interest income on bank deposits | 150.94 | 123.61 |
| Net gain on sale of current investments | 40.99 | 53.04 |
| Revenue from sale of infirm power | - | 42.11 |
| Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2014: ₹ Nil)] | 11.29 | 10.08 |
| **(ii)** | 203.22 | 228.84 |
| **Total - (iii) = (i) - (ii)** | **17,438.46** | **22,914.42** |
| | | |
| Less: Apportioned over the cost of tangible assets | 598.16 | 7,816.67 |
| Less: Provision for impairment during the year [refer note 44(iv)] | - | 7.64 |
| Less: Sale of jointly controlled entities during the year | 1.31 | - |
| Less: Dilution in a subsidiary, consequent to which the subsidiary became an associate as at the balance sheet date | - | 181.26 |
| **(iv)** | **599.47** | **8,005.57** |
| **Total - (v) = (iii) - (iv)** | **16,838.99** | **14,908.85** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 32 (b) INTANGIBLE ASSETS UNDER DEVELOPMENT**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Capital expenditure incurred on intangible assets | 623.03 | 1,576.13 |
| Salaries, allowances and benefits to employees | 120.92 | 114.61 |
| Contribution to provident and other funds | 5.34 | 6.32 |
| Staff welfare expenses | 6.78 | 5.20 |
| Rent | 3.64 | 7.51 |
| Repairs and maintenance | | |
| Others | 5.28 | 7.36 |
| Rates and taxes | 3.79 | 3.31 |
| Insurance | 1.63 | 4.97 |
| Legal and professional fees | 128.65 | 124.63 |
| Travelling and conveyance | 19.06 | 18.64 |
| Communication costs | 3.25 | 2.87 |
| Depreciation of tangible assets | 0.83 | 0.27 |
| Amortisation of intangible assets | 0.20 | 0.36 |
| Interest costs | 108.03 | 165.67 |
| Amortisation of ancillary borrowing costs | 14.44 | 3.91 |
| Bank charges | 17.37 | 24.59 |
| Printing and stationery | 0.17 | 0.22 |
| Miscellaneous expenses | 29.62 | 54.83 |
| **(i)** | **1,092.03** | **2,121.40** |
| **Less: Other income** | | |
| Interest income on bank deposits | 0.10 | 0.34 |
| Net gain on sale of current investments | 1.48 | 2.34 |
| Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2014: ₹ Nil)] | 0.03 | 0.04 |
| **(ii)** | **1.61** | **2.72** |
| **Total - (iii) = (i) - (ii)** | **1,090.42** | **2,118.68** |
| Less: Government grant received [refer note 32(b)(i) and 32(b)(ii) below] | 177.13 | 420.99 |
| Less: Apportioned over the cost of intangible assets (net of grant adjusted) | 414.01 | 872.70 |
| Less: Impairment during the year | 2.37 | - |
| Less: Transferred to claims recoverable | 88.43 | - |
| Less: Sale of jointly controlled entities during the year | 0.03 | - |
| **(iv)** | **681.97** | **1,293.69** |
| **Total - (v) = (iii) - (iv)** | **408.45** | **824.99** |

Note 32(b)(i) - GOSEHHHPL is entitled to a grant of ₹ 340.92 crore as cash support by way of an outright grant for meeting the project cost from NHAI subject to the satisfaction of the conditions as per Article 25 of the Concession Agreement. The grant is to be deposited in escrow account and is to be utilised towards the project cost. As at March 31, 2015, GOSEHHHPL has received a grant of ₹ 340.92 crore (March 31, 2014: ₹ 319.01 crore) against the aforesaid sanction and the same has been deducted from the cost of carriageways under intangible assets. Further, out of the grant amount of ₹319.01 crore received as at March 31, 2014, ₹174.03 crore was deducted from Carriageways under intangible assets and ₹144.98 crore was deducted from the cost of intangible assets under development.

Note 32(b)(ii) - GCORRPL is entitled to a grant of ₹ 300.00 crore as project support fund by way of a grant, which is to be disbursed on a quarterly basis based on the progress of the project and the expenditure incurred by the concessionaire on the civil works as per the disbursement methodology of the project fund as specified in clause 30.2.1 of the concession agreement entered into by GCORRPL with the Government of Tamil Nadu ('GoTN'). As at March 31, 2015, GCORRPL has received a grant of ₹ 280.96 crore (March 31, 2014: ₹ 276.01 crore) against the aforesaid sanction. Out of the grant amount of ₹ 280.96 crore received as at March 31, 2015, ₹ 270.72 crore has been deducted from carriageways under intangible assets and ₹ 10.24 crore has been deducted from the cost of intangible assets under development.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 33 EARNINGS PER SHARE (EPS)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Nominal value of equity shares (₹ per share) | 1.00 | 1.00 |
| Weighted average number of equity shares used in computing earnings per share | 4,232,805,171 | 3,892,432,532 |
| Profit / (loss) after minority interest from continuing and discontinuing operations (₹ in crore) | (2,733.29) | 10.01 |
| EPS - Basic and diluted (₹ per share) | (6.46) | 0.03 |
| Profit / (loss) after minority interest from continuing operations (₹ in crore) | (2,737.93) | (1,693.53) |
| EPS - Basic and diluted (₹ per share) | (6.47) | (4.35) |
| Profit / (loss) after minority interest from discontinuing operations (₹ in crore) | 4.64 | 1,703.54 |
| EPS - Basic and diluted (₹ per share) | 0.01 | 4.38 |

Notes:

1. ₹Nil (March 31, 2014: ₹ 2,250) was receivable towards equity shares and for the computation of weighted average number of equity shares outstanding during the year ended March 31, 2014, these shares were considered as partly paid-up shares. These shares have been forfeited during the year ended March 31, 2015.
2. Considering that the Group has incurred loss during the year ended March 31, 2015, the allotment of shares against share warrants and share application money pending allotment would decrease the loss per share for the year ended March 31, 2015 and accordingly has been ignored for the purpose of calculation of diluted earnings per share.
3. Refer note 3(c) pertaining to the terms / rights attached to CCPS.
4. Refer note 3(h) as regards further issue of shares during the year ended March 31, 2015.

## NOTE 34 CONTINGENT LIABILITIES

a) Contingent Liabilities:

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Corporate guarantees | 3,118.17 | 4,274.37 |
| Bank guarantees/ Letter of credit outstanding | 2,106.74 | 1,988.90 |
| Land lease rent payable | 0.50 | - |
| Bond issued to custom authorities | 112.00 | 112.00 |
| Fixed deposits pledged against loans taken by enterprises where key management personnel and their relatives exercise significant influence | 21.00 | 15.00 |
| Fixed deposits pledged against loans taken by Welfare trust for GMR Group Employees ('WTGGE') | 130.50 | 125.50 |
| Claims against the Group not acknowledged as debts | 730.05 | 668.70 |
| Matters relating to income tax under dispute | 116.06 | 85.29 |
| Matters relating to indirect taxes duty under dispute | 848.47 | 783.65 |
| Arrears of cumulative dividends on preference share capital issued by a subsidiary | 55.52 | 33.85 |

b) Others in addition to 34(a) above:

i. During the year ended March 31, 2010, GVPGL was granted a refund of customs duty of ₹ 69.10 crore which was paid earlier towards the import of plant and machinery. Considering that the cost of plant and machinery included the customs duty, the refund was adjusted to the cost of the asset and related depreciation expense of ₹ 11.19 crore, charged from the date of capitalisation till the date of grant of such refund, was credited to the statement of profit and loss during the year ended March 31, 2010. GVPGL received a refund of ₹ 59.11 crore.

a. During the year ended March 31, 2011, GVPGL had received an intimation from the Office of the Joint Director General of Foreign Trade ('DGFT') for cancellation of duty drawback refund order received in 2009-10 to the extent of ₹ 9.99 crore, in view of which, GVPGL had restored the capitalisation of customs duty and adjusted the cost of the asset and the related depreciation expense of ₹ 2.39 crore, chargeable from the date of capitalisation till the date of cancellation of such refund, was adjusted with the depreciation for the year ended March 31, 2011.

b. During the year ended March 31, 2012, GVPGL had received a further intimation from DGFT for cancellation of duty drawback refund order of ₹ 59.11 crore received in 2009-10, thereby seeking refund of the amount GVPGL received earlier. Based on an expert's opinion, the management of the Group is confident that the duty drawback refund granted earlier was appropriate and that the cancellation of the duty drawback refund is not tenable. Accordingly, no adjustment has been made with regard to the refund of ₹ 59.11 crore already received by GVPGL in these consolidated financial statements of the Group.

c. GVPGL has filed a writ petition with the Hon'ble High Court of Delhi in November 2011. During the year ended March 31, 2015, the matter has been transferred to the Hon'ble Supreme Court of India and will be concluded along with other similar cases.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 34 CONTINGENT LIABILITIES (Contd.)**

ii. During the year ended March 31, 2011, GPCL had received a refund of customs duty of ₹ 29.57 crore which was paid earlier towards the import of the plant and machinery and which was passed on to Tamil Nadu Generation and Distribution Corporation Limited ('TAGENDCO') (formerly known as Tamil Nadu Electricity Board 'TNEB') as a pass through as per the terms of PPA. During the year ended March 31, 2012, GPCL had received an intimation for cancellation of the duty draw back refund received earlier. The Group does not foresee any liability in respect of the same demand as a liability, if any, is to be recovered from TAGENDCO, the ultimate beneficiary of the refund received earlier. However pending settlement of the matter, the same has been considered as a contingent liability in these consolidated financial statements of the Group.

iii. During the year ended March 31, 2015, in respect of matter detailed in note 44(vi), TAGENDCO has claimed ₹ 285.00 crore before Tamil Nadu Electricity Regulatory Commission ('TNERC') against GPCL.

iv. During the year ended March 31, 2012, GVPGL had received a demand of ₹ 48.21 crore for the period September 2006 to November 2011 from the Chief Electrical Inspectorate, GoAP, whereby GoAP had imposed electricity duty on generation and sale of electrical energy calculated at the rate of six paise for each electricity unit generated by GVPGL since commencement of commercial operations. Based on an internal assessment and an expert opinion, the management of the Group is confident that the provisions of Electricity Duty Act and Rules, 1939 ('Electricity Rules') in respect of payment of electricity duty are not applicable to GVPGL. Accordingly electricity duty liability of ₹ 58.30 crore (March 31, 2014: ₹ 58.30 crore) for the period September 2006 to March 2015 has been considered as a contingent liability in these consolidated financial statements of the Group.

v. During the year ended March 31, 2012, GEL received an intimation from the Chief Electrical Inspectorate, GoAP, whereby GoAP had demanded electricity duty on generation and sale of electrical energy amounting to ₹ 11.06 crore calculated at the rate of six paise for each electricity unit generated by GEL for the period from June 2010 to December 2011. GEL filed a writ petition with the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad against the intimation by GoAP and it was granted a stay order on deposit of 1/3rd of the duty demanded within a stipulated time. GEL had not made the requisite deposit and accordingly the interim stay was automatically vacated.

However, based on an internal assessment and a legal opinion obtained by GEL, the management is confident that the provisions of Electricity Rules in respect of payment of electricity duty are not applicable to GEL and accordingly electricity duty liability of ₹ 14.61 crore (March 31, 2014: ₹ 14.61 crore) for the period from June 2010 to March 2015 has been considered as a contingent liability and accordingly no adjustments have been made in these consolidated financial statements of the Group.

vi. As at March 31, 2015, the South Delhi Municipal Corporation ('SDMC') (earlier known as Municipal Corporation of Delhi ('MCD')) had demanded property tax of ₹ 105.18 crore on the land and properties at Indira Gandhi International Airport, New Delhi ('Delhi Airport'). DIAL had filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal Corporation (Amendment) Act, 1957 on the land and properties at the Delhi Airport and had deposited an amount of ₹ 16.98 crore (in addition to ₹ 13.68 crore paid during earlier years) under protest against these demands. SDMC has brought the 'Airports & Airports properties' within the purview of property tax w.e.f the financial year 2013-14. Accordingly, an amount of ₹ 5.83 crore and ₹ 6.94 crore has been paid by DIAL towards property tax for the year 2014-15 and 2013-14 respectively as per self-assessment, which has been charged to the statement of profit and loss on time proportionate basis.

The Hon'ble High Court of Delhi vide its order dated September 13, 2013, directed DIAL to make a proposal to the SDMC for settlement of property tax dues. Consequently, SDMC vide its order dated February 10, 2015, revised its demand of property tax to ₹ 60.96 crore and also levied interest of ₹ 24.99 crore for assessment years 2006-07 to 2012-13.

DIAL provided for ₹ 60.96 crore and interest of ₹ 24.99 crore making the total provision of ₹81.87 crore (net of self-assessment tax paid of ₹ 4.08 crore till the year ended March 31, 2013) as at March 31, 2015 (March 31, 2014: ₹ 57.75 crore). DIAL is still contesting on the tax and interest demand. The matter is pending with the Hon'ble High Court of Delhi and is now listed for hearing on September 17, 2015.

Accordingly no further adjustments have been made to these consolidated financial statements of the Group.

vii. GEL had entered into a Power Purchase Agreement ('PPA') 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 Naptha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event that there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a notice for Good Faith Negotiation under erstwhile FSA entered into between GEL and the fuel supplier with respect to dispute regarding 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. GEL vide its letter dated October 31, 2012 had disputed the demand from the fuel supplier towards the aforementioned damages.

During the year ended March 31, 2014, the fuel supplier had filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. GEL filed its reply on January 8, 2014, and as per the High Court order dated September 11, 2014 arbitrators have been appointed. During the year ended March 31, 2015, the fuel supplier submitted its statement of claim amounting to ₹ 272.63 crore (after adjusting dues of ₹ 29.08 crore payable to GEL) towards liquidated damages and interest at the rate of 15% per annum on such liquidated damages. Further, GEL filed its statement of defense and counter claim amounting to ₹ 35.96 crore along with interest at the rate of 18% per annum. The final outcome of the arbitration is pending conclusion. However based on its internal assessment and a legal opinion, the management of the

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 34 CONTINGENT LIABILITIES (Contd.)**

Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made in these consolidated financial statements of the Group and the claim from the fuel supplier has been considered as a contingent liability as at March 31, 2015.

viii. In case of DIAL, w.e.f. June 1, 2007, the AAI has claimed service tax on the monthly annual fee payable to them considering the same as rental from immovable property w.e.f June 1, 2007. DIAL has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a renting of immovable property, which are specified taxable services under Section 65(105) of Finance Act. DIAL has filed a writ petition with Hon'ble High Court of Delhi and is pending for hearing as at March 31, 2015. Based on an internal assessment and legal opinion obtained, the management of the Group is of the view that no adjustments are required in these consolidated financial statements of the Group.

ix. DIAL and GHIAL have been utilizing Passenger Service Fees (Security Component) ('PSF (SC)') towards capital expenditure and cost of maintenance of such capital asset as per the provisions of Standard Operating Procedure ('SOP'), guidelines and clarifications issued by Ministry of Civil Aviation ('MoCA') from time to time. MoCA has issued the order vide order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the airport operators to reverse the expenditure since inception to till date, towards procurement and maintenance of security systems / equipments and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL and GHIAL in a fiduciary capacity.

As at March 31, 2015, DIAL and GHIAL have incurred ₹ 296.90 crore and ₹ 91.26 crore (excluding related maintenance expenses and interest thereon), respectively towards capital expenditure out of the PSF (SC) escrow account as per SOPs, guidelines and clarification issued by MoCA from time to time on the subject of utilisation of PSF (SC) funds.

In the opinion of the management of DIAL and GHIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi and Hon'ble High Court of Judicature of Andhra Pradesh respectively. In case of DIAL, the Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by DIAL from PSF (SC) Escrow Account till date. The matter is pending for hearing as at March 31, 2015. In case of GHIAL, the Hon'ble High Court of Hyderabad, vide its Order dated March 3, 2014 followed by further clarification dated April 8, 2014 and December 24, 2014 stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against GHIAL, it shall reverse all the expenditure incurred from PSF (SC).

Based on an internal assessment, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements for the year ended March 31, 2015.

x. MoCA issued a Circular No.AV 13028/001/2009-AS dated January 8, 2010, giving fresh guidelines regarding the expenditure which could be met out of the PSF(SC) and was subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, DIAL is not debiting aforesaid security expenditure to PSF (SC) escrow account. Further, vide circular No.AV 13024/43/2003-SS (AD) dated May 17, 2012, it was further directed that any such expenditure already debited was required to be credited back to PSF (SC) account. However, security expenditure amounting to ₹ 24.48 crore was already incurred prior to April 16, 2010 and was debited to PSF (SC) account.

DIAL has filed a writ petition with the Hon'ble High Court of Delhi challenging the applicability of the said circulars/letters issued by MoCA. The Hon'ble High Court of Delhi, vide its order dated December 21, 2012 has restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against DIAL and the matter is pending for hearing as at March 31, 2015.

Based on an internal assessment and the aforesaid order of the Hon'ble High Court, the management is confident that no liability in this regard would be payable and as such no provision has been made in these consolidated financial statements of the Group.

xi. The Director General of Central Excise Intelligence, New Delhi has issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on DIAL, proposing a demand of service tax of ₹ 59.91 crore (excluding interest and penalty) considering Advance Development Costs ('ADC') collected by DIAL from the Commercial Property Developers under the service tax category 'Renting of Immovable Property'. However, based on an internal assessment and legal opinions obtained by DIAL in this regard, the management is of the view that service tax is not leviable on ADC as these are collected for development of certain infrastructure facilities for the common use and not for the exclusive use of any developer.

