Independent Auditors' Report

To the Board of Directors of GMR Infrastructure Limited

We have audited the accompanying consolidated financial statements of GMR Infrastructure Limited ('the Company'), its subsidiaries and its jointly controlled entities [collectively hereinafter referred to as 'the Group' and individually as 'component' (refer note 2 to the accompanying consolidated financial statements of the Group)], which comprise the consolidated balance sheet as at March 31, 2013, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

1) *As detailed in Note 35(viii)(j)(2) to the accompanying consolidated financial statements for the year ended March 31, 2013, GMR Rajahmundry Energy Limited ('GREL'), a subsidiary of the Company has capitalised ₹ 282.39 crore for the period July 1, 2012 to March 31, 2013 towards indirect expenditure and borrowing costs incurred on a plant under construction where active construction work has been put on hold pending securing supply of requisite natural gas and has approached the Ministry of Corporate Affairs for clarification on the applicability of / relaxation from the provisions of Accounting Standard ('AS') -10 and AS -16 to the aforesaid capitalisation. However, in our opinion, the capitalisation of such expenses is not in accordance with the relevant Accounting Standards. Had the aforesaid expenditure not been capitalised, profit after tax and minority interest of the Group for the year ended March 31, 2013 would have been lower by ₹ 276.49 crore.*

2) *As detailed in Note 35(viii) (n) to the accompanying consolidated financial statements for the year ended March 31, 2013, GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL'), a subsidiary of the Company has issued a notice of intention to terminate the Concession Agreement with National Highways Authority of India ('NHAI') which has been disputed by NHAI. As at March 31, 2013, GKUAEL has incurred and capitalised indirect expenditure towards project and borrowing costs of ₹ 107.75 crore and has given capital advances of ₹ 590.00 crore. In our opinion, the aforesaid capitalisation of ₹ 107.75 crore is not in accordance with the relevant Accounting Standards and such expenses should have been charged off in the consolidated financial statements. Had the aforesaid expenditure not been capitalised, profit after tax and minority interest of the Group for the year ended March 31, 2013 would have been lower by ₹ 107.75 crore. Further, having regard to the uncertainty in view of the dispute, we are also unable to comment on the final outcome of the matter and any other consequential impact that may arise in this regard, on the consolidated financial statements for the year ended March 31, 2013.*

3) *As detailed in Note 30(a) and 35(viii)(m) to the accompanying consolidated financial statements for the year ended March 31, 2013, the Concession Agreement entered into between GMR Male International Airport Private Limited ('GMIAL'), a subsidiary of the Company, Maldives Airport Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT') for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years has been declared void ab initio by MACL and MoFT and MACL has taken possession of MIA with effect from December 8, 2012. GMIAL has initiated arbitration process to seek remedies under the said agreement and pending resolution of the dispute, continues to recognise the assets at their carrying values as at March 31, 2013 including the claim recoverable of ₹ 919.16 crore (USD 16.77 crore) as the management is of the opinion that GMIAL will be able to recover at least the carrying value of the assets.*

   Further, GMIAL has executed work construction contracts with GADL International Limited ('GADLIL'), a subsidiary of the Company and other service providers for Rehabilitation, Expansion and Modernization of MIA. Pursuant to the aforesaid takeover of the airport by MACL, GMIAL has terminated the contracts with GADLIL and these service providers and has received claims from GADLIL and other service providers towards termination payments. However, no such claims relating to the termination of contracts have been recognised in the consolidated financial statements as at March 31, 2013.

   The takeover of MIA by MACL, indicate the existence of a material uncertainty about the going concern of GMIAL and GADLIL. However, the financial statements of GMIAL and GADLIL as at and for the year ended March 31, 2013 continue to be prepared on a going concern basis.