Further, the management of DIAL has replied to the show cause notice referred to above with appropriate authority on April 17, 2015 and is of the view that no adjustments are required to be made to these consolidated financial statements for the year ended March 31, 2015.

xii. HMACPL has accrued customs officers' salaries stationed at air cargo terminal based on debit notes raised by the customs department on GHIAL as the ultimate cost has to be borne by the custodian i.e. HMACPL. GHIAL had filed a writ petition under Article 226 of the Constitution of India in the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad against the demand raised by customs department. During the year ended March 31, 2013, GHIAL had received an order from the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad (Single Judge), stating that the grounds on which the levy was made by customs department were wholly unsustainable and accordingly, HMACPL had reversed the accrued cost of custom's authorities amounting to ₹ 14.02 crore for the period from March 23, 2008 to March 31, 2012.

Subsequent to the above order, the customs department preferred an appeal against the same and on November 2, 2012, a bench of two judges of the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad passed an order for interim suspension of the said order passed by the Hon'ble

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 34 CONTINGENT LIABILITIES (Contd.)**

Single Judge. The management, based on internal assessment/legal opinion, is confident that there is no financial impact of this interim suspension order and accordingly, no further adjustment has been made to these consolidated financial statements of the Group.

xiii. In respect of ongoing land acquisition process of KSPL, there are claims of different types pending before various judicial forums. These claims are subject to judicial verdicts as at March 31, 2015 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, 2015.

xiv. The Deputy Commissioner of Commercial Taxes, Bhubaneshwar demanded ₹ 171.61 crore (March 31, 2014: ₹ 152.83 crore) for non-payment of entry tax on imported plant and machinery from outside India as per Orissa Entry Tax Act, 1999. GKEL has deposited ₹ 23.62 crore (March 31, 2014: ₹ 23.17 crore) under protest and has filed an appeal before Appellate authorities and Special Leave Petition ('SLP') before Hon'ble Supreme Court of India. However, based on an internal assessment, the management of the Group is of the view that the demand of entry tax is not tenable and accordingly, no further adjustments have been made in these consolidated financial statements and the same has been considered as a contingent liability as at March 31, 2015.

xv. Pursuant to a writ petition filed before the Hon'ble Supreme Court of India ('the Court'), the Court through its Orders dated August 25, 2014 and September 24, 2014 ('the Orders') cancelled the allocations of all but four coal blocks made between 1993 and 2010 as the Court has considered the allocations being arbitrary and illegal under the applicable laws. The allocation of the Rampia coal mine to RCMEPL was cancelled by the aforesaid Orders. The Group has made a provision for carrying value of its net assets in RCMEPL amounting to ₹ 2.37 crore during the year ended March 31, 2015. Further, the Group has provided bank guarantees of ₹ 22.18 crore on behalf of RCMEPL to the Ministry of Coal ('MoC'). The management of the Group has been legally advised that the invocation of the bank guarantee of ₹ 22.18 crore provided by Group is highly unlikely as the coal allocation has been cancelled by the Court. Considering that RCMEPL has not commenced production, the management of the Group is of the view that no penalties can be levied and accordingly the aforesaid Orders of the Court do not have any further consequential impact on these consolidated financial statements of the Group for the year ended March 31, 2015.

xvi. 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. During the year ended March 31, 2015, 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.

xvii. Also refer note 31(a) as regards guarantees provided to the buyer of ISG & LGM as per the terms of SPA.

xviii. Refer note 40(ii) for details of contingent liabilities on issue of non-cumulative compulsorily convertible non-participatory preference shares by GAL to Investor I and Investors II.

xix. Refer note 40(i) for details of contingent liabilities on issue of fully paid up compulsorily convertible cumulative preference shares ('CCCPS') by GEL.

c) **Litigations provided for:**

i. Provision for customs duty including interest thereon on imports made by the Group ₹ 11.36 crore (March 31, 2014: ₹ 11.36 crore).

ii. Provision made in respect of disputes towards utilisation of duty entitlement pass book scrips ₹ 0.21 crore (March 31, 2014: ₹ Nil).

iii. Provision made for excise duty being disputed by the central excise authorities with regard to refund of excise duty ₹ 4.60 crore (March 31, 2014: ₹ 4.60 crore).

iv. Provision made for value added tax ('VAT') being disputed by VAT authorities ₹ 0.66 crore (March 31, 2014: ₹ 0.66 crore).

v. Provision made with regard to service tax matters ₹.2.44 crore (March 31, 2014 : ₹ 2.43 crore).

vi. Refer note 34(b)(vi) with regard to provision of property tax in case of DIAL.

**NOTE 35 CAPITAL COMMITMENTS**

**a) Capital commitments**

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances) | 2,003.47* | 7,771.46 |

*Includes ₹ 111.90 crore payable towards certain coal mines allocated to the Group in terms of the Coal Mines (Special Provision) Ordinance 2014 read with Coal Mines (Special Provision) Second Ordinance, 2014 promulgated and the Coal Mines (Special Provision) Rules, 2014 framed for auction and allotment of coal blocks.

**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

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 35 (b) OTHER COMMITMENTS (Contd.)**

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. Entities in airports sector have entered into various agreements with Concessionaires for periods ranging from 25 years to 30 years extendable by another 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.

iii. Certain entities in power sector have entered into PPAs with customers, pursuant to which these entities have committed to sell power of contracted capacity as defined in the respective PPAs, make available minimum Plant 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.

iv. 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.

v. 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.

vi. One of the overseas entities in power sector (as the buyer) and its jointly controlled entity (as the seller) in power sector have entered into a Coal Sales 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.

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. 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.

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). 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.

As at March 31, 2015, this entity has funded ₹ 9.62 crore (March 31, 2014: ₹ 8.58 crore) towards shortfall in collection from the customers.

x. The Group has entered into agreements with the lenders of certain subsidiaries wherein it has committed to hold at all times at least 51% of the equity share capital of these 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.

xi. 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.

xii. Certain entities in power sector have made a commitment towards expenditure on corporate social responsibilty activities amounting to ₹ 71.05 crore (March 31, 2014: ₹ 72.79 crore) and towards land lease rentals as per the long term land lease agreements entered into by the entities amounting to ₹ 9.84 crore (March 31, 2014: ₹ 10.30 crore).

xiii. 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.

xiv. 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.

xv. During the year ended March 31, 2015, the Group has been allocated certain coal mines for GCHEPL. The Group has undertaken not to pass on certain mining cost to the customers.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 35 (b) OTHER COMMITMENTS (Contd.)

xvi. Refer note 44(i) as regards deferred consideration payable to the erstwhile shareholders of PTDSU.

xvii. Refer note 49 for commitments relating to lease arrangements.

xviii. Refer note 37 as regards negative grant payable to concessionaries of road entities.

xix. Refer note 40 for commitments arising out of convertible preference shares.

xx. Shares of the certain subsidiaries / jointly controlled entities have been pledged as security towards loan facilities sanctioned to the Group.

## NOTE 36 FOREIGN CURRENCY TRANSACTIONS

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. Accordingly,

i. Exchange loss amounting to ₹ 147.34 crore (March 31, 2014: ₹ 608.23 crore) have been adjusted to the cost of depreciable assets in these consolidated financial statements of the Group.

ii. Exchange loss of ₹ 2.42 crore (March 31, 2014: exchange gain of ₹ 4.88 crore), net of amortisation, on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset. The unamortised balance as at March 31, 2015 amounts to exchange loss of ₹ 0.05 crore (March 31, 2014: exchange gain of ₹ 2.37 crore).

## NOTE 37 NEGATIVE GRANT

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 (March 31, 2014: ₹ 108.34 crore) and the balance amount of ₹ 66.41 crore (March 31, 2014: ₹ 66.41 crore) has been disclosed as negative grant under 'Long term borrowings' in these consolidated financial statements of the Group. Refer note 43(i) regarding the details of arbitration pursuant to which the arbitration tribunal has stayed the payment of negative grant of GACEPL during the years ended March 31, 2014 and March 31, 2015.

(₹ in crore)

| Name of the subsidiary | Date of Concession Agreement | Total negative grant | Repayment details | Payable as at March 31, 2015 | Payable as at March 31, 2014 |
|---|---|---|---|---|---|
| GACEPL | November 16, 2005 | 174.75 | Unequal yearly installments over next 3 years | 66.41 | 66.41 |

## NOTE 38 UTILISATION FEES

In case of ISG, pursuant to the implementation agreement between Under secretariat for Defense Industries (Administration) and consortium consisting of LISVT, the Company and Malaysia Airports Holding Berhad (MAHB), utilisation fee of Euro 193.20 crore was payable in annual installments over the final 17 years of the 20 year concession period, starting from 2011. The concession period was extended by a total of 665 days through February 2030 for an additional concession fee totaling approximately Euro 24.40 crore. The utilisation fees was accounted as below:

i. Utilisation fee was charged as per units of usage method, based on revenue projections with a corresponding credit to utilisation fees liability.

ii. During the year ended March 31, 2014, the Group entered into a SPA for sale of their entire equity stake in ISG and accordingly, the utilisation fees receivable/payable have not been reflected in these consolidated financial statements as at March 31, 2014 and March 31, 2015 (also refer note 31(a)).

## NOTE 39 TRADE RECEIVABLES

i. 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 1, 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.

   The Hon'ble High Court of Karnataka, in its order dated March 26, 2010, dismissed the petition of GEL challenging the Order by 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 SLP

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 39 TRADE RECEIVABLES (Contd.)**

before the Hon'ble Supreme Court of India to appeal against the said Order of the Hon'ble High Court of Karnataka, and had sought ex-parte ad-interim order staying the operation of the said Order and to direct Electricity Supply Commissions ('ESCOMs') 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 had 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 majority judgment directed for a tariff of ₹ 6.90 per 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 received an order dated May 23, 2014 from APTEL allowing the tariff at ₹ 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.

In view of the Orders received from KERC and APTEL and a legal opinion, the management of GEL is confident that there will not be any adverse financial impact on the Group with regard to these transactions and accordingly, no adjustment has been made in these consolidated financial statements pending final resolution of the matter.

ii. As at March 31, 2015, the power segment companies have receivables (including unbilled revenue) from TAGENDCO aggregating to ₹ 320.83 crore (March 31, 2014: ₹ 336.43 crore). Based on an internal assessment, collections by the Group from TAGENDCO during the year ended March 31, 2015 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.

iii. As at March 31, 2015, GVPGL has total receivables of ₹ 10.98 crore (March 31, 2014: ₹10.98 crore) towards MAT reimbursement claim recognised by GVPGL. MAT reimbursement claim has not been acknowledged by the customer of GVPGL. During the year ended March 31, 2013, Andhra Pradesh Electricity Regulatory Commission ('APERC') had issued an order whereby APERC had directed the customer to pay the MAT reimbursement claim along with interest after validation of payment of MAT by GVPGL. Pursuant to the said order, GVPGL had submitted the copies of bank challans.

During the year ended March 31, 2014, GVPGL had filed an application in APERC for early enforcement of the aforesaid order passed by APERC. The customer had filed an appeal in APTEL against the said order of APERC along with an application for condonation of delay in filing the appeal. However, the said condonation of delay and the appeal have been dismissed by APTEL.

During the year ended March 31, 2015, the customer has approached Hon'ble Supreme Court of India against the aforementioned order of APERC. Hon'ble Supreme Court of India has admitted the appeal and has directed APERC to assess the amount due to GVPGL within a month from March 13, 2015 and on completion of such assessment, the customer shall secure half of amount due by way a of bank guarantee on any nationalised bank and the remaining shall be paid directly to GVPGL within a month thereafter. APERC is in the process of assessment of the amount due to GVPGL.

Based on an internal assessment, the management of the Group is confident of recovery of such receivables and accordingly, no provision towards such receivables has been made in these consolidated financial statements of the Group.

iv. During the year ended March 31, 2015, GKEL recognised revenue of ₹ 313.13 crore based on a provisional tariff, pending petition filed with CERC for 'Tariff Determination' and ₹340.96 crore as revenue based on PPA tariff for which GKEL filed petition with CERC for Tariff Review. In addition, during the year ended March 31, 2014, GKEL recognized revenue of ₹ 96.07 crore based on a provisional tariff basis in view of 'Tariff Determination Petition" and 'Tariff Review Petition' filed by GKEL pending before CERC and APTEL.

Based on an internal assessment, the management of the Group is confident of recovery of such receivables and accordingly, no provision towards such receivables has been made in these consolidated financial statements of the Group.

v. DIAL has a receivable (including unbilled revenue) of ₹ 405.57 crore as at March 31, 2015 (March 31, 2014: ₹ 444.12 crore) from Air India and its subsidiaries. In view of continuing "Airport Enhancement and Financing Service Agreement" with The International Air Transport Association for recovery of dues from Air India and its subsidiaries, DIAL considers its dues from Air India and its subsidiaries as good and fully recoverable.

vi. During the year ended March 31, 2015, EMCO has recognised an income of ₹ 14.19 crore as per the terms of PPA, in respect of sale of energy to Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). MSEDCL has disputed the revenue of EMCO, however APTEL vide its order dated May 08, 2015 has rejected the claim of MSEDCL and accordingly no adjustments have been made in these consolidated financial statement.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 40 PREFERENCE SHARES ISSUED BY SUBSIDIARIES

Preference shares issued by subsidiaries include the following:

| Particulars | March 31, 2015 ₹ in crore | March 31, 2014 ₹ in crore |
|---|---|---|
| CCCPS issued by GEL | 588.07 | 588.07 |
| Non-cumulative compulsorily convertible non-participatory preference shares issued by GAL | 396.18 | 404.63 |
| 0.0001% non-cumulative redeemable preference shares issued to ICICI by GEL | - | 162.90 |
| **Total** | **984.25** | **1,155.60** |

i. During the year ended March 31, 2011, GEL had issued 13,950,000 CCCPS of ₹ 1,000 each. These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited and Argonaut Ventures (collectively called as Investors). These preference shares were convertible upon the occurrence of Qualifying Initial Public Offering ('QIPO') of equity shares of GEL. In case of non-occurrence of QIPO within 3 years of the closing date, as defined in the terms of share subscription and shareholders agreement between the parties, investors had the right to require GIL to purchase the preference shares or if converted, the equity shares in GEL at an agreed upon internal rate of return ('IRR'). In case GIL failed to purchase the preference shares within 180 days from the date of notice by the Investors, the CCCPS holder had the sole discretion to exercise the various rights under clause 11.18 of the share subscription and shareholders agreement including the conversion of CCCPS into equity shares of GEL / buyback of the converted shares by GEL.

During the year ended March 31, 2014, GEL entered into an amended and restated share subscription and shareholders agreement ('Amended SSA') with the investors, GIL and other GMR group companies. The Investors continue to hold 6,900,000 CCCPS in GEL and a new investor GKFF Capital subscribed to additional 325,000 CCCPS of ₹ 1,000 each (collectively referred to as 'Portion B securities').

As per the Amended SSA and Share Purchase Agreement between the investors, GEL and other Group Companies, 7,050,000 CCCPS with a face value of ₹ 705.00 crore ('Portion A securities') have been bought by GREEL and GEPML for a consideration of ₹ 1,169.17 crore and accordingly an amount of ₹464.17 crore representing consideration paid in excess of face value of Portion A securities has been adjusted against accumulated deficit in the statement of profit and loss in the consolidated financial statements for the year ended March 31, 2014. Portion A securities shall be converted into equity shares of GEL as per the terms prescribed in clause 5 of the SPA not later than the date of conversion of Portion B securities. As defined in the terms of Amended SSA, GEL has to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of ₹ 1,278.67 crore ('Investor exit amount'). In case of non-occurrence of QIPO within 24 months from the last return date, GMR Group may give an exit to Portion B securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR group companies as stated aforesaid, the Portion B securities investors have the sole discretion to exercise the various rights under clause 10 of the Amended SSA.

Further on March 27, 2014, GEL has converted 1,344,347 Portion B securities into 110,554,848 equity shares of ₹ 10 each at a premium of ₹ 2.16 per share as per the terms of clause 4.2 of the Amended SSA so as to enable the Portion B securities investors to participate in proposed QIPO by way of an offer for sale whenever such QIPO is made.

ii. During the year ended March 31, 2011, GAL issued 2,298,940 non-cumulative compulsory convertible non-participatory preference shares ('CCPS 1') bearing 0.0001% dividend on the face value of ₹ 1,000 each fully paid up amounting to ₹ 229.89 crore at a premium of ₹ 2,885.27 each totaling to ₹ 663.31 crore to Macquaire SBI Infrastructure Investments 1 Limited, ('Investor I') for funding and consolidation of airport related investments by the Group. Further, during the year ended March 31, 2012 GAL issued 1,432,528 non-cumulative compulsory convertible non-participatory preference shares ('CCPS 2') bearing 0.0001% dividend on the face value of ₹ 1,000 each fully paid up amounting to ₹ 143.25 crore at a premium of ₹ 3,080.90 each totaling to ₹ 441.35 crore to Standard Chartered Private Equity (Mauritius) III Limited, JM Financial - Old Lane India Corporate Opportunities Fund I Limited, JM Financial Trustee Company Private Limited and Build India Capital Advisors LLP ('Investors II'). The Company and GAL have provided Investor I and Investors II various conversion and exit options at an agreed internal rate of return as per the terms of the Restructuring Options Agreements and Investment agreements executed between the Company, GAL, Investor I and Investors II.

During the year ended March 31, 2015, DSPL purchased 84,398 CCPS 2 from one of the Investors for a consideration of ₹ 47.83 crore and accordingly an amount of ₹13.39 crore representing consideration paid in excess of face value of CCPS 2 has been adjusted against accumulated deficit in the statement of profit and loss in the consolidated financial statements for the year ended March 31, 2015.

Further , as per the terms of CCPS 1 and CCPS 2, these were either convertible into equity shares on or before April 6,2015 or the Company had an option to exercise the call options anytime between July 5,2014 to April 5,2015 requiring the investors to transfer these shares in favour of the Company. On the basis of the Investor Agreement, the Company, vide its letter dated April 01, 2015 has exercised the call Option to acquire CCPS 1 and CCPS 2, at a Call Price to be computed in the manner provided in the respective agreements entered between the investors and the Company. The completion of transaction is pending receipt of requisite approvals from the relevant authorities.

iii. During the year ended March 31, 2010, GEL issued 200,000,000 0.0001% non-cumulative redeemable preference shares of ₹ 10 each fully paid up amounting to ₹ 200.00 crore along with securities premium of ₹ 100.00 crore to ICICI Bank Limited. GEL has agreed to redeem 5% of the subscription amount outstanding under each tranche on the completion of 13th, 24th, 36th and 48th month from the date on which the subscription money was

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 40 PREFERENCE SHARES ISSUED BY SUBSIDIARIES (Contd.)

remitted and remaining outstanding amount was to be redeemed on December 31, 2014. The applicable yield was 14% p. a. for tranches subscribed prior to December 31, 2010 and for tranches subscribed on or after January 1, 2011 onwards, the applicable yield was 14% p.a. or ICICI Bank Benchmark Advance Rate plus the applicable liquidity premium plus 0.25% p. a, whichever is higher. The holders were entitled to dividend, if dividend is paid to other class of preference shareholders. The preference shareholders had a right to attend General Meetings of GEL and vote on resolutions directly affecting their interest. In the event of winding up, GEL had to repay the preference share capital in priority to the equity shares of GEL but it did not confer any further right to participate either in profits or assets of GEL. During the year ended March 31, 2014 and March 31, 2015, GEL redeemed these preference shares out of the proceeds of fresh issue of equity shares to GEPML and hence no transfer of ₹ 8.57 crore and ₹ 162.90 crore has been made to capital redemption reserve in accordance with the requirements of the Companies Act, 1956 and the Companies Act, 2013 respectively, as applicable for the respective years.

## NOTE 41 DEVELOPMENT FUND (DF) ORDER

Airport Economic Regulatory Authority ('AERA') DF Order No. 28/2011-12, 30/ 2012-13 and AERA tariff order No. 03/2012-13 on determination of Aeronautical Tariff; issued on November 14, 2011, April 24, 2012 and December 28, 2012 respectively.

i. DIAL has accrued DF amounting to ₹ 350.00 crore during the year ended March 31, 2013 earmarked for construction of Air Traffic Control ('ATC') tower, which is currently under progress as at March 31, 2015. DF amounting to ₹ 308.83 crore (March 31, 2014: ₹ 199.96 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2015 and balance DF amounting to ₹ 41.17 crore (March 31, 2014: ₹150.04 crore), pending utilisation, has been disclosed under 'other current liabilities'.

ii. While calculating such additional DF amount:

   a) In accordance with the earlier Standard Operating Procedure ('SOP') approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, DIAL was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate/amount of DF and manner of collection and administration cost incurred thereupon is an issue, which has already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; DIAL has capitalized DF collection charges aggregating to ₹ 22.06 crore till the year ended March 31, 2015 (March 31, 2014: ₹ 17.19 crore).

   b) AERA has passed an order vide Order No 03/2012-13 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.

## NOTE 42 MATTERS RELATED TO CERTAIN AIRPORT SECTOR ENTITIES

i. In case of GHIAL, AERA, vide its powers conferred by section 13(1) (a) of AERA Act, 2008, passed an Aeronautical tariff order No.38 issued on February 24, 2014, in respect of control period from April 1, 2011 to March 31, 2016. As per the aforesaid order, there will be no Passenger Service Fee (Facilitation Component) (PSF (FC)) for embarking passengers and the same will be considered as part of User Development Fee (UDF). Further, the UDF for the period from April 1, 2014 to March 31, 2016 has been determined to be ₹ Nil. Accordingly, revenue from operations, for the year ended March 31, 2015, does not comprise any income from PSF (FC) and UDF.

   This has significantly impacted the profitability and cash flows of GHIAL for the year ended on March 31, 2015 and will continue to have significant impact on the profitability and cash flows of GHIAL for the period from April 01, 2015 to March 31, 2016. GHIAL has filed an appeal challenging the aforesaid AERA order with the AERA Tribunal. Due to non-constitution of Airports Economic Regulatory Authority Appellate Tribunal ('AERAAT') bench, AERA Tribunal has refused to hear the appeal and hence GHIAL has filed a writ petition with the Hon'ble High Court at Hyderabad and undertaken certain steps towards strategic cash management. During the year ended March 31, 2015, GHIAL completed the refinancing of its rupee term loans, whereby GHIAL has received the moratorium period of two years for repayment of such loans and accordingly, the first instalment of these loans is payable on July 31, 2016. Further, with the expected UDF commencing in the next tariff cycle, the financial position is expected to improve thereafter. GAL, the Holding Company of GHIAL, has agreed to provide necessary financial support, should the necessity arise and the Company has also provided a corporate guarantee to the lenders of GHIAL towards servicing of GHIAL's debt.

ii. During the year ended March 31, 2015, GATL has incurred a net loss of ₹ 68.66 crore and has accumulated losses of ₹ 295.13 crore as at March 31, 2015, which has resulted in erosion of entire net worth of GATL. The Group entered into a definitive agreement with the joint venture partner of GAEL, the Holding Company of GATL, for termination of the joint venture agreement and towards purchase of the remaining equity stake in GAEL for a purchase consideration of USD 1, consequent to which, the Group has made a provision of ₹ 35.94 crore during the year ended March 31, 2015 towards impairment in the carrying value of net assets which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

   GATL has incurred net loss/net cash loss in the current and previous years and, GATL's current liabilities exceeded its current assets as at the balance sheet date. Further, the management of the Group expects that there will be a significant increase in the operations of GATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly these financial statements of the Group do not include any

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE | 42 | MATTERS RELATED TO CERTAIN AIRPORT SECTOR ENTITIES (Contd.)**

adjustments relating to the recoverability and classification of carrying amount of assets or the amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

iii. As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures ('SOP') issued by the Ministry of Civil Aviation (MoCA) on March 06, 2002, GHIAL, through its wholly owned subsidiary, HASSL constructed residential quarters for Central Industrial Security Forces ('CISF') deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land amounting to ₹ 69.91 crore was debited to the Passenger Service Fee (Security Component) Fund [PSF(SC) Fund] with intimation to MoCA. The 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. During the year ended March 31, 2015, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final conclusion of the same, residential quarters continue to be accounted under the PSF (SC) Fund and no adjustments have been made to these consolidated financial statements.

iv. DIAL has accumulated losses of ₹741.95 crore as at March 31, 2015 (March 31, 2014: ₹969.86 crore) which have resulted in part erosion of net worth of DIAL as at the year end. However DIAL has earned profits during the year ended March 31, 2015 and March 31, 2014 respectively and has met all its obligations as at March 31, 2015.

AERA vide its powers conferred by Section 13(1)(a) of the AERA Act, 2008 passed an Aeronautical tariff order viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014. Pending determination of the final Aeronautical tariff (s) for the second control period i.e. from 2014 to 2019, AERA vide its order 13/2014-15 dated October 14, 2014, extended the operation of tariff order issued on April 24, 2012 up to January 31, 2015 or until the final determination of the tariff for the second control period (i.e. 2014 - 2019), whichever is earlier.

In addition, DIAL had also filed a writ petition before the Hon'ble High Court of Delhi seeking extension of existing tariff as allowed vide AERA order 03/2012-13 issued on April 24, 2012 following the extension granted by AERA vide its order 04/2014-15 dated May 2, 2014 till disposal of DIAL's appeal pending with AERAAT. Subsequently, the Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 dated April 20, 2012 be continued till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

AERA issued consultation paper on January 28, 2015 for determination of Aeronautical tariff in respect of Delhi Airport for the second control period (i.e. 2014 - 2019). The consultation paper suggests that tariff for aeronautical revenue be reduced by 78.24% of the existing tariff (i.e. tariff as compared to the first control period). DIAL filed its reply to AERA with regard to the consultation paper on April 10, 2015. However, in view of Hon'ble High Court of Delhi judgement dated January 22, 2015, AERA vide its public notice No. 16/2014-15 dated January 29, 2015 extended the tariff till the disposal of the appeals pending against the first control period tariff order, by AERAAT. The revenue so collected by DIAL during this interim period shall be adjusted from the aggregate revenue requirement for the second control period w.e.f. April 1, 2014.

Based on the above, the profit earned over the last three financial years, DIAL's business plans, and cash flow projections prepared by the management for the next one year, the management expects to earn cash profits during 2015-16; and do not foresee any difficulty in continuing its business / operations and meeting its financial obligations. Accordingly, financial statements of DIAL for the year ended March 31, 2015 have been prepared and accordingly consolidated on a going concern basis.

v. DIAL received advance development costs of ₹ 653.13 crore (March 31, 2014: ₹ 653.13 crore) from various developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the terms 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 agreements. 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, 2015, DIAL has incurred development expenditure of ₹ 383.87 crore (March 31, 2014: ₹ 318.50 crore) which has been adjusted against the aforesaid advance and balance amount is disclosed under long term and current liabilities.

vi. DIAL is collecting 'Marketing Fund' at a specified percentage from various concessionaires as per the agreements with the respective concessionaires and to be utilised towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by DIAL. The financials statements of such marketing fund are being audited by one of the joint statutory auditors. As at March 31, 2015, DIAL had billed ₹ 51.86 crore (March 31, 2014: ₹ 36.97 crore) towards such Marketing Fund and has incurred expenditure amounting to ₹ 26.27 crore (net of income on temporary investments) till March 31, 2015 (March 31, 2014: ₹ 7.22 crore) from the amount so collected. The balance amount of ₹ 25.59 crore as at March 31, 2015 (March 31, 2014: ₹ 29.75 crore) pending utilisation, against such sales promotion activities is included under 'Other Liabilities' as a 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

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 42 MATTERS RELATED TO CERTAIN AIRPORT SECTOR ENTITIES (Contd.)

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. 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 opinion 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.

ix. During the year ended March 31, 2015, DIAL has issued 6.125% senior secured notes due 2022 of USD 28.88 crore on February 3, 2015 to refinance its existing external commercial borrowings of USD 28.88 crore. As a result of such refinancing, certain Interest rate swap (IRS) which were outstanding on the existing external commercial borrowings of USD 28.88 crore prior to refinancing, were cancelled and DIAL paid ₹ 91.83 crore towards such cancellation of IRS. The same has been disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2015.

## NOTE 43 MATTERS RELATED TO CERTAIN ROAD SECTOR ENTITIES

i. The Group has an investment of ₹ 389.52 crore (including loans of ₹ 149.93 crore, and interest accrued thereon and investment in equity/ preference shares of ₹ 239.59 crore made by the Company and its subsidiaries) in GACEPL as at March 31, 2015. GACEPL has been incurring losses since the commencement of commercial operations. 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 which was due during the years ended March 31, 2014 and March 31, 2015 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 accordingly the carrying value of net assets of ₹ 208.50 crore (after providing for losses till date of ₹ 181.02 crore) as regards investment in GACEPL as at March 31, 2015 is appropriate.

ii. The Company along with its subsidiary has an investment of ₹ 663.65 crore (including loans of ₹ 361.12 crore and investment in equity / preference shares of ₹ 302.53 crore made by the Company and its subsidiary) in GHVEPL. GHVEPL has been incurring losses since the commencement of its commercial operations. The management of the Group 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 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 claim losses suffered on account of the aforementioned reasons and has accordingly filed its claim till the year ended March 31, 2014 with NHAI. Based on the aforementioned internal assessment, legal opinion and the claim filed, the management of the Group is confident that the carrying value of net assets of ₹ 453.60 crore (after providing for losses till date of ₹ 210.05 crore) as regards investment in GHVEPL as at March 31, 2015 is appropriate.

iii. The Company along with its subsidiary has an investment of ₹ 729.43 crore (including loans of ₹ 29.43 crore and investment in equity/preference shares of ₹ 700.00 crore made by the Company and its subsidiary) in GKUAEL which is primarily utilised towards payment of capital advance of ₹ 590.00 crore to its EPC contractors and ₹ 130.99 crore (including ₹ 6.56 crore during the year ended March 31, 2015) towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). The Group has also provided a bank guarantee of ₹ 269.36 crore to NHAI. GKUAEL had entered into a Concession Agreement with NHAI on November 30, 2011 for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways 79A, 79, 76 and 8. Pursuant to non-fulfillment of the mandatory 'Conditions Precedent' specified under the Concession Agreement within the due date, GKUAEL issued a notice to NHAI dated December 21, 2012 of its intention to terminate the Concession Agreement. In response, NHAI vide their letter dated January 1, 2013 termed the notice not maintainable both in law and in facts. NHAI in their letter dated January 17, 2013 to GKUAEL also indicated of making good the alleged defaults of NHAI within the cure period of 90 days. The management of GKUAEL had submitted the proposal for the continuance of the project subject to certain modifications in the financial and other terms in the Concession Agreement and held discussions with NHAI for revival of the project. Considering that the efforts for revival of the project did not succeed, GKUAEL issued a notice of dispute to NHAI dated February 16, 2015 invoking arbitration provisions of the Concession Agreement. Both the parties have appointed their arbitrators and the arbitration process is pending commencement.

Pursuant to the issue of notice of dispute, GKUAEL transferred the aforesaid project costs of ₹ 130.99 crore to claims recoverable. Based on its internal assessment and in view of the letter received from NSE, as detailed in note 30, the Group made a provision for such claims recoverable and has disclosed the same as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2015 including ₹124.43 crore incurred prior to the year ended March 31, 2015, which is considered as a 'prior period item' in these consolidated financial statements.

In addition, GKUAEL awarded the EPC contract to GPPL to whom GKUAEL has given an advance of ₹ 590.00 crore as stated above. Pursuant to the issue of notice of dispute as stated above, GKUAEL terminated the contract on May 15, 2015. GKUAEL is yet to receive any claim from the EPC contractor and no such claim relating to the termination of contract has been recognized by GKUAEL as at March 31, 2015 as the amounts payable are not certain. The termination of concession agreement with NHAI, initiation of arbitration proceedings and its consequential impact on the operations, indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of the GKUAEL and the consequential impact on the net assets / bank guarantee given by the Group and is solely dependent on the outcome of arbitration. Based on an internal assessment and a legal opinion, the management of GKUAEL is confident that it will be able to claim compensation from NHAI for the loss it has suffered due to termination of contract for reasons as stated aforesaid and accordingly considers that, no further adjustments have been considered necessary as at March 31, 2015.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 44 MATTERS RELATED TO CERTAIN POWER SECTOR ENTITIES

i. The Company through its subsidiaries has an investment of ₹ 499.58 crore (USD 7.92 crore) including loan and interest accrued thereon in PTDSU as at March 31, 2015. The Group acquired PTDSU for a consideration of USD 4.00 crore and a deferred consideration to be determined and paid on achievement of certain conditions as specified in the share purchase agreement. PTDSI, a step down subsidiary of PTDSU had pledged 60% shares of PTBSL with the sellers of PTDSU. The achievement of aforementioned conditions for settlement of deferred consideration had been under dispute and the matter was under arbitration and PTDSI had initiated a civil suit seeking direction to the sellers of PTDSU not to act on the pledge agreement provided as security earlier. Pursuant to a settlement agreement dated June 25, 2014, the Group has agreed to pay USD 2.00 crore towards the deferred consideration to the sellers of PTDSU. As per the settlement agreement, the Group has paid USD 0.50 crore and the balance USD 1.50 crore are to be repaid in 16 equal quarterly instalments commencing from June 30, 2015. Further the Group has pledged 35% shares of PTBSL as a security towards the payment of the balance instalments.