   Having regard to the uncertainty in view of the dispute and the final outcome of the matter, we are unable to comment on its impact on the carrying value of the assets of GMIAL and GADLIL and any other consequential impact that may arise in this regard on the consolidated financial statements for the year ended March 31, 2013.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us i.e. *except for the effects / possible effects of the matters described in the Basis for Qualified Opinion paragraph,* the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at March 31, 2013;

(b) in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter

i. We draw attention to Note 35(viii) (h) to the accompanying consolidated financial statements for the year ended March 31, 2013 in connection with the carrying value of net assets of ₹ 238.35 crore (after providing for losses till date of ₹ 103.21 crore) as regards investment in GMR Ambala Chandigarh Expressways Private Limited (‘GACEPL’), a subsidiary of the Company. Though GACEPL has been incurring losses since the commencement of commercial operations, based on management’s internal assessment and legal opinion obtained by the management of GACEPL, the management of the Group is of the view that the carrying value of the net assets (after providing for losses till date) as regards investment in GACEPL is appropriate. Accordingly, no adjustments have been made in the accompanying consolidated financial statements. Our opinion is not qualified in respect of this matter.

ii. We draw attention to Note 35 (viii) (r) to the accompanying consolidated financial statements for the year ended March 31, 2013 in connection with the approval pending from the Board of Approval of the Ministry of Commerce & Industry for the extension of the validity period for development of a port based multi-product SEZ by Kakinada SEZ Private Limited, a subsidiary of the Company. The management of the Group is confident of obtaining the necessary approval in the foreseeable future. Our opinion is not qualified in respect of this matter.

iii. We draw attention to Note 35 (iv) (f) to the accompanying consolidated financial statements for the year ended March 31, 2013 regarding outstanding dues in GMR Hyderabad International Airport Limited and Delhi International Airport Private Limited (‘DIAL’), subsidiaries of the Company, from Kingfisher Airlines Limited (‘KAL’) aggregating to ₹ 16.73 crore. The Group’s management has represented that they have taken steps to recover the amounts and are of the opinion that the receivables are fully recoverable. Accordingly, no adjustments have been made in the accompanying consolidated financial statements. Our opinion is not qualified in respect of this matter.

iv. We draw attention to note 35(viii)(k) to the accompanying consolidated financial statements for the year ended March 31, 2013 which indicate that the entire matter relating to claims / counter claim arising out of the Power Purchase Agreement and Land Lease Agreement, filed by GMR Power Corporation Limited (‘GPCL’), a subsidiary of the Company, and Tamil Nadu Electricity Board, is sub-judice before the Hon’ble Supreme Court of India and has not attained finality. However, pending the resolution of matter, no adjustments have been made in the accompanying consolidated financial statements. Considering that substantial amount, though under protest, has been received, GPCL, based on an expert opinion, has offered the amount of claims received upto March 31, 2012 as income in its tax returns and has claimed the deduction under Section 80IA of the Income Tax Act 1961. Our opinion is not qualified in respect of this matter.

v. We draw attention to Note 35(viii)(j)(1) to the accompanying consolidated financial statements for the year ended March 31, 2013 regarding (i) losses incurred by GMR Energy Limited (‘GEL’), GMR Vemagiri Power Generation Limited (‘GVPGL’), subsidiaries of the Company, and the consequent erosion of net worth resulting from the unavailability of adequate supply of natural gas; and (ii) rescheduling of the commercial operations date and the repayment of certain project loans by GREL pending linkage of natural gas supply. Based on business plans and valuation assessment, the management of the Group is of the view that the carrying value of the net assets in GEL, GVPGL and GREL as at March 31, 2013 is appropriate. However, continued uncertainty exists as to the availability of adequate supply of natural gas which is necessary to conduct operations at varying levels of capacity in the future and as such the accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not qualified in respect of this matter.

Other Matters

(a) The financial statements and other financial information of a subsidiary, with total assets of ₹ 11,878.19 crore as at March 31, 2013, total revenue (including other income) of ₹ 3,120.99 crore, total loss of ₹ 115.15 crore and net cash outflow amounting to ₹ 70.59 crore for the year then ended (after adjustments on consolidation) have been audited jointly by S.R. BATLIBOI & ASSOCIATES LLP along with other auditors.

(b) The financial statements and other financial information of a subsidiary, with total assets of ₹ 2,620.48 crore as at March 31, 2013, total revenue (including other income) of ₹ 682.13 crore, total profit of ₹ 28.04 crore and net cash inflow amounting to ₹ 18.89 crore for the year then ended (after adjustments on consolidation) have been audited jointly by S R B C & CO LLP along with other auditors.