The consolidated financial statements of PTDSU and its subsidiaries PTBSL and PTDSI as at March 31, 2015 have accumulated deficit of ₹ 31.62 crore (USD 0.50 crore). PTBSL, a coal property company has commenced coal production and achieved 28,000 M.T. during the year ended March 31, 2015 and PTDSU and its subsidiaries plan to ramp up the production to 2.5 million M.T. in a two year time frame. PTDSU and its subsidiaries are dependent for financial support from the Group. The management of PTDSU is not aware of any material uncertainties that may cast significant doubt upon these entities' ability to continue as a going concern. Based on these factors and a valuation assessment carried out by an external expert, the Group believes that the carrying value of the net assets in PTDSU and its subsidiaries as at March 31, 2015 is appropriate.

ii. a) The Group is engaged in the business of generation and sale of electrical energy from its two gas based power plants of 220MW and 387MW situated at Kakinada and Vemagiri respectively. Further, the Group has investments in a subsidiary, GREL, which is constructing a gas based power plant. In view of lower supplies / availability of natural gas to the power generating companies in India, the Group is facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL and GVPGL have not generated and sold electrical energy since April 2013 and May 2013 respectively till the year ended March 31, 2015 and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of networth. GREL has not yet commenced commercial operations pending linkages of natural gas supply. The Group is actively pursuing / making representations with various government authorities to secure the natural gas linkage / supply as the natural gas supplies from KG D6 basin have dropped significantly from September 2011 onwards. The Group, for its 768 MW gas based power plant, which is under construction at Rajahmundry, has applied for allocation of gas and the Ministry of Petroleum and Natural Gas ('MoPNG') is yet to allocate the gas linkage. The consortium of lenders approved the re-schedulement of Commercial Operation Date ('COD') of the plant under construction and repayment of project loans. GREL in the absence of gas linkage sought further extension of COD. The project lenders have agreed for further funding of ₹ 457.00 crore to GREL to meet its cost overruns on account of delays in commissioning of the plant. During March 2015, the Ministry of Power, Government of India ('GoI') has issued a scheme for utilization of the gas based power generation capacity for the years ended March 31, 2016 and 2017. The scheme envisages supply of imported spot RLNG 'e-bid RLNG' to the stranded gas based plants as well as plants receiving domestic gas, upto the target plant load factor ('PLF'), selected through a reverse e-bidding process and also intervention / sacrifices to be collectively made by all stakeholders. The aforementioned gas based power plants of the Group are included in the list of stranded gas based power plants and are entitled to participate in the e-bidding process. GVPGL and GREL have emerged as successful bidders in the auction process organised by the Ministry of Power in May 2015 and have been awarded the Letter of Intent for gas allocation for 4 months from June to September, 2015 which would facilitate the commissioning of GREL and operations of both GREL and GVPGL at 25% PLF. The Group and the Association of Power Producers continue to monitor the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that 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 valuation assessment by an external expert of these gas based companies which includes certain assumptions relating to availability and pricing of gas, future tariff and other operating parameters, which management of the Group believes reasonably reflect the future expectations from these projects. The management of the Group will monitor these aspects closely and take actions as is considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise. Based on the aforementioned reasons, business plans and valuation assesment, the management of the Group considers that the going concern assumption and the carrying value of the net assets of the aforesaid entities as at March 31, 2015 is appropriate and these consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty. In the meantime, the Company has also committed to provide necessary financial support to these companies as may be required by these companies for continuance of their normal business operations.

b) In respect of plant under construction at Rajahmundry, pending securing supply of requisite natural gas, the Group has put on hold active construction work of the plant. The management of the Group believes that the indirect expenditure attributable to the construction of the project and borrowing costs incurred during the period of uncertainty around securing gas supplies qualifies for capitalisation under paragraphs 9.3 and 9.4 of AS -10 and paragraphs 18 and 19 of AS -16. The subsidiary setting up the plant had approached the Ministry of Corporate Affairs ('MCA') seeking clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation referred in note 44(ii)(a) above. MCA vide its General Circular No. 35/2014 dated August 27, 2014 on capitalisation under AS-10 and capitalisation of borrowing cost during extended delay in commercial production has clarified that only such expenditure which increases the worth of the assets can be capitalised to the cost of the fixed assets as prescribed by AS 10 and AS 16. Further the circular states that cost incurred during the extended delay in commencement of commercial production after the plant is otherwise ready does not increase the worth of fixed assets and therefore such costs cannot be capitalised. The Group approached MCA seeking further clarification on the applicability of the said Circular to its Rajahmundry plant and pending receipt of requisite clarification, the Group has continued the capitalisation of the aforesaid expenses of ₹ 1,104.92 crore (including ₹ 424.97 crore for the current year) cumulatively upto March 31, 2015. Further as detailed in note 30 above, during the year ended March 31, 2015, the Company received a letter from NSE whereby SEBI

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 44 MATTERS RELATED TO CERTAIN POWER SECTOR ENTITIES (Contd.)**

has directed NSE to advise the Company to restate the consolidated financial statements of the Group for the year ended March 31, 2013 as regards the qualification on continuance of capitalization as stated aforesaid, post cessation of active construction work. SEBI advised the Company that the effect of these restatement adjustments may be carried out in the annual accounts of the financial year 2014-15, as a prior period item. The Company filed a writ petition with the Hon'ble High Court of Delhi in this regard. In response to the writ petition filed by the Company, the Hon'ble High Court of Delhi directed the Company that if the accounts for 2014-2015 are prepared, the aforementioned issue will be reflected in the accounts and the effect of both capitalisation and non-capitalisation on the networth will also be disclosed in due prominence, in the financial accounts prepared by the Company. Accordingly the effect of charging off the above expenses to the consolidated statement of profit and loss on the net worth of the Group is disclosed below:

| Particulars | March 31, 2015 (₹ in crore) | March 31, 2014 (₹ in crore) |
|---|---|---|
| Share capital | 1,572.80 | 1,525.91 |
| Reserves and surplus | 4,305.77 | 6,095.18 |
| Money received against share warrants | 141.75 | - |
| **Net worth/ shareholders' funds*** | **6,020.32** | **7,621.09** |
| Less: Adjustment on account of charging off certain expenses as per the order stated above (after minority interest) | (1,059.62) | (665.74) |
| **Revised net worth/ Revised shareholders' funds*** | **4,960.70** | **6,955.35** |

* Net worth has been calculated as per the definition of net worth in Guidance Note on "Terms used in Financial Statements" issued by the Institute of Chartered Accountants of India.

iii. The Company through its subsidiary has an investment of ₹ 1,195.45 crore (including investments in equity share capital, debentures, subordinate loans and interest accrued thereon) in EMCO, a subsidiary of the Company, as at March 31, 2015 and has also provided corporate / bank guarantee towards loan taken by EMCO from the project lenders. EMCO is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600MW situated at Warora. EMCO has accumulated losses of ₹ 926.11 crore which has resulted in erosion of EMCO's entire net worth. EMCO has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and hence is in the stabilization phase of its operations. EMCO has tied up entire power supplies capacity with customers and has substantially completed the refinancing of its term and other loans with the lenders. Though the net worth of EMCO is fully eroded, the management of EMCO expects that the plant will generate sufficient profits in the future years, and as such the financial statements of EMCO for the year ended March 31, 2015 have been prepared on a going concern basis and based on business plans and a valuation assessment by an external expert, the management of the Group considers that the carrying value of the net assets in EMCO as at March 31, 2015 is appropriate.

iv. During the year ended March 31, 2014, based on a valuation assessment of its investments including unsecured loans in ATSCL and MTSCL, the Group has made an impairment provision of ₹ 8.95 crore towards the carrying value of the net assets of ATSCL and MTSCL which was disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2014.

v. During the year ended March 31, 2015, based on a valuation assessment of its investments including unsecured loans in GGSPPL, the Group has made an impairment provision of ₹ 18.00 crore towards the carrying value of the net assets of GGSPPL, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

vi. GPCL approached TNERC to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from TAGENDCO on account of sale of energy including reimbursement towards interest on working capital, MAT, rebate, start/ stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable Order from TNERC on April 16, 2010 and in pursuance of the Order, GPCL 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 APTEL. In terms of an interim Order on November 19, 2010 from APTEL, TAGENDCO deposited ₹ 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counter claims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The legal counsel handling the matter has confirmed that on April 24, 2014, the Hon'ble Supreme Court has disposed off the appeal of TAGENDCO and directed GPCL and TAGENDCO to file their respective claim / account statement before TNERC. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014.

GPCL was availing tax holiday under Section 80IA of the IT Act in respect of its income from power generation. Considering that the substantial amount, though under protest, has been received by GPCL, based on an expert opinion, GPCL offered the claims upto March 31, 2013 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 after the date of Order is being disclosed as advance from the customer in the books of account. Further, GPCL has been legally advised that pending adjudication of petition, the entire matter is now sub-judice and has not attained the finality.

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 44 MATTERS RELATED TO CERTAIN POWER SECTOR ENTITIES (Contd.)**

Hence, in accordance with the Group's accounting policy, pending acceptance of claims by TAGENDCO and pending adjudication of petition before the Hon'ble Supreme Court, the Group has not recognised such balance claim in the books of account.

vii. The Company through its subsidiary has an investment of ₹ 164.98 crore in the equity share capital of GPCL. The PPA entered into by GPCL with TAGENDCO for 15 years expired on February 14, 2014 and was extended till February 14, 2015. There has been no further renewal of the PPA post the aforementioned date and as a result GPCL has not generated and sold electricity subsequent to February 14, 2015. The going concern assumption of GPCL is significantly dependent upon its PPA arrangements, achievement of business plans and continued availability of funds. The management of GPCL is in discussion with TAGENDCO and several industrial consumers for the supply of its power and is confident entering into power supply agreements and obtaining financial assistance from GEL to meet its financial commitments. In view of these aspects and a valuation assessment by an external expert, the management of the Group believes that the carrying value of the net assets in GPCL as at March 31, 2015 is appropriate.

viii. The Company through its subsidiary has an investment of ₹ 2,760.39 crore (March 31, 2014: ₹ 2,117.74 crore) (including investments in equity/preference share capital, share application money pending allotment, subordinate loans and interest accrued thereon) in GCHEPL as at March 31, 2015 and has also provided corporate / bank guarantee towards loan taken by GCHEPL from the project lenders. GCHEPL is in the advanced stage of construction of 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh. GCHEPL has obtained provisional Mega Power status certificate from the Ministry of Power, GoI vide letter dated September 8, 2011 and accordingly has availed an exemption of customs and excise duty against bank guarantees and pledge of deposits. The management of the Group is certain of obtaining Mega Power status, pending which cost of customs and excise has not been considered as cost of the project.

GCHEPL has experienced certain delays in the completion of construction and incurred costs overruns including additional claims from the EPC contractor which are pending settlement as at March 31, 2015. As per the management of GCHEPL, the additional claims are not expected to be material and expect to complete the development of the project within the revised costs approved by the lenders. GCHEPL is in active discussion with the lenders to restructure its loans. During the year ended March 31, 2015, GCHEPL has been allotted two coal mines to meet its fuel requirements. GCHEPL does not have a PPA currently and is taking steps to tie up the power supply through power supply agreements on a long/medium term basis with various customers including State Electricity Boards and is expected to commence generation of power during the earlier part of the ensuing financial year. Due to these reasons, the financial statements of GCHEPL have been prepared on a going concern basis and based on business plans and valuation assessment by an external expert, the management of the Group is of the view that the carrying value of its net assets in GCHEPL as at March 31, 2015 is appropriate. In estimating the future cash flows, the management has, in the absence of PPA's made certain key assumptions relating to the future revenues based on externally available information, restructuring of loans to the lenders and operating parameters which the management believes reasonably reflect the future expectations of these items. The Group will monitor these assumptions closely on a periodic basis and take action as is considerd appropriate.

ix. The Group through its subsidiary has investments of ₹ 65.00 crore (including goodwill of ₹ 61.80 crore) in equity share capital of SJK as at March 31, 2015. SJK is in the early stage of developing a 2*660 MW imported coal based power plant at Village Lalapur, Madhya Pradesh. During the year ended March 31, 2015, based on an internal assessment, the Group has provided for impairment in the value of goodwill in full and has disclosed the same as an 'exceptional item' in the consolidated financial statements of the Group.

x. The Company through its subsidiary has an investment of ₹ 2,485.10 crore (including investments in equity share capital, subordinate loans and interest accrued thereon) in GKEL as at March 31, 2015 and also provided corporate / bank guarantee towards loan taken by GKEL from the project lenders. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. GKEL has accumulated losses of ₹ 1,343.36 crore which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. GKEL is in active discussion with the lenders to restructure its loans. GKEL's petition for 'Tariff Determination' in case of PPA with GRIDCO Limited and 'Tariff Revision' in case of PPA with PTC India Limited is pending before CERC for disposal. GKEL is hopeful of a favourable order in due course. In view of these matters, business plans and valuation assessment by an external expert and continuing financial support by GEL, the financial statements of GKEL have been prepared on a going concern basis and the management of the Group is of the view that the carrying value of the net assets in GKEL as at March 31, 2015 is appropriate.

xi. As at March 31, 2015, the Company along with its subsidiary has an investment of ₹ 343.53 crore (including investment in equity share capital of ₹5.00 crore and subordinate loan of ₹ 338.53 crore) in GBHPL. GBHPL 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, 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. 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 plans and a valuation assessment by an external expert, the management of the Group is of the view that the carrying value of net assets of ₹ 277.49 crore of GBHPL is appropriate.

xii. During the year ended March 31, 2015, GKEL has invoked the bank guarantees of its EPC Contractors (herein after called "party") amounting to ₹ 579.26 crore on November 12, 2014 for liquidated damages, non-payment of debit notes issued by GKEL and outstanding liabilities to sub-contractors of EPC contractor. The matter is presently sub-judice with District Court, Dhenkenal, and High Court of Odisha, Cuttack. The said amount and accruals if any, have been disclosed under the current liabilities pending settlement of the litigation.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 45 MATTERS RELATED TO CERTAIN EPC SECTOR ENTITIES

i. GADLIL is re-registered in the Republic of Maldives for upgrading of existing terminal and construction of new terminal at the MIA. As per the work construction contract dated October 25, 2010 entered into with GMIAL, the expected substantial completion date of the construction was July 01, 2014, and GADLIL's registration in the Republic of Maldives is valid till December 31, 2016. However, pursuant to the takeover of MIA by MACL, GMIAL has terminated the work construction contract with GADLIL on December 10, 2012. These conditions indicate the existence of a material uncertainty about the going concern of GADLIL, which is fully dependent on the outcome of the arbitration process between GMIAL and GoM and MACL. However, based on internal assessment and business plans the financial statements of GADLIL as at and for the year ended March 31, 2015 have been prepared and accordingly consolidated on a going concern basis.

## NOTE 46 MATTERS RELATED TO CERTAIN OTHER SECTOR ENTITIES

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

| Particulars | March 31, 2015 (₹ in crore) | March 31, 2014 (₹ in crore) |
|---|---|---|
| Equity shares of GIL | 101.55 | 101.55 |
| Equity shares of GAL | 11.28 | 11.28 |
| Others | 2.17 | 2.17 |
| **Total** | **115.00** | **115.00** |

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" whereby 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. The Company will ensure compliance with the new regulations within the permissible time period, including obtaining of shareholders' approval by passing a special resolution in the forthcoming annual general meeting of the Company. Further, as per the trust deed, GWT is constituted for undertaking only employee benefit schemes and hence the Group has not consolidated the financial statements of GWT in these consolidated financial statements of the Group.

ii. During the year ended March 31, 2015, GHRL has incurred net loss of ₹ 20.65 crore (March 31, 2014: ₹ 20.73 crore) and has accumulated losses of ₹ 129.19 crore (March 31, 2014: ₹ 105.76 crore) which has resulted in substantial erosion of GHRL's net worth. GHRL has incurred cash loss during the current year and previous years and, GHRL's current liabilities exceeded its current assets as at balance sheet date. The management of the Group expects that there will be significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GHRL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these consolidated financial statements of the Group do not include any adjustments relating to the recoverability and classification of carrying amount of assets or the amounts and classification of liabilities that may be necessary if GHRL were unable to continue as a going concern.

iii. As at March 31, 2015, GICL has fixed deposits of ₹ 609.16 crore (March 31, 2014: ₹ 832.78 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that inspite 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 restrictive deposits and disclosed under 'Other non-current assets' in these consolidated financial statements of the Group.

iv. a) KSPL is acquiring land for implementing a Multi-Product Special Economic Zone within the meaning of Special Economic Zone Act, 2005. KSPL has obtained an initial notification from the Ministry of Commerce, GoI vide notification no. 635(E) dated April 23, 2007 to the extent of 1,035.67 hectares, the formal approval for which was initially granted for three years from June 2006. The said formal approval has been extended till August 2015. KSPL, has obtained further notification from GoI vide notification no. 342(E) dated February 6, 2013 to the extent of 1,013.64 hectares and the formal approval was initially granted for 3 years from February 2012, which on application by KSPL has been extended further by one year upto February 2016. KSPL upon completion of acquisition of the desired land plans to apply for an appropriate notification, pending which the entire land that has been acquired till date by KSPL is treated as land acquired for the purpose of implementation of Special Economic Zone awaiting notification. The management is confident of obtaining further extensions of the aforesaid consents, if necessary and also getting the balance area notified for SEZ development as per the required regulations.

b) KSPL has acquired land for development of Special Economic Zone and initiated various rehabilitation and resettlement initiatives thereafter for relocating the inhabitants residing on the land acquired. The amount of expenditure incurred by KSPL towards rehabilitation and resettlement initiatives amounting to ₹ 65.88 crore (March 31, 2014: ₹63.69 crore) has been treated as part of the land acquisition cost and is classified under

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 46 MATTERS RELATED TO CERTAIN OTHER SECTOR ENTITIES (Contd.)

capital work-in-progress. Considering that the negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is in progress, no further provision has been made towards the potential cost that is likely to be incurred.

c) Land acquisition for SEZ project comprises direct purchases, land acquired from Andhra Pradesh Industrial Infrastructure Corporation Limited and land awarded by 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.

## NOTE 47 DERIVATIVE INSTRUMENTS

**a. IRS outstanding as at the balance sheet date:**

i. In case of DIAL, as per the conditions precedent to disbursement of External Commercial Borrowing ('ECB') loan, DIAL has entered into an IRS agreement from floating rate of interest to fixed rate of interest against its foreign currency loan of USD 9.02 crore (March 31, 2014: USD 40.09 crore).

| Particulars of Derivatives | Purpose | | | |
|---|---|---|---|---|
| IRS outstanding as at balance sheet date: USD 9.02 crore (March 2014: USD 40.09 crore) | Hedge of variable interest outflow on ECB. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR: | | | |
| | **March 31, 2015** | **March 31, 2014** | **March 31, 2015** | **March 31, 2014** |
| | ECB amount (USD in crore) | ECB amount (USD in crore) | Interest Rate | Interest rate |
| | 9.02 | 9.02 | 1.94% | 1.94% |
| | - | 8.88 | - | 4.99% |
| | - | 6.65 | - | 2.76% |
| | - | 8.88 | - | 0.87% |
| | - | 6.65 | - | 0.86% |

However these IRS of USD 9.02 crore (1.94% p.a. on notional amount payable semi-annually and receive USD 6 months LIBOR, semi-annually) are effective from June 30, 2015.

Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

ii. GAPL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 0.88 crore (March 31, 2014: USD 1.18 crore) covering the period from October 12, 2010 to October 06, 2017. Based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

iii. In case of GHIAL, as per the conditions precedent to disbursement of foreign currency loan of USD 12.50 crore (March 31, 2014: USD 12.50 crore), GHIAL has entered into swap agreement from floating rate of interest to fixed rate of interest covering the period of the foreign currency loan from September 10, 2007 to April 01, 2024. The outstanding balance of foreign currency loan as at March 31, 2015 is ₹574.16 crore (March 31, 2014: ₹604.90 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

iv. During the year ended March 31, 2013, ATSCL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.66 crore covering the period from December 7, 2012 to December 7, 2017. The outstanding balance of foreign currency loan as at March 31, 2015 is ₹104.62 crore (March 31, 2014: ₹100.35 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

v. During the year ended March 31, 2014, MTSCL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.66 crore covering the period from May 8, 2013 to May 8, 2018. The outstanding balance of foreign currency loan as at March 31, 2015 is ₹104.84 crore (March 31, 2014: ₹100.57 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

vi. During the year ended March 31, 2014, GKEL has entered into an IRS from floating rate of interest to fixed rate of interest and a cross currency swap contract against its foreign currency loan amounting to USD 5.48 crore covering the period from October 1, 2014 to December 1, 2017. The outstanding balance of foreign currency loan as at March 31, 2015 is ₹346.07 crore (March 31, 2014: ₹ 335.36 crore). Based on the internal assessment carried

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 47 DERIVATIVE INSTRUMENTS (Contd.)**

out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

vii. GMIAL has entered into IRS agreement for swapping floating rate of interest to fixed rate of interest against the loan of USD 14.50 crore (March 31, 2014: USD 14.50 crore) covering the period December 31, 2011 to December 31, 2015. The outstanding balance of foreign currency loan as at March 31, 2015 is ₹ 914.37 crore (March 31, 2014: ₹ 877.11 crore)

Since the critical terms of the IRS and the underlying foreign currency loan are the same, based on the internal assessment carried out by the management of the Group, the impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan, is considered to be immaterial and accordingly no adjustment has been made in these consolidated financial statements of the Group.