(c) We did not audit the financial statements and other financial information of (i) 107 subsidiaries (including 6 subsidiaries consolidated for the period January 1, 2012 to December 31, 2012) with total assets of ₹ 39,935.12 crore as at March 31, 2013, total revenue (including other income) of ₹ 4,151.25 crore, total profit of ₹ 550.17 crore and net cash inflow amounting to ₹ 1,551.74 crore for the year then ended (after adjustments on consolidation); and (ii) 26 jointly controlled entities (including 13 jointly controlled entities consolidated for the period January 1, 2012 to December 31, 2012) whose financial statements include the Group’s share of total assets of ₹ 2,186.60 crore as at March 31, 2013, total revenue (including other income) of ₹ 1,898.49 crore, total profit of ₹ 40.59 crore and net cash outflow amounting to ₹ 109.64 crore for the year then ended (after adjustments on consolidation). These financial statements and other financial information for these subsidiaries and jointly controlled entities have been audited by other auditors, whose reports have been furnished to us, and our opinion in so far as it relates to the affairs of such subsidiaries and jointly controlled entities is based solely on the report of such other auditors.

(d) We did not audit the financial statements and other financial information of (i) 3 subsidiaries whose financial statements reflect total assets of ₹ 30.83 crore as at March 31, 2013, total revenue (including other income) of ₹ 2.42 crore, total loss of ₹ 1.71 crore and net cash outflows amounting to ₹ 5.92 crore for the year then ended (after adjustments on consolidation); and (ii) 3 jointly controlled entities whose financial statements include the Group’s share of total assets of ₹ 22.44 crore as at March 31, 2013, total revenue (including other income) of ₹ 17.32 crore, total profit of ₹ 4.75 crore and net cash outflow amounting to ₹ 0.81 crore for the year then ended (after adjustments on consolidation). These financial statements and other financial information have been incorporated in the consolidated financial statements of the Group based on un-audited financial statements as provided by the management of the Company as audited financial statements of such component entities as at and for the year ended March 31, 2013 were not available and our opinion in so far as it relates to the affairs of such subsidiaries and jointly controlled entities is based solely on the basis of management certified financial statements. Our opinion is not qualified in respect of this matter.

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, 2013

Consolidated Balance Sheet as at March 31, 2013

	Notes	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Equity and Liabilities			
Shareholders' funds			
Share capital	3	389.24	389.24
Reserves and surplus	4	6,888.94	7,148.54
		7,278.18	7,537.78
Preference shares issued by subsidiaries		1,971.10	1,980.13
Minority interest		1,720.00	1,791.72
Non-current liabilities			
Long-term borrowings	5	31,633.16	25,414.70
Deferred tax liability (net)	39	55.39	37.66
Trade payables	6	68.57	11.67
Other long-term liabilities	6	2,858.23	2,478.52
Long-term provisions	7	148.84	149.08
		34,764.19	28,091.63
Current liabilities			
Short-term borrowings	8	4,856.62	7,315.57
Trade payables	9	1,481.59	1,236.71
Other current liabilities	9	11,492.21	8,092.44
Short-term provisions	7	253.10	182.22
		18,083.52	16,826.94
Total		**63,816.99**	**56,228.20**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	18,066.51	16,089.78
Intangible assets	11	9,268.71	7,237.87
Capital work-in-progress	32(a)	17,785.28	15,535.90
Intangible assets under development	32(b)	1,393.04	3,121.38
Non-current investments	12	104.16	149.36
Deferred tax asset (net)	39	58.11	135.89
Long term loans and advances	13	3,477.82	3,204.46
Trade receivables	14	173.41	133.65
Other non-current assets	15	3,845.81	1,616.34
		54,172.85	47,224.63
Current assets			
Current investments	16	178.63	572.24
Inventories	17	270.43	259.45
Trade receivables	14	1,695.63	1,703.70
Cash and bank balances	18	5,134.84	4,256.14
Short-term loans and advances	13	879.79	987.68
Other current assets	15	1,484.82	1,224.36
		9,644.14	9,003.57
Total		**63,816.99**	**56,228.20**
Summary of significant accounting policies	2.1		