**b. Un-hedged foreign currency exposure for monetary items is as follows:**

(Foreign currencies and Indian ₹ in crore)

| Currency | Cash and bank balances | Fixed assets, non - current investments and current investments | Trade receivables, Inventories, long-term and short-term advances and other non-current and current assets | Trade payables, other long term and current liabilities and long term and short term provisions | Long-term borrowings, short term borrowings and current maturities of long term borrowings |
|---|---|---|---|---|---|
| Canadian Dollar | 0.01 | 0.01 | 0.01 | 0.02 | - |
| | (0.24) | (0.08) | (0.02) | (0.14) | - |
| Swiss Franc | 0.00 | - | 0.01 | 0.03 | - |
| | - | - | (0.00) | (0.00) | - |
| Chinese Yuan | 0.00 | - | - | - | - |
| | (0.00) | - | (0.01) | (0.18) | - |
| Euro | 0.03 | 0.00 | 0.06 | 0.12 | - |
| | (0.86) | (0.01) | (20.40) | (1.54) | 0.00 |
| Great British Pound | 0.03 | 0.12 | 0.10 | 0.13 | - |
| | (0.00) | (0.13) | (0.10) | (0.24) | (3.12) |
| Indonesian Rupiah | 18,463.83 | 36,830.14 | 16,965.18 | 9,434.48 | - |
| | (16,382.10) | (37,879.90) | (18,385.71) | (6,171.09) | - |
| Nepalese Rupee | 3.40 | 168.36 | 0.33 | 1.12 | 10.00 |
| | (0.45) | (114.87) | (0.23) | (1.35) | - |
| Singapore Dollar | 0.02 | - | 0.09 | 0.02 | - |
| | (0.01) | (0.05) | (0.04) | (0.11) | - |
| Turkish Lira | 0.05 | - | - | - | - |
| | (0.05) | - | (0.07) | (0.01) | - |
| Philippines Pesos | 5.93 | 599.65 | 79.17 | 23.03 | 451.73 |
| | - | - | - | - | - |
| United States Dollar | 28.21 | 64.01 | 23.05 | 29.44 | 156.27 |
| | (32.21) | (58.57) | (20.94) | (33.77) | (172.23) |
| Australian Dollar | - | - | - | 0.02 | - |
| | - | - | - | - | - |
| Maldive Rufiyaa | 0.69 | - | - | - | - |
| | - | - | - | - | - |
| Amount in ₹ | 1,894.38 | 5,191.84 | 1,671.82 | 1,962.07 | 10,501.52 |
| | (2,120.14) | (3,939.09) | (3,062.72) | (2,243.01) | (10,729.76) |

Note: Previous year figures are mentioned in brackets.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 47 DERIVATIVE INSTRUMENTS (Contd.)

Forward contract outstanding as at balance sheet date:

| Particulars | Entity | Currency | Amount in foreign currency in crore | |
|---|---|---|---|---|
| | | | March 31, 2015 | March 31, 2014 |
| Forward cover for hedging of loan availed | MTSCL | USD | 1.66 | 1.66 |
| | ATSCL | USD | 1.66 | 1.66 |
| | GCHEPL | USD | 0.72 | - |
| | GREL | USD | - | 5.20 |
| Forward contract for hedging the supplier credit | GAPL | USD | - | 0.08 |

## NOTE 48 EMPLOYEE BENEFITS

a) Defined contribution plan

Contributions to provident and other funds included in capital work-in-progress (note 32(a)), intangible assets under development (note 32(b)) and employee benefits expenses (note 25) are as under:

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Contribution to provident fund | 20.20 | 20.32 |
| Contribution to superannuation fund | 12.06 | 13.39 |
| | **32.26** | **33.71** |

b) Defined benefit plan

**Provident Fund**

Contribution to provident fund by DIAL included in capital work in progress (note 32(a)) and employee benefits expenses (note 25) are as under:

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Contribution to provident fund | 5.66 | 3.95 |
| | **5.66** | **3.95** |

The Guidance on Implementing of Accounting Standard 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India, states that 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, 2015 | March 31, 2014 |
|---|---|---|
| Plan assets at the year end, at fair value | 76.41 | 65.35 |
| Present value of benefit obligation at the year end | 76.41 | 65.35 |
| Net (liability) / asset recognized in the balance sheet | - | - |

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

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Discount Rate | 7.80% | 9.25% |
| Fund Rate | 9.30% | 9.30% |
| EPFO Rate | 8.60% | 8.60% |
| 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 the Institute of Actuaries of India effective April 1, 2013

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 48 EMPLOYEE BENEFITS (Contd.)**

**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 (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

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

**Statement of profit and loss**

**Net employee benefits expenses** (₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Current service cost | 6.02 | 7.01 |
| Interest cost on defined benefit obligation | 2.74 | 2.22 |
| Expected return on plan assets | (2.89) | (2.61) |
| Net actuarial (gain) / loss recognised | 4.72 | (3.37) |
| Net benefit expenses | 10.59 | 3.25 |

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2015 |
|---|---|---|
| Actual return on plan assets | 1.84 | 2.20 |

**Balance sheet** (₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Present value of defined benefit obligation | 40.12 | 30.45 |
| Fair value of plan assets | 32.68 | 27.12 |
| Plan asset / (liability) | (7.44) | (3.33) |

**Changes in the present value of the defined benefit obligation** (₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Opening defined benefit obligation | 30.45 | 28.30 |
| New acquisitions | 0.42 | 0.27 |
| Interest cost | 2.74 | 2.22 |
| Current service cost | 6.02 | 7.01 |
| Benefits paid | (2.69) | (3.57) |
| Adjustment on transfer from related parties | (0.49) | - |
| Actuarial (gains) / losses on obligation | 3.67 | (3.78) |
| Closing defined benefit obligation | 40.12 | 30.45 |

**Changes in the fair value of plan assets** (₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Opening fair value of plan assets | 27.12 | 27.01 |
| New acquisitions | 0.72 | - |
| Expected return on plan assets | 2.89 | 2.61 |
| Contributions by employer | 5.69 | 1.48 |
| Benefits paid | (2.69) | (3.57) |
| Actuarial gains / (losses) on plan assets | (1.05) | (0.41) |
| Closing fair value of plan assets | 32.68 | 27.12 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 48 EMPLOYEE BENEFITS (Contd.)**

The Group expects to contribute ₹ 4.73 crore (March 31, 2014: ₹ 1.58 crore) towards gratuity fund in next year.

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

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Investments with insurer managed funds | 100% | 100% |

The principal assumptions used in determining gratuity obligation:

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Discount rate | 7.80% | 9.25% |
| Expected rate of return on assets | 9.40% | 9.40% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Employee turnover | 5.00% | 5.00% |
| Mortality Rate | Refer note (iii) below | Refer note (iii) below |

Notes :

i. The long term estimate of the expected rate of return on fund assets has been arrived at based on the prevailing yields on these assets. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

ii. 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.

iii. As per Indian Assured Lives Mortality (2006-08) (modified) Ult. (March 31, 2014: As per Indian Assured Lives Mortality (2006-08) (modified) Ult)

**Amounts for the current and previous four years are as follows:** (₹ in crore)

| Particulars | Gratuity | | | | |
|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 |
| Present value of defined benefit obligation | 40.12 | 30.45 | 28.30 | 21.08 | 13.48 |
| Fair value of plan assets | 32.68 | 27.12 | 27.01 | 16. 36 | 12.91 |
| Surplus / (deficit) | (7.44) | (3.33) | (1.29) | (4.72) | (0.57) |
| Experience adjustments on plan liabilities | 3.67 | (3.78) | 1.01 | 2.64 | (0.37) |
| Experience adjustments on plan assets | (1.05) | (0.41) | 0.09 | 0.38 | 0.09 |

**Other defined post-employment benefits:**

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

The following tables summaries 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.

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Current service cost | 1.80 | 2.51 |
| Interest cost on benefit obligation | 0.50 | 0.42 |
| Net actuarial (gains) / losses recognised | (1.77) | (1.16) |
| Net benefit expenses | 0.53 | 1.77 |

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Opening defined benefit obligation | 8.28 | 7.18 |
| Interest cost | 0.50 | 0.42 |
| Current service cost | 1.80 | 2.51 |
| Benefits paid | (0.42) | (0.67) |
| Actuarial (gains) / losses on obligation | (1.77) | (1.16) |
| Closing defined benefit obligation | 8.39 | 8.28 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 49 LEASES

**a. Finance lease**

The Group has entered into finance lease arrangements (as lessee) in respect of certain assets for periods of 3 to 5 years. The lease has a primary period, which is non-cancellable. The agreements provide for revision of lease rental in the event of changes in taxes, if any, leviable on the lease rentals. There are no exceptional/ restrictive covenants in the lease agreements.

(₹ in crore)

| Particulars | Minimum lease payments | Present value of minimum lease | Minimum lease payments | Present value of minimum lease |
|---|---|---|---|---|
| | As at March 31, 2015 | | As at March 31, 2014 | |
| (i) Payable not later than 1 year | 0.34 | 0.31 | 0.34 | 0.31 |
| (ii) Payable later than 1 year and not later than 5 years | 0.41 | 0.32 | 0.65 | 0.52 |
| (iii) Payable later than 5 years | - | - | - | - |
| Total - (i)+(ii)+(iii) = (iv) | 0.75 | 0.63 | 0.99 | 0.83 |
| Less: Future finance charges (v) | 0.12 | - | 0.16 | - |
| Present value of minimum lease payments [(iv) - (v)] | 0.63 | - | 0.83 | - |

Lease payment made during the year ₹ 0. 24 crore (March 31, 2014: ₹ 0.66 crore)

**b. Operating leases**

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipments and certain non-cancellable operating lease agreements towards office premises and hiring office equipments. The lease rentals received during the year (included in note 21) and charged during the year (included in note 32(a), note 32(b) and note 26) and the maximum obligation on the long term non-cancellable operating lease payable as per the agreements are as follows:

(₹ in crore)

| Particulars | Year ended March 31, 2015 | Year ended March 31, 2014 |
|---|---|---|
| **Payment** | | |
| Lease rentals under cancellable and non-cancellable leases | 86.88 | 120.88 |
| **Receipt** | | |
| Lease rentals under cancellable leases | 8.51 | 3.77 |
| **Obligations on non-cancellable leases:** | | |
| Not later than one year | 12.59 | 13.54 |
| Later than one year and not later than five years | 32.45 | 33.22 |
| Later than five years | 20.02 | 26.64 |

## NOTE 50 DEFERRED TAX

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

| Sl.No. | Particulars | March 31, 2015 | | March 31, 2014 | |
|---|---|---|---|---|---|
| | | Deferred tax Asset (₹ in crore) | Deferred tax Liability (₹ in crore) | Deferred tax Asset (₹ in crore) | Deferred tax Liability (₹ in crore) |
| | **Deferred tax liability :** | | | | |
| 1 | Depreciation | - | 2,360.32 | - | 1,999.41 |
| 2 | Carry forward losses / unabsorbed depreciation | 2,166.14 | - | 1,810.62 | - |
| 3 | Intangibles (Airport concession rights) | 77.73 | - | 80.70 | - |
| 4 | Others | 43.09 | - | 34.82 | - |
| | **Sub - total (A)** | **2,286.96** | **2,360.32** | **1,926.14** | **1,999.41** |
| | Deferred tax liability (net) | | 73.36 | | 73.27 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 50 DEFERRED TAX (Contd.)**

| Sl.No. | Particulars | March 31, 2015 | | March 31, 2014 | |
|---|---|---|---|---|---|
| | | Deferred tax Asset (₹ in crore) | Deferred tax Liability (₹ in crore) | Deferred tax Asset (₹ in crore) | Deferred tax Liability (₹ in crore) |
| | **Deferred tax asset:** | | | | |
| 1 | Depreciation | - | 0.05 | - | 162.28 |
| 2 | Carry forward losses / unabsorbed depreciation | 12.54 | - | 189.31 | - |
| 3 | Others | 6.55 | - | 17.54 | |
| | **Sub - total (B)** | **19.09** | **0.05** | **206.85** | **162.28** |
| | Deferred tax asset (net) | 19.04 | | 44.57 | |
| | **Total (A+B)** | **2,306.05** | **2,360.37** | **2,132.99** | **2,161.69** |
| | Deferred tax asset / (Deferred tax liability) (net) | (54.32) | | (28.70) | |
| | Change for the year | | 25.62 | | 31.42 |
| | Foreign currency translation reserve | | 0.02 | | (0.40) |
| | Deferred tax adjusted with the deficit in the statement of profit and loss [refer note 10(7)(i)(i)] | | 7.35 | | |
| | Deferred tax asset/(liability) on account of acquisition during the year | | - | | 1.06 |
| | Charge/(credit) during the year | | 32.99 | | 32.08 |

i. 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 IT Act, deferred tax has not been recognised by these companies.

ii. In case of certain entities, deferred tax asset has not been recognized on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability.

iii. In case of certain entities, the Group has recognized deferred tax asset on unabsorbed depreciation and carried forward losses as at March 31, 2015, only to the extent of deferred tax liability as at March 31, 2015 as a matter of prudence.

**NOTE 51 PROVISIONS**

(₹ in crore)

| Particulars | As at April 1, 2014 | Provision made during the year | Amount written back during the year (inclusive of exchange differences) | Amount used during the year | Deletion on disposal of subsidiaries | As at March 31, 2015 |
|---|---|---|---|---|---|---|
| Provision for operations and maintenance (net of advances) | 62.96 | 29.67 | - | 30.07 | 6.17 | 56.39 |
| | (81.01) | (27.45) | (12.89) | (32.61) | - | (62.96) |
| Provision for voluntary retirement compensation | 89.48 | - | - | 18.72 | - | 70.76 |
| | (108.56) | - | - | (19.08) | - | (89.48) |

Notes:

i. Previous year figures are mentioned in brackets.

ii. DIAL provided ₹ 288.82 crore (March 31, 2014: ₹288.82 crore) towards reimbursement of voluntary retirement compensation payable to AAI on expiry of the initial operational support period as per the terms and conditions of OMDA. It has been recognised and amortised over the initial and extended period of OMDA.

iii. The balance of provision for operations and maintenance as at March 31, 2015 includes ₹ 2.04 crore (March 31, 2014: ₹ 1.96 crore) for which commercial invoices have been received by GVPGL from the service provider.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 52 INFORMATION ON JOINTLY CONTROLLED ENTITIES AS PER AS - 27

| Name of the jointly controlled entities | Country of incorporation | Percentage of effective ownership (directly or indirectly) as on | |
|---|---|---|---|
| | | March 31, 2015 | March 31, 2014 |
| CJV | Turkey | 50.00% | 50.00% |
| RCMEPL | India | 16.10% | 16.10% |
| GAEL* | India | - | 30.60% |
| GATL** | India | - | 30.60% |
| TFS | India | 20.98% | 20.98% |
| DAFF | India | 13.64% | 13.64% |
| TIM | India | 26.18% | 26.18% |
| DAPSL*** | India | 66.28% | 26.18% |
| DFSPL^ | India | - | 20.98% |
| DSSHPL^^ | India | - | 20.98% |
| WAISL | India | 13.64% | 13.64% |
| CDCTM | India | 13.64% | 13.64% |
| DCSCPL^ | India | - | 13.64% |
| DASPL | India | 26.23% | 26.23% |
| NML^^^ | South Africa | - | 25.80% |
| Laqshya | India | 29.99% | 29.99% |
| APFT | India | 24.51% | 24.51% |
| GMCAC **** | Philippines | 40.00% | - |
| PTGEMS | Indonesia | 27.89% | 27.89% |
| RCI | Indonesia | 27.62% | 27.62% |
| BIB | Indonesia | 27.36% | 27.36% |
| KIM | Indonesia | 27.89% | 27.89% |
| KCP | Indonesia | 27.89% | 27.89% |
| BBU | Indonesia | 27.89% | 27.89% |
| BHBA | Indonesia | 27.89% | 27.89% |
| BNP | Indonesia | 27.89% | 27.89% |
| TBBU | Indonesia | 27.89% | 27.89% |
| TKS | Indonesia | 19.52% | 19.52% |
| BAS # | Indonesia | 22.31% | 27.89% |
| GEMSCR | Indonesia | 27.89% | 27.89% |

* Consequent to acquisition of additional equity stake from the minority shareholder, GAEL has ceased to be a jointly controlled entity and became a subsidiary during the year.

** Became a subsidiary consequent to change in ownership by GAEL

***Consequent to acquisition of additional stake from the minority shareholder, DAPSL has ceased to be a jointly controlled entity and has become a subsidiary during the year.

**** Jointly controlled entity incorporated during the year.

^ Jointly controlled entities sold during the year

^^ Jointly controlled entity merged with DFSPL.

^^^ Joint controlled entity disposed off during the year consequent to sale agreement entered into by HEGL.

\# Dilution of stake in BAS by PTGEMS

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 52 INFORMATION ON JOINTLY CONTROLLED ENTITIES AS PER AS - 27 (Contd.)**

The Group's aggregate share of each of the assets, liabilities, income and expenses, etc. (after elimination of the effect of transactions between the Group and the jointly controlled entities) related to its interests in the joint ventures, as included in these consolidated financial statements of the Group are as follows:

| Particulars | March 31, 2015 (₹ in crore) | March 31, 2014 (₹ in crore) |
|---|---|---|
| **Non-current assets** | | |
| Tangible and intangible assets (including goodwill) | 3,860.11 | 3,172.62 |
| Capital work-in-progress and intangible assets under development | 26.00 | 80.80 |
| Non-current investments | 0.04 | 0.04 |
| Deferred tax asset (net) | 9.45 | 6.17 |
| Long-term loans and advances | 122.48 | 42.83 |
| Other non-current assets | 6.68 | 6.65 |
| **Current assets** | | |
| Inventories | 21.12 | 36.27 |
| Trade receivables | 133.18 | 157.15 |
| Cash and bank balances | 150.17 | 148.11 |
| Short-term loans and advances | 57.11 | 35.73 |
| Other current assets | 4.26 | 5.17 |
| **Non-current liabilities** | | |
| Long-term borrowings | 93.58 | 325.73 |
| Trade payables | 2.24 | - |
| Deferred tax liabilities (net) | 11.62 | 9.73 |
| Other long-term liabilities | 2.68 | 0.97 |
| Long-term provisions | 4.33 | 4.74 |
| **Current liabilities** | | |
| Short-term borrowings | 654.68 | 82.05 |
| Trade payables | 149.22 | 121.88 |
| Other current liabilities | 55.64 | 83.84 |
| Short-term provisions | 5.68 | 11.61 |
| **Income** | | |
| Sales and operating income | 965.94 | 1,627.18 |
| Other income | 23.90 | 51.44 |
| **Expenses** | | |
| Sub-contracting expenses | 359.85 | 288.41 |
| Cost of materials consumed | 8.16 | 15.36 |
| Purchase of traded goods | 232.17 | 478.92 |
| (Increase) / decrease in stock-in-trade | 3.99 | (7.39) |
| Employee benefits expenses | 58.10 | 102.02 |
| Other expenses | 152.73 | 335.84 |
| Utilisation fees | - | 186.18 |
| Finance cost | 47.95 | 178.15 |
| Depreciation and amortisation expenses | 121.91 | 155.40 |
| Tax expenses | 19.57 | 21.58 |
| **(Loss) / profit after tax** | (14.59) | (75.85) |
| **Other matters** | | |
| Capital commitments | 0.59 | 23.90 |

Contingent Liabilities:

i. Group's share of contingent liabilities of the jointly controlled entities ₹ 17.37 crore (March 31, 2014: ₹ 30.15 crore).

ii. Refer note 34(b)(xv) regarding the details of de-allocation of coal blocks of RCMEPL and bank guarantees provided by the Group on behalf of the jointly controlled entities.

Refer note 31(a), 31(g) and 31(h) regarding the details of profit on sale of certain jointly controlled entities during the year ended March 31, 2015 and March 31, 2014 by the Group, which have been disclosed as exceptional items.

# Notes to the consolidated financial statements for the year ended March 31, 2015

## NOTE 53 SEGMENT REPORTING

a) The segment reporting of the Group has been prepared in accordance with AS 17 on Segment Reporting, notified under section 133 of the Companies Act, 2013.

b) For the purpose of reporting, business segments are primary segments and the geographical segments are secondary segments.

c) The business segments of the Group comprise of the following:

| Segment | Description of activity |
|---|---|
| Airports | Development and operation of airports |
| Power | Generation of power and provision of related services and exploration and mining activities |
| Roads | Development and operation of roadways |
| EPC | Handling of engineering, procurement and construction solution in the infrastructure sector |
| Others | Urban Infrastructure and other residual activities |

d) Geographical segments are categorised as 'India' and 'Outside India' and are based on the domicile of the customers.

e) Various business segments comprise of the following companies:

| Power Segment | |
|---|---|
| GEL | CPL |
| GPCL | FCK |
| GVPGL | GMAEL |
| GBHPL | GBEPL |
| GMEL | GUPEPL |
| GKEL | GHOEL |
| HHPPL | GGSPPL |
| GEML | KTCPL |
| GLEL | MTCPL |
| GUKPL | GINELL |
| GETL | GINPCL |
| GCSPL | GREEL |
| GCEPL | ATSCL |
| GBHHPL | MTSCL |
| GLHPPL | GEPML |
| GKEPL | GISPL |
| RCMEPL | EDWPCPL |
| GCHEPL | GPIL |
| GECL | GCRPL |
| PTDSU | RCI |
| PTDSI | BIB |
| PTBSL | KIM |
| GREL | KCP |
| SJK | BBU |
| PT | BHBA |
| EMCO | BNP |
| HEGL | TBBU |
| HEC | TKS |
| HMES | GEMSCR |
| HCM | BAS |
| NML | PTGEMS |
| GENBV | |

| Roads Segment | |
|---|---|
| GMRHL | UEPL |
| GTTEPL | GHVEPL |
| GTAEPL | GCORRPL |
| GACEPL | GOSEHHHPL |
| JEPL | GKUAEL |
| GPEPL | GHPPL |

| EPC Segment | |
|---|---|
| GADL | GADLML |
| GADLIL | CJV |
| GIL - EPC Segment | |

| Airport Segment | |
|---|---|
| GHIAL | DFSPL |
| GFIAL | DSSHPL |
| HMACPL | DDFS |
| HASSL | DAFF |
| GHARML | CDCTM |
| HAPL | DCSCPL |
| GHASL | DAPSL |
| GHMSL | TIM |
| GAEL | ISG |
| TVS GMR | SGH |
| HDFRL | GAL |
| GATL | GMRAML |
| GAHSCL | GMIAL |
| APFT | GMRPL |
| DIAL | Laqshya |
| DASPL | GAGL |
| DAPL | GHAPDL |
| TFS | GALM |
| GMCAC | |

| Others Segment | |
|---|---|
| WAISL | PRPPL |
| GHRL | SRPPL |
| GAPL | GSPHPL |
| GKSEZ | GCAPL |
| APPL | DSPL |
| AKPPL | KSPL |
| AMPPL | GIML |
| BPPL | GICL |
| BOPPL | GIOSL |
| CPPL | GIUL |
| DPPL | GIGL |
| EPPL | GEGL |
| GPL | LGM |
| LPPPL | GIOL |
| PPPL | HFEPL |
| HPPL | RPPL |
| IPPL | GBPSPL |
| KPPL | AREPL |
| LAPPL | GHICL |
| NPPL | GHEMCPL |
| PAPPL | NREPL |
| PUPPL | GIL - Others Segment |
| SPPL | SUPPL |
| EGPDCPL | LPPL |
| GUPL | |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 53 SEGMENT REPORTING (Contd.)**

**f. The details of segment information is given below**

**Business segment**

(₹ in crore)

| Particulars | Power | | Roads | | Airports | | EPC | | Others | | Discontinuing operations | | Inter Segment and Inter Operations | | Unallocated | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| **Revenue** | | | | | | | | | | | | | | | | | | |
| Revenue from operations | 4,450.58 | 3,342.61 | 766.98 | 655.74 | 5,421.44 | 5,310.88 | 86.66 | 239.75 | 168.22 | 187.48 | 41.37 | 830.51 | - | - | - | - | 10,935.25 | 10,566.97 |
| Other operating revenue | 3.91 | - | - | - | - | - | - | - | 148.52 | 86.25 | - | - | - | - | - | - | 152.43 | 86.25 |
| Inter segment revenue | - | - | - | - | 5.83 | 2.49 | 78.23 | 228.92 | 390.33 | 231.26 | - | - | (474.39) | (462.67) | - | - | - | - |
| **Total revenue (a)** | **4,454.49** | **3,342.61** | **766.98** | **655.74** | **5,427.27** | **5,313.37** | **164.89** | **468.67** | **707.07** | **504.99** | **41.37** | **830.51** | **(474.39)** | **(462.67)** | **-** | **-** | **11,087.68** | **10,653.22** |
| Other income (excluding interest income) (b) | 65.42 | 84.46 | 3.55 | 4.79 | 46.96 | 43.27 | 9.72 | 3.43 | 7.62 | 21.44 | 26.28 | 9.32 | (0.18) | (0.92) | - | - | 159.37 | 165.79 |
| **Expenditure** | | | | | | | | | | | | | | | | | | |
| Revenue share paid/ payable to concessionaire grantors | - | - | 79.34 | 72.08 | 1,985.52 | 1,871.61 | - | - | - | - | - | - | - | - | - | - | 2,064.86 | 1,943.69 |
| Consumption of fuel | 2,083.08 | 1,743.93 | - | - | - | - | - | - | 8.02 | 11.12 | - | - | (0.04) | (0.58) | - | - | 2,091.06 | 1,754.47 |
| Cost of materials consumed | - | - | - | - | 4.29 | 4.11 | 33.30 | 92.08 | 5.35 | 4.34 | 3.87 | 11.25 | - | (51.13) | - | - | 46.81 | 60.65 |
| Purchase of traded goods and (increase) / decrease in stock in trade | 688.63 | 582.14 | - | - | 335.55 | 278.97 | - | - | - | - | - | 169.53 | - | - | - | - | 1,024.18 | 1,030.64 |
| Sub -contracting expenses | 362.22 | 291.70 | 189.95 | 63.86 | 0.73 | - | 90.85 | 308.62 | - | - | - | 4.28 | (78.24) | (145.59) | - | - | 565.51 | 522.87 |
| Employee benefits expenses | 167.15 | 122.45 | 34.63 | 27.50 | 301.37 | 250.00 | 17.59 | 58.57 | 80.70 | 81.50 | 17.33 | 60.07 | 0.88 | (25.87) | - | - | 619.65 | 574.22 |
| Other expenses | 905.97 | 570.39 | 56.23 | 53.25 | 1,080.77 | 1,040.34 | 19.20 | 46.25 | 100.29 | 118.36 | 60.98 | 397.96 | (102.47) | (211.46) | - | - | 2,120.97 | 2,015.09 |
| Utilisation fees | - | - | - | - | - | - | - | - | - | - | - | 186.18 | - | - | - | - | - | 186.18 |
| Depreciation/amortisation expenses | 691.85 | 521.02 | 201.79 | 167.70 | 856.49 | 623.10 | 16.85 | 7.42 | 39.87 | 36.89 | 5.75 | 99.82 | (0.07) | (0.96) | - | - | 1,812.53 | 1,454.99 |
| **Total expenditure (c)** | **4,898.90** | **3,831.63** | **561.94** | **384.39** | **4,564.72** | **4,068.13** | **177.79** | **512.94** | **234.23** | **252.21** | **87.93** | **929.09** | **(179.94)** | **(435.59)** | **-** | **-** | **10,345.57** | **9,542.80** |
| **Segment results (a)+(b)-(c)** | **(378.99)** | **(404.56)** | **208.59** | **276.14** | **909.51** | **1,288.51** | **(3.18)** | **(40.84)** | **480.46** | **274.22** | **(20.28)** | **(89.26)** | **(294.63)** | **(28.00)** | **-** | **-** | **901.48** | **1,276.21** |
| Unallocated income/(expense) | | | | | | | | | | | | | | | | | | |
| Finance cost | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (3,571.86) | (2,971.88) | (3,571.86) | (2,971.88) |
| Interest income | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 168.09 | 150.08 | 168.09 | 150.08 |
| **Interest expenses(net)** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **(3,403.77)** | **(2,821.80)** | **(3,403.77)** | **(2,821.80)** |
| **Exceptional items** | | | | | | | | | | | - | - | | | - | - | | |
| Profit on dilution in subsidiaries [refer note 31(d) and 31(e)] | - | - | - | - | - | - | - | - | - | - | - | 69.73 | - | - | - | - | - | 69.73 |
| Profit on sale of assets (consists of exchange differences amounting to ₹ Nil (March 31, 2014: ₹ 63.52 crore))[refer note 31(c)] | - | - | - | - | - | - | - | - | - | - | - | 100.54 | - | - | - | - | - | 100.54 |
| Profit on sale of jointly controlled entities (net of expenses directly attributable to such income of ₹ Nil (March 31, 2014: ₹ 164.98 crore)) [refer note 31 (a), 31 (g) and 31 (h)] | - | - | - | - | - | - | - | - | - | - | 34.44 | 1,658.93 | - | - | - | - | 34.44 | 1,658.93 |
| Loss on impairment of assets in subsidiaries [refer note 44(iv), 44(v) & 44(ix)] | (79.80) | (8.95) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (79.80) | (8.95) |
| Loss on impairment of assets in subsidiaries [refer note 42(ii)] | - | - | - | - | (35.94) | - | - | - | - | - | - | - | - | - | - | - | (35.94) | - |
| Loss on account of provision towards claims recoverable (including prior period expenditure of ₹ 124.43 crore) [refer note 43(iii)] | - | - | (130.99) | - | - | - | - | - | - | - | - | - | - | - | - | - | (130.99) | - |
| Breakage cost of interest rate swap [refer note 42(ix)] | - | - | - | - | (91.83) | - | - | - | - | - | - | - | - | - | - | - | (91.83) | - |
| **Segment result/profit/(loss) before tax expenses and minority interest** | **(458.79)** | **(413.51)** | **77.60** | **276.14** | **781.74** | **1,288.51** | **(3.18)** | **(40.84)** | **480.46** | **274.22** | **14.16** | **1,739.94** | **(294.63)** | **(28.00)** | **(3,403.77)** | **(2,821.80)** | **(2,806.41)** | **274.66** |
| Tax expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 152.81 | 166.25 | 152.81 | 166.25 |
| **Segment result/profit/(loss) before minority interest and share of (loss) / profit of associates** | **(458.79)** | **(413.51)** | **77.60** | **276.14** | **781.74** | **1,288.51** | **(3.18)** | **(40.84)** | **480.46** | **274.22** | **14.16** | **1,739.94** | **(294.63)** | **(28.00)** | **(3,556.58)** | **(2,988.05)** | **(2,959.22)** | **108.41** |
| Other information | | | | | | | | | | | | | | | | | | |
| Segment assets | 36,487.96 | 33,652.96 | 6,966.21 | 7,397.82 | 16,184.72 | 15,815.54 | 814.22 | 1,060.04 | 17,598.99 | 16,444.28 | 1,511.62 | 1,522.75 | (13,671.42) | (11,573.12) | - | - | 65,892.30 | 64,320.27 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 53 SEGMENT REPORTING (Contd.)**

(₹ in crore)

| Particulars | Power | | Roads | | Airports | | EPC | | Others | | Discontinuing operations | | Inter Segment and Inter Operations | | Unallocated | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| Unallocated segment assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 850.64 | 821.58 | 850.64 | 821.58 |
| **Total Assets** | **36,487.96** | **33,652.96** | **6,966.21** | **7,397.82** | **16,184.72** | **15,815.54** | **814.22** | **1,060.04** | **17,598.99** | **16,444.28** | **1,511.62** | **1,522.75** | **(13,671.42)** | **(11,573.12)** | **850.64** | **821.58** | **66,742.94** | **65,141.85** |
| Segment liabilities | 7,772.40 | 6,727.96 | 1,718.69 | 1,529.40 | 1,752.80 | 2,086.40 | 536.14 | 674.93 | 1,022.99 | 1,361.29 | 184.63 | 237.84 | (5,993.48) | (5,530.68) | - | - | 6,994.17 | 7,087.14 |
| Unallocated segment liabilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 50,089.04 | 47,269.38 | 50,089.04 | 47,269.38 |
| **Total Liabilities** | **7,772.40** | **6,727.96** | **1,718.69** | **1,529.40** | **1,752.80** | **2,086.40** | **536.14** | **674.93** | **1,022.99** | **1,361.29** | **184.63** | **237.84** | **(5,993.48)** | **(5,530.68)** | **50,089.04** | **47,269.38** | **57,083.21** | **54,356.52** |
| Capital expenditure | 2,473.37 | 3,895.59 | 2.59 | 191.64 | 1,310.93 | 207.31 | 2.58 | - | 233.98 | 278.97 | - | 55.93 | - | - | - | - | 4,023.45 | 4,629.44 |
| Depreciation/amortisation expenses | 691.85 | 521.02 | 201.79 | 167.70 | 856.49 | 623.10 | 16.85 | 7.42 | 39.87 | 36.89 | 5.75 | 99.82 | (0.07) | (0.96) | - | - | 1,812.53 | 1,454.99 |
| Other non cash expenses | 105.32 | 36.27 | 131.08 | 0.61 | 78.26 | 48.11 | - | - | 0.64 | 160.82 | - | 13.47 | - | (131.25) | - | - | 315.30 | 128.03 |

The segment wise details of revenue, expenses, results, assets and liabilities of the discontinuing operations disclosed above are as below:

**Discontinuing operations**

(₹ in crore)

| Particulars | Power | | Roads | | Airports | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| Total revenue | - | - | - | 82.14 | 41.37 | 685.25 | - | 63.12 | 41.37 | 830.51 |
| Other income (excluding interest income) | 0.22 | 0.50 | - | 1.07 | 26.06 | 7.75 | - | - | 26.28 | 9.32 |
| Total expenditure | 24.52 | 34.28 | - | 37.50 | 63.41 | 815.79 | - | 41.52 | 87.93 | 929.09 |
| Segment results | (24.30) | (33.78) | - | 45.71 | 4.02 | (122.79) | - | 21.60 | (20.28) | (89.26) |
| Segment assets | 2.50 | 19.87 | - | - | 1,509.12 | 1,502.88 | - | - | 1,511.62 | 1,522.75 |
| Segment liabilities | 0.98 | 8.05 | - | - | 183.65 | 229.79 | - | - | 184.63 | 237.84 |

The Group has two geographical segments: India and outside India

**Geographical segments**

(₹ in crore)

| Particulars | Revenue | | Assets | | Capital expenditure | |
|---|---|---|---|---|---|---|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| Continuing Operations: | | | | | | |
| India | 10,245.22 | 9,121.72 | 58,081.54 | 56,899.33 | 3,035.62 | 4,425.39 |
| Outside India | 801.09 | 700.99 | 7,536.55 | 7,108.03 | 987.83 | 147.81 |
| Discontinuing Operations: | | | | | | |
| India | 41.37 | 119.87 | - | 71.40 | - | 0.31 |
| Outside India | - | 710.64 | 1,124.85 | 1,063.09 | - | 55.93 |
| **Total** | 11,087.68 | 10,653.22 | 66,742.94 | 65,141.85 | 4,023.45 | 4,629.44 |

# Notes to the consolidated cinancial statements for the year ended March 31, 2015

**NOTE 54 DISCLOSURE IN TERMS OF AS - 7: CONSTRUCTION CONTRACTS**

(₹ in crore)

| Sl. No. | Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| 1 | Contract revenue recognised during the year | 86.84 | 239.75 |
| 2 | Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress | 1,562.05 | 1,529.33 |
| 3 | Amount of customer advances outstanding for contracts in progress | 63.77 | 74.54 |
| 4 | Retention money due from customers for contracts in progress | 51.57 | 131.04 |
| 5 | Gross amount due from customers for contract works as an asset | 81.80 | 65.74 |
| 6 | Gross amount due to customers for contract works as a liability | - | 0.57 |

**NOTE 55 ACQUISITIONS AND DISPOSALS DURING THE YEAR**

a. The Group has the acquired following subsidiaries / jointly controlled entities during the year ended March 31, 2015:

| | |
|---|---|
| o LPPL | o SUPPL |
| o EGPDCPL | |

b. The Group had acquired following subsidiaries / jointly controlled entities during the year ended March 31, 2014:

| | |
|---|---|
| o HFEPL | o NREPL |

c. The effect of the acquisition of subsidiaries / jointly controlled entities on the financial position for the respective years at the reporting date and the results for the reporting period. (₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| | | |
| Reserves and surplus | (0.02) | - |
| Trade payables | - | 0.21 |
| Short-term provisions (₹ 5,000)(March 31, 2014: ₹ Nil) | 0.00 | - |
| Other current liabilities | 0.01 | 0.76 |
| | | |
| Goodwill on consolidation | - | 2.26 |
| Tangible assets | 9.57 | 40.33 |
| Intangible assets | - | 0.03 |
| Capital work-in-progress | - | 0.74 |
| Long-term loans and advances | 2.50 | 3.74 |
| Cash and bank balances | 0.02 | 0.06 |
| Short-term loans and advances | 0.01 | - |
| Other current assets | - | 0.75 |
| | | |
| Other expenses | 0.02 | - |
| Finance costs (₹ 974)(March 31, 2014: ₹ Nil) | 0.00 | - |
| Profit / (loss) before and after tax | (0.02) | - |

d. DAPSL, GAEL and GATL have become subsidiaries from jointly controlled entities on account of additional share acquired during the year and DDFS had become a subsidiary from a jointly controlled entity on account of additional share acquired in the previous year. The impact of the same has not been considered in the table above.

e. Disposals during the year:

i. The Group has disposed following subsidiaries and jointly controlled entities during the year ended March 31, 2015:

| | |
|---|---|
| O DFSPL * | O DCSCPL |

* During the year ended March 31, 2015, DSSHPL, a jointly controlled entity got merged with DFSPL. Subsequently DFSPL got disposed off during the year, refer note 31(g).

ii. The Group had disposed off following subsidiaries and jointly controlled entities during the year ended March 31, 2014:

| | |
|---|---|
| O TVS GMR | O JEPL |
| O UEPL | O Tshedza Mining Resource (TMR) |
| O ISG | O LGM |
| O EDWPCPL | O SGH |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 55 ACQUISITIONS AND DISPOSALS DURING THE YEAR (Contd.)**

iii. The financial position as at the date of sale of these entities and the results of these entities for the reporting period from the beginning of the financial year till the date of disposals for the respective years were as follows:

(₹ in crore)

| Particulars | March 31, 2015 | March 31, 2014 |
|---|---|---|
| Long-term borrowings | 45.69 | 2,056.94 |
| Short-term borrowings | - | 61.98 |
| Other long-term liabilities | 0.01 | 178.69 |
| Long-term provisions | 0.14 | 5.30 |
| Short-term provisions | 0.08 | 31.35 |
| Trade payables | - | 18.60 |
| Other current liabilities | 12.94 | 597.66 |
| | **58.86** | **2,950.52** |
| | | |
| | | |
| Tangible assets | 47.48 | 1,112.44 |
| Intangible assets | 0.05 | 1,396.01 |
| Capital work-in-progress | 0.34 | 181.26 |
| Intangible assets under development | 0.03 | - |
| Current investments | - | 1.70 |
| Long term loans and advances | 3.08 | 99.08 |
| Other non-current assets | 1.09 | 12.77 |
| Inventories | 0.53 | 9.16 |
| Trade receivables | 2.65 | 36.72 |
| Cash and bank balances | 2.91 | 122.51 |
| Short-term loans and advances | 0.75 | 431.11 |
| Other current assets | 0.18 | 25.35 |
| | **59.09** | **3,428.11** |
| | | |
| Sales and operating income | 41.37 | 792.00 |
| Other income | 1.68 | 13.10 |
| Cost of materials consumed | 3.87 | 7.40 |
| (Increase) / decrease in stock in trade | - | (1.05) |
| Sub-contracting expenses | - | 1.81 |
| Employee benefits expenses | 8.57 | 39.08 |
| Purchase of traded goods | - | 170.58 |
| Other expenses | 7.67 | 199.49 |
| Utilisation fees | - | 186.18 |
| Finance costs | 6.33 | 171.29 |
| Depreciation and amortisation expenses | 5.64 | 94.01 |
| Profit / (loss) before tax expenses | 10.97 | (63.69) |
| Tax expenses | 0.21 | (0.47) |
| **Profit / (Loss) after tax** | **10.76** | **(63.22)** |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS**

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

| Sl. No. | Relationship | Name of the parties |
|---|---|---|
| (i) | Holding Company | GHPL |
| (ii) | Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates | AAI |
| | | African Spirit Trading 307 (Proprietary) Limited |
| | | APFTSB |
| | | Arcelormittal India Limited (AIL) |
| | | Bharat Petroleum Corporation Limited (BPCL) |
| | | Brindaban Man Pradhang |
| | | BWWFSIPL |
| | | CAPL |
| | | Cargo Service Center India Private Limited (CSCIPL) |
| | | CELEBI GHDPL |
| | | Celeebi Hava Servisis A.S. (CHSAS) |
| | | DIL |
| | | FAG |
| | | GMR Institute of Technology (GMRIT) |
| | | GoAP |
| | | GoT |
| | | Greenwich Investments Limited (GRIL) |
| | | Homeland Energy Management Limited |
| | | IDFS Trading Private Limited (IDFSTPL) |
| | | IL & FS Environmental Infrastructure and Services Limited (IEISL) |
| | | IIF |
| | | IL & FS Financials Services limited (IL&FS) |
| | | IL&FS Energy Development Company Limited (ILFSEDCL) |
| | | IL&FS Urban Infrastructure Services Limited (IUISL) |
| | | ILFS Renw |
| | | Indian Oil Corporation Limited (IOCL) |
| | | Infrastructure Development Finance Company Limited (IDFC) |
| | | Infrastructure Leasing and Financial Services Limited (IL&FS Limited) |
| | | Kakinada Refinery& Petrochemicals Private Limited (KRPPL) |
| | | KIHPL |
| | | Lanco Group Limited (LGL) |
| | | Laqshya Event IP Private Limited (LEIPL) |
| | | LGM Guvenik (LGMG) |
| | | Limak Yatrim (LY) |
| | | LISVT |
| | | Laqshya Media Private Limited (LMPL) |
| | | M/S G.S.Atwal & Co. |
| | | MAHB |
| | | Malaysia Airport (Labuan) Private Limited (MALPL) |
| | | Malaysia Airports Consultancy Services SDN Bhd (MACS) |
| | | Malaysian Aerospace Engineering Sdn. Bhd. (MAE) |
| | | Malaysian Airline System Bhd. (MAS) |
| | | MAMPL |
| | | Megawide Construction Corporation (MCC) |
| | | Mehment Senk Aipsoy (MSA) |
| | | Menzies Aviation Bobba (Bangalore) Private Limited (MABBPL) |
| | | Menzies Aviation Cargo (Hyderabad) Limited (MACHL) |
| | | Menzies Aviation India Private Limited (MAIPL) |
| | | Menzies Aviation PLC (UK) (MAPUK) |
| | | Menzies Bobba Ground Handling Services Private Limited (MBGHSPL) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)

| Sl. No. | Relationship | Name of the parties |
|---|---|---|
| | | Macquarie SBI Infrastructure Investments PTE Limited (MSIF) |
| | | NAPC Limited (NAPC) |
| | | Navabharat Power Private Limited (NBPPL) |
| | | Nepal Electricity Authority (NEA) |
| | | Odeon Limited (OL) |
| | | Oriental Structures Engineers Private Limited (OSEPL) |
| | | Oriental Tollways Private Limited (OTPL) |
| | | PT Dian Swastatika Sentosa Tbk (PT Dian) |
| | | PT Sinar Mas Cakrawala |
| | | Reliance Industries Limited (RIL) |
| | | Riverside Park Trading 164 (Pty) Limited (RPTL) |
| | | Rushil Construction (India) Private Limited |
| | | Somerset India Fund (SIF) |
| | | Sterlite Energy Limited (SEL) |
| | | Tenega Parking Services (India) Private Limited (TPSIPL) |
| | | Times Innovative Media Limited (TIML) |
| | | Tottenham Finance Limited (TFL) |
| | | Travel Foods Services (Delhi) Private Limited (TFSDPL) |
| | | TVS Communications Solutions Limited (TVSCSL) |
| | | TVS Sundram Iyengar & Sons limited |
| | | TVSLSL |
| | | UE Development India Private Limited (UEDIPL) |
| | | Veda Infra-Holdings (India) Private Limited (VIHIPL) |
| | | Wipro Limited (WL) |
| | | WTGGE |
| | | YL |
| (iii) | Enterprises where key management personnel and their relatives exercise significant influence | CISL |
| | | GEPL |
| | | GFFT |
| | | GIVLLP |
| | | GMR Estate Private Limited (GMREPL) |
| | | GMR Varalakshmi DAV Public School (GVDPS) |
| | | GREPL |
| | | GVF |
| | | GWT |
| | | GMR Business and Consultancy LLP (GBC) |
| | | Polygon |
| | | Rajam Enterprises Private Limited (REPL) |
| (iv) | Fellow subsidiary companies (where transactions have taken place) | CIL |
| | | GBPPL |
| | | GEOKNO India Private Limited (GEOKNO) |
| | | GHLM |
| | | GHML |
| | | GHTPL |
| | | GMR Holdings (Overseas) Limited (GHOL) |
| | | GMR Infrastructure Malta Limited (GIMTL) |
| | | GPPL |
| | | GSPL |
| | | Ravi Verma Realty Private Limited (RRPL) |
| | | RSSL |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)**

| Sl. No. | Relationship | Name of the parties |
|---|---|---|
| (v) | Jointly controlled entities | APFT |
| | | BAS |
| | | BBU |
| | | BHBA |
| | | BIB |
| | | BNP |
| | | CDCTM |
| | | CJV |
| | | DAFF |
| | | DAPSL** |
| | | DASPL |
| | | DCSCPL* |
| | | DDFS**** |
| | | DFSPL* |
| | | DSSHPL# |
| | | GAEL** |
| | | GATL** |
| | | GEMSCR |
| | | GMCAC |
| | | ISG*** |
| | | KCP |
| | | KIM |
| | | Laqshya |
| | | LGM*** |
| | | NML* |
| | | PTGEMS |
| | | RCI |
| | | RCMEPL |
| | | SGH*** |
| | | TBBU |
| | | TFS |
| | | TIM |
| | | TKS |
| | | TMR*** |
| | | TVS GMR*** |
| | | WAISL |
| (vi) | Associates | EDWPCPL |
| | | JEPL |
| | | UEPL |
| (vii) | Key management personnel and their relatives | Mr. G.M. Rao (Chairman) |
| | | Mrs. G.Varalakshmi |
| | | Mr. G.B.S.Raju (Director) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)

| Sl. No. | Relationship | Name of the parties |
|---|---|---|
| | | Mr. Grandhi Kiran Kumar (Director) (Managing Director w.e.f. July 28, 2013) |
| | | Mr. Srinivas Bommidala ( Director) |
| | | Mr. K.V.V.Rao |
| | | Mr. B.V.N. Rao (Resigned as Managing Director w.e.f. July 28, 2013) |
| | | Mr. O Bangaru Raju (Director) |
| | | Mr. C.P. Sounderarajan (Company Secretary) |
| | | Mr. Madhva Bhimacharya Terdal (Group CFO ) |
| | | Mrs. B.Ramadevi |

* Ceased to be jointly controlled entity during the year ended March 31, 2015, and accordingly has not been considered as a related party as at March 31, 2015

** Consequent to acquisition of additional stake from the minority shareholders, DAPSL, GAEL and GATL have ceased to be a jointly controlled entity and became a subsidiary during the year.

*** Ceased to be a jointly controlled entity during the previous year ended March 31, 2014 and accordingly has not been considered as a related party as at March 31, 2014

**** Consequent to acqusition of additional stake from the minority shareholders, DDFS has ceased to be a jointly controlled entities and became a subsidiary during the previous year ended March 31, 2014.

# Jointly controlled entity merged with DFSPL.

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

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Purchase of investment in equity shares** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| GRIL | 65.31 | - |
| **Sale of investments in equity shares** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| DIL | 4.12 | - |
| IIF | 28.60 | - |
| **Sale of investments in Preference shares** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| DIL | 0.80 | - |
| **Renounciation of right issue entitlement by GHPL in favour of GBC** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GBC | 215.00 | - |
| **Share application money received against rights issue** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GBC | 674.57 | - |
| **Money received against share warrants** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GIVLLP | 141.75 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)** (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Allotment of equity shares** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| MAE | - | 8.28 |
| GRIL | - | 0.60 |
| TPSIPL | - | 0.15 |
| TVSLSL | - | 0.50 |
| APFTSB | - | 0.95 |
| **Share application money received** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| GRIL | - | 0.60 |
| MAE | - | 8.28 |
| MALPL | 16.31 | 8.35 |
| **Share application money paid** | | |
| **- Jointly controlled entities** | | |
| GAEL | - | 10.20 |
| **Loans/ advances repaid by** | | |
| **- Fellow Subsidiaries** | | |
| GHML | 12.61 | 131.33 |
| GHLM | - | 692.76 |
| **- Jointly controlled entities** | | |
| APFT | - | 0.75 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GVF | 11.70 | 9.66 |
| REPL | - | 3.20 |
| **Loans/ advances given to** | | |
| **- Holding company** | | |
| GHPL | 0.01 | 0.01 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| REPL | - | 3.20 |
| GVF | - | 0.55 |
| GVDPS | 0.72 | 1.49 |
| **- Associates** | | |
| JEPL | 4.50 | - |
| UEPL | - | 70.98 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **- Fellow Subsidiaries** | | |
| GHLM | - | 692.76 |
| GHML | 12.61 | 4.32 |
| **Loans taken from** | | |
| **- Holding company** | | |
| GHPL | 215.00 | - |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| WL | 1.04 | - |
| CSCIPL | - | 1.72 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GEPL | - | 1.20 |
| **- Fellow Subsidiaries** | | |
| GPPL | - | 20.00 |
| **Loans repaid** | | |
| **- Holding company** | | |
| GHPL | - | 5.40 |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| MAIPL | 0.10 | 0.10 |
| CSCIPL | - | 5.90 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GEPL | - | 1.20 |
| **- Fellow Subsidiaries** | | |
| GPPL | - | 37.00 |
| **Conversion of loans into share application money** | | |
| **- Holding company** | | |
| GHPL | 215.00 | - |
| **Liability written back** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| MAE | 3.85 | - |
| **Sale of fixed assets** | | |
| **- Holding company** | | |
| GHPL | 0.96 | - |
| **- Jointly controlled entities** | | |
| WAISL | 0.60 | 9.95 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 56 | RELATED PARTY TRANSACTIONS (Contd.)

(₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Purchase of fixed assets** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| DIL | - | 0.13 |
| WL [Amounting to ₹Nil (March 31, 2014: ₹ 36,660)] | - | 0.00 |
| **- Fellow Subsidiaries** | | |
| RSSL | 0.12 | 0.05 |
| GPPL | 0.27 | - |
| **Deposit received** | | |
| **- Fellow Subsidiaries** | | |
| RSSL | - | 0.51 |
| **- Jointly controlled entities** | | |
| DAFF | 1.68 | - |
| DCSCPL | 0.02 | - |
| Laqshya | 0.12 | - |
| TIM | - | 0.23 |
| DASPL | - | 0.02 |
| DFSPL* | - | 0.05 |
| **Deposit repaid** | | |
| **- Associates** | | |
| JEPL | 0.20 | - |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| APFTSB | 0.06 | - |
| **- Jointly controlled entities** | | |
| TIM | - | 1.25 |
| **Deposits given** | | |
| **- Key management personnel and their relatives** | | |
| Mrs. B. Ramadevi | 0.02 | - |
| Mrs. G.Varalakshmi | 0.09 | - |
| **- Fellow Subsidiaries** | | |
| RSSL | - | 0.02 |
| GPPL | - | 0.02 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GFFT | 18.36 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)** (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Deposit refund received** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GFFT | 11.08 | 3.14 |
| **- Fellow Subsidiaries** | | |
| GHTPL | 135.00 | - |
| RSSL | 0.08 | 0.17 |
| **Equity dividend declared by the Company** | | |
| **- Holding company** | | |
| GHPL | - | 27.36 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GIVLLP | - | 0.30 |
| GWT | - | 0.05 |
| GEPL | - | 0.18 |
| **- Key management personnel and their relatives** | | |
| Mr. G.M. Rao | - | 0.01 |
| Mrs. G.Varalakshmi | - | 0.01 |
| Mr. G.B.S.Raju | - | 0.01 |
| Mr. Grandhi Kiran Kumar | - | 0.01 |
| Mr. Srinivas Bommidala [March 31, 2014: ₹ 45,116] | - | 0.00 |
| **Equity dividend paid by subsidiaries / jointly controlled entities** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| IDFSTPL | - | 1.63 |
| YL | 5.29 | 9.52 |
| MACHL | 5.00 | 4.25 |
| **Preference dividend paid by subsidiaries** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| MACHL | 2.16 | 2.15 |
| **Revenue from operations** | | |
| **- Holding company** | | |
| GHPL | 0.59 | - |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 3.09 | 2.64 |
| LMPL | 3.43 | 2.09 |
| TIML | 4.03 | 2.31 |
| **- Fellow Subsidiaries** | | |
| GSPL [Amounting to ₹ 9,673] | 0.00 | 0.04 |
| GEOKNO | 0.20 | - |
| GPPL [March 31, 2014: ₹ 19,127] | 0.11 | 0.00 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **- Associates** | | |
| JEPL | 21.33 | 2.32 |
| UEPL | 4.37 | - |
| **- Jointly controlled entities** | | |
| DDFS | - | 31.05 |
| Laqshya | 10.99 | 8.90 |
| GATL | 1.88 | 6.02 |
| GAEL | 0.97 | 2.27 |
| TIM | 52.07 | 57.07 |
| DCSCPL | 22.61 | 19.89 |
| DAFF | 11.07 | 10.29 |
| CDCTM | 102.79 | 99.55 |
| TFS | 8.19 | 7.48 |
| DAPSL | 5.16 | 4.89 |
| DASPL | 2.24 | 2.52 |
| DFSPL* | 6.64 | 6.90 |
| GMCAC | 2.25 | - |
| APFT | 0.56 | 0.47 |
| **Fees received for services rendered** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| CELEBI GHDPL | 3.06 | 3.37 |
| BWWFSIPL | 3.14 | 3.61 |
| CAPL | 9.28 | 6.06 |
| LISVT | - | 0.90 |
| APFTSB [Amounting to ₹Nil (March 31, 2014: ₹ 45,776)] | - | 0.00 |
| **- Jointly controlled entities** | | |
| PTGEMS | 38.70 | 38.36 |
| GMCAC | 0.65 | - |
| TIM | 1.65 | - |
| ISG | - | 2.25 |
| LGM | - | 4.57 |
| **- Fellow Subsidiaries** | | |
| RSSL [March 31, 2014: ₹ 25,090] | 0.02 | 0.00 |
| **Fee paid for services received** | | |
| **- Holding company** | | |
| GHPL | 0.14 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| WL | 9.58 | 9.42 |
| AAI | - | 0.08 |
| CELEBI GHDPL | - | 0.04 |
| GoT | 0.08 | - |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GFFT (₹ 25,468) | 0.00 | 0.01 |
| **Interest income** | | |
| **- Associates** | | |
| UEPL | 0.01 | - |
| JEPL | 0.09 | - |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| REPL | - | 0.07 |
| **- Jointly controlled entities** | | |
| ISG | - | 0.10 |
| DAFF | 0.60 | 1.15 |
| CDCTM | - | 2.21 |
| DASPL | - | 0.51 |
| DFSPL* | 1.71 | - |
| DCSCPL | 3.60 | - |
| APFT | - | 0.03 |
| **- Fellow Subsidiaries** | | |
| GHML | 0.03 | 0.34 |
| CIL | - | 0.21 |
| GHLM | - | 6.59 |
| GPPL | 1.00 | 0.70 |
| **Airport operator fees** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| FAG | 119.90 | 100.07 |
| **Loans and advances / receivables** | | |
| **- Jointly controlled entities** | | |
| DCSCPL | - | 3.08 |
| DFSPL* | - | 1.09 |
| WAISL | - | 2.09 |
| **Revenue share paid/payable to concessionaire grantors** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 1,967.80 | 1,838.06 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Rental expenses** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GFFT | 21.14 | 20.62 |
| GREPL | 0.14 | - |
| **- Fellow Subsidiaries** | | |
| RRPL | 0.03 | - |
| **- Jointly controlled entities** | | |
| ISG | - | 0.51 |
| **- Key management personnel and their relatives** | | |
| Mrs. B. Ramadevi | 0.15 | - |
| Mr. G.B.S.Raju | 0.28 | - |
| **Managerial remuneration to** | | |
| **- Key management personnel and their relatives** | | |
| Mr. G.M. Rao | 5.00 | 10.10 |
| Mr. G.B.S.Raju | 6.25 | 7.03 |
| Mr. Srinivas Bommidala | 4.23 | 3.09 |
| Mr. B.V. N. Rao | 3.07 | 2.76 |
| Mr. Grandhi Kiran Kumar | 2.25 | 4.04 |
| Mr. O. Bangaru Raju | 3.58 | 2.42 |
| Mr. C.P. Sounderarajan | 0.69 | - |
| Mr. Madhva Bhimacharya Terdal | 3.33 | - |
| Mr. K.V.V.Rao | 2.24 | - |
| **Logo fee paid/payable to** | | |
| **- Holding company** | | |
| GHPL | 5.01 | 9.91 |
| **Technical and consultancy fees** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | - | 0.16 |
| FAG | 0.43 | 1.39 |
| DIL | - | 0.27 |
| MACS | 2.83 | 2.80 |
| TIML | 1.85 | 1.68 |
| MAPUK | 6.06 | 5.33 |
| APFTSB | 0.27 | 0.37 |
| **- Jointly controlled entities** | | |
| ISG | - | 0.12 |
| CJV | - | 0.65 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **- Fellow Subsidiaries** | | |
| RSSL [March 31, 2014: ₹ 49,926] | 0.66 | 0.00 |
| **Other expenses - others** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 0.12 | 0.31 |
| TPSIPL | 1.02 | 0.99 |
| MAPUK | 0.64 | 0.65 |
| BPCL | 0.06 | - |
| APFTSB | 0.01 | - |
| DIL | 1.32 | 1.09 |
| LEIPL | 0.07 | - |
| LMPL | 0.42 | 0.45 |
| BWWFSIPL | 0.85 | 0.68 |
| TIML | 0.54 | 0.13 |
| TVSCSL | - | 1.47 |
| YL | 5.50 | 5.00 |
| **- Jointly controlled entities** | | |
| WAISL | 41.97 | 42.17 |
| Laqshya | 0.15 | 0.10 |
| ISG | - | 0.02 |
| **- Fellow Subsidiaries** | | |
| RSSL | 76.35 | 69.30 |
| GPPL | - | 0.01 |
| GSPL | 2.54 | 0.10 |
| **Purchase of fuel** | | |
| **- Jointly controlled entities** | | |
| BIB | 16.12 | 41.33 |
| **Reimbursement of expenses incurred on behalf of the Group** | | |
| **- Holding company** | | |
| GHPL | 4.13 | 5.88 |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| CHSAS | 0.04 | 0.07 |
| MAIPL | 0.18 | - |
| MAPUK | 0.08 | - |
| CSCIPL | - | 0.18 |
| LMPL [Amounting to ₹ 232] | 0.00 | 0.01 |
| YL | 0.09 | 0.28 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 56 | RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| CELEBI GHDPL | 0.06 | 0.02 |
| APFTSB | 0.01 | 0.01 |
| **- Jointly controlled entities** | | |
| CDCTM | - | 0.01 |
| DCSCPL | 0.03 | 0.06 |
| TFS | 0.03 | 0.05 |
| DAFF | - | 0.03 |
| WAISL | - | 0.01 |
| **- Fellow Subsidiaries** | | |
| GSPL | 0.07 | - |
| RSSL | 0.02 | 0.18 |
| GPPL | 0.01 | - |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GVF | 1.02 | 0.95 |
| **Expenses incurred by the Group on behalf of** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 13.26 | 13.41 |
| CELEBI GHDPL | 0.01 | 0.02 |
| WL [Amounting to ₹ 44,528 (March 31, 2014: ₹ 15,441)] | 0.00 | 0.00 |
| LMPL [Amounting to ₹ 45,794] | 0.00 | 0.01 |
| CSCIPL | 0.03 | - |
| YL | - | 0.27 |
| **- Jointly controlled entities** | | |
| WAISL | - | 0.16 |
| DAPSL | 1.26 | 1.43 |
| DASPL | 3.33 | 5.10 |
| DCSCPL | 2.65 | 2.27 |
| CDCTM | 10.96 | 10.36 |
| TIM | 1.76 | 1.43 |
| DAFF [Amounting to ₹ 46,689] | 0.00 | 0.01 |
| TFS | 2.37 | 1.90 |
| DFSPL* | 1.51 | 1.54 |
| Laqshya | 0.50 | 0.49 |
| APFT | 0.12 | 0.10 |
| CJV | 1.28 | - |
| GMCAC | 5.04 | - |
| GATL | 1.27 | 0.03 |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 56 | RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **- Fellow Subsidiaries** | | |
| RSSL | 0.97 | - |
| GEOKNO | 0.37 | - |
| GSPL | - | 0.51 |
| GBPPL | 0.01 | 0.19 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GVF | 0.14 | 0.21 |
| **Donations** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GVF | 29.57 | 11.41 |
| **Employee benefit expenses** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 2.77 | 3.55 |
| TIML | - | 0.03 |
| DIL [Amounting to ₹ 29,177] | 0.00 | 0.01 |
| **Lease income** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | - | 0.04 |
| CELEBI GHDPL | 0.15 | 0.16 |
| IOCL [Amounting to ₹ 31,200 (March 31, 2014: ₹ 28,860)] | 0.00 | 0.00 |
| BPCL | 0.02 | 0.02 |
| **- Fellow Subsidiaries** | | |
| RSSL | 0.56 | 0.20 |
| **Cargo handling charges paid** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| CELEBI GHDPL | 0.21 | 0.24 |
| BWWFSIPL | 0.21 | 0.23 |
| CAPL | 0.35 | 0.27 |
| **Interest expenses** | | |
| **- Holding company** | | |
| GHPL [March 31, 2014: ₹ 17,753] | 4.47 | 0.00 |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | - | 1.80 |
| CHSAS | 0.35 | 0.35 |
| WL | 0.05 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)** (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| DIL | 0.23 | 0.14 |
| IIF | 0.01 | - |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GEPL [Amounting to ₹ Nil (March 31, 2014: ₹ 3,945)] | - | 0.00 |
| **- Fellow Subsidiaries** | | |
| GPPL | - | 6.49 |
| **Provisions created for receivables** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| CIL | 2.45 | - |
| **Advances adjusted against inventories** | | |
| **- Fellow Subsidiaries** | | |
| GPPL | 29.19 | - |
| **Corporate guarantee given on behalf of** | | |
| **- Fellow Subsidiaries** | | |
| GHML | - | 19.35 |
| **- Jointly controlled entities** | | |
| GATL | - | 8.11 |
| ISG | - | 572.46 |
| **- Associates** | | |
| UEPL | - | 450.67 |
| **Corporate guarantee extinguished** | | |
| **- Fellow Subsidiaries** | | |
| GHML | 205.66 | - |
| **- Jointly controlled entities** | | |
| ISG | - | 1,240.29 |
| **- Associates** | | |
| UEPL | 350.05 | - |
| **Bank guarantees given on behalf of** | | |
| **- Fellow Subsidiaries** | | |
| GEOKNO | - | 8.77 |
| **- Associates** | | |
| UEPL | - | 17.50 |
| JEPL | - | 12.50 |
| **Bank guarantees extinguished** | | |
| **- Fellow Subsidiaries** | | |
| GEOKNO | 6.29 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE | 56 | RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Pledge of fixed deposit given on behalf of** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| WTGGE | 5.00 | 17.50 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GREPL | 6.00 | - |
| **Pledge of fixed deposit extinguished** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GREPL | - | 5.00 |
| REPL | - | 50.00 |
| **Arrears of cumulative dividends on preference share capital issued by a subsidiary** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| OL | 21.67 | 17.80 |
| **Balance Payable / (receivable)** | | |
| **- Holding company** | | |
| GHPL | 5.64 | 11.31 |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| AAI | 109.41 | 119.06 |
| FAG | 55.01 | 50.11 |
| APFTSB [Amounting to ₹ 804] | (0.00) | (0.26) |
| MAE | - | 2.35 |
| LISVT | 0.18 | 0.39 |
| MACS | 7.29 | 4.21 |
| MALPL | 24.66 | 8.35 |
| DIL | - | 1.59 |
| TIML | (0.68) | 0.71 |
| CSCIPL | - | 1.03 |
| WL | 6.65 | 7.37 |
| LMPL | 12.60 | 13.41 |
| LEIPL | 0.04 | - |
| OSEPL | 0.31 | 0.31 |
| MAIPL | 0.92 | 1.00 |
| MAPUK | 0.60 | 1.11 |
| GoAP | - | 315.05 |
| GoT | 315.13 | - |
| CHSAS | 6.55 | 6.76 |
| TPSIPL | 0.82 | 0.48 |
| CELEBI GHDPL | (0.85) | (0.33) |
| BWWFSIPL | (1.49) | (1.41) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)

(₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| CAPL | (3.93) | (2.17) |
| YL | 2.47 | 4.84 |
| KRPPL | - | (0.01) |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GFFT | (36.25) | (26.81) |
| GVF | (7.74) | (19.33) |
| CISL | (8.59) | (8.59) |
| GWT | (115.00) | (115.00) |
| GREPL | 0.13 | - |
| GEPL | - | 0.17 |
| GVDPS | 2.21 | 1.49 |
| GIVLLP | - | 0.30 |
| Polygon | (22.90) | (22.90) |
| **- Fellow Subsidiaries** | | |
| GPPL | (691.44) | (660.49) |
| CIL | - | (2.45) |
| GEOKNO | (0.42) | - |
| GSPL | 0.15 | 0.12 |
| RSSL | 6.02 | 8.48 |
| GHTPL | - | (135.00) |
| GBPPL | (1.17) | (1.18) |
| RRPL | 0.01 | - |
| GHLM | - | (6.43) |
| **- Jointly controlled entities** | | |
| PTGEMS | 7.22 | 6.92 |
| GEMSCR | 15.01 | 14.40 |
| BIB | 0.58 | 0.11 |
| GMCAC | (7.40) | - |
| CJV | (1.76) | (1.24) |
| GAEL | - | (9.84) |
| GATL | - | (0.20) |
| Laqshya | (7.27) | (9.40) |
| APFT | (0.39) | 0.05 |
| DASPL | 7.04 | 7.08 |
| TFS | (3.79) | (3.35) |
| DFSPL* | - | (7.64) |
| DAFF | 117.29 | 115.62 |
| CDCTM | 86.65 | 86.59 |
| DCSCPL | - | (6.71) |

# Notes to the consolidated financial statements for the year ended March 31, 2015

NOTE 56 RELATED PARTY TRANSACTIONS (Contd.) (₹ in crore)

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| WAISL | (2.57) | (0.93) |
| DAPSL | - | (1.23) |
| TIM | 7.55 | 14.01 |
| **- Associates** | | |
| UEPL | (74.43) | (74.43) |
| JEPL | (6.81) | (5.52) |
| EDWPCPL | - | (0.01) |
| **- Key management personnel and their relatives** | | |
| Mr. G.M. Rao | 2.03 | 7.91 |
| Mrs. G.Varalakshmi | (0.09) | |
| Mrs. B. Ramadevi | (0.02) | - |
| Mr. G.B.S.Raju | 0.04 | - |
| Mr. Grandhi Kiran Kumar | - | 2.49 |
| **Outstanding corporate guarantees** | | |
| **- Fellow Subsidiaries** | | |
| GHML | - | 205.67 |
| **- Jointly controlled entities** | | |
| GATL | - | 8.11 |
| **- Associates** | | |
| JEPL | 353.48 | 353.48 |
| UEPL | 696.87 | 1,046.92 |
| **Outstanding bank guarantees** | | |
| **- Fellow Subsidiaries** | | |
| GEOKNO | 2.48 | 8.77 |
| **- Associates** | | |
| UEPL | 17.50 | 17.50 |
| JEPL | 12.50 | 12.50 |
| **Outstanding pledge of fixed deposits** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| WTGGE | 130.50 | 125.50 |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GREPL | 21.00 | 15.00 |
| **Share application money pending allotment** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GBC | 889.57 | - |
| **Money received against share warrants** | | |
| **- Enterprises where key management personnel and their relatives exercise significant influence** | | |
| GIVLLP | 141.75 | - |

# Notes to the consolidated financial statements for the year ended March 31, 2015

**NOTE 56 RELATED PARTY TRANSACTIONS (Contd.)** **(₹ in crore)**

| Nature of Transaction | March 31, 2015 | March 31, 2014 |
|---|---|---|
| **Arrears of cumulative dividends on preference share capital issued by a subsidiary** | | |
| **- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates** | | |
| OL | 55.52 | 33.85 |

* DSSHPL has been merged with DFSPL w.e.f. April 1, 2013, pursuant to scheme of merger approved by Hon'ble High Court of Delhi and hence previous year figures of DSSHPL have been included in DFSPL.

**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, GHPL 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 Company as a whole
4. Certain bank guarantees and corporate guarantees given on behalf of subsidaries have not been considered in the above transactions and outstanding balances.

**NOTE 57**

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

**NOTE 58**

Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year's classification. Further, the previous year's figures are not comparable with those of current year's to the extent of discontinuing operations, refer note 31.

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 35141

Place: Bengaluru
Date: May 30, 2015

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

Grandhi Kiran Kumar
Managing Director

B. V. N. Rao
Director

Madhva Bhimacharya Terdal
Group CFO

C.P. Sounderarajan
Company Secretary

Place: Bengaluru
Date: May 30, 2015