The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

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

per Sunil Bhumralkar
Partner
Membership No.: 35141

G. M. Rao
Executive Chairman

B. V. N. Rao
Managing Director

Madhva Bhimacharya Terdal
Group CFO

C. P. Sounderarajan
Company Secretary

Place: Bengaluru
Date : May 30, 2013

Place: Bengaluru
Date : May 30, 2013

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

	Notes	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Income			
Revenue from operations:			
Sales / income from operations	19	9,871.87	8,320.11
Other operating income	20	102.99	152.92
Other income	21	277.19	243.42
Total - (A)		**10,252.05**	**8,716.45**
Expenses			
Revenue share paid / payable to concessionaire grantors		1,669.48	830.97
Consumption of fuel		1,031.85	1,446.45
Cost of materials consumed	22	201.90	299.03
Purchase of traded goods	23	1,230.80	1,327.99
(Increase) / decrease in stock in trade	24	20.70	(27.97)
Sub-contracting expenses		963.15	722.64
Employee benefits expenses	25	611.93	687.83
Other expenses	26	1,637.01	1,427.86
Utilisation fees	35 (iii)	130.87	98.71
Depreciation and amortisation expenses	27	1,039.78	935.81
Finance costs	28	2,099.00	1,653.13
Total - (B)		**10,636.47**	**9,402.45**
(Loss) / profit before exceptional items, tax expenses and minority interest (A-B)		**(384.42)**	**(686.00)**
Exceptional items - (gains) / loss (net)	29	(777.27)	162.12
Profit / (loss) before tax expenses and minority interest		**392.85**	**(848.12)**
(Loss) / profit from continuing operations before tax expenses and minority interest		(440.39)	(959.10)
Tax expenses of continuing operations			
Current tax		174.08	139.37
Tax adjustments for prior years		(5.82)	0.30
Less: MAT credit entitlement		(21.81)	(4.09)
Deferred tax expense / (credit)		95.49	54.89
(Loss) / profit after tax expenses and before minority interest from continuing operations		**(682.33)**	**(1,149.57)**
Minority interest - share of (profit) / loss from continuing operations		(86.40)	437.37
(Loss) / profit after minority interest from continuing operations (C)		**(768.73)**	**(712.20)**
Profit / (loss) from discontinuing operations before tax expenses and minority interest	30 (e)	833.24	110.98
Tax expenses of discontinuing operations			
Current tax		14.62	20.08
Tax adjustments for prior years		1.08	-
Less: MAT credit entitlement		-	-
Deferred tax expense / (credit)		(0.20)	0.17
Profit / (loss) after tax expenses and before minority interest from discontinuing operations		**817.74**	**90.73**
Minority interest - share of (profit) / loss from discontinuing operations		39.11	18.13
Profit / (loss) after minority interest from discontinuing operations (D)		**856.85**	**108.86**
Profit / (loss) after minority interest from continuing and discontinuing operations (C+D)		**88.12**	**(603.34)**
Earnings per equity share (₹) - Basic and diluted (per equity share of ₹ 1 each)	31	0.23	(1.55)
Earnings per equity share (₹) from continuing operations - Basic and diluted (per equity share of ₹ 1 each)	31	(1.97)	(1.83)
Earnings per equity share (₹) from discontinuing operations - Basic and diluted (per equity share of ₹ 1 each)	31	2.20	0.28
Summary of significant accounting policies	2.1		

The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

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

per Sunil Bhumralkar
Partner
Membership No.: 35141

G. M. Rao
Executive Chairman

B. V. N. Rao
Managing Director

Madhva Bhimacharya Terdal
Group CFO

C. P. Sounderarajan
Company Secretary

Place: Bengaluru
Date : May 30, 2013

Place: Bengaluru
Date : May 30, 2013

Consolidated Cash flow statement for the year ended March 31, 2013

	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
(Loss) / Profit from continuing operations before tax expenses and minority interest	(440.39)	(959.10)
Profit / (loss) from discontinuing operations before tax expenses and minority interest	833.24	110.98
Profit / (loss) before tax expenses and minority interest	**392.85**	**(848.12)**
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows		
Depreciation / amortization of continuing operations	999.28	898.45
Depreciation / amortization of discontinuing operations	40.50	37.36
Adjustments to the carrying amount of current investments	2.91	11.76
Inventory written off	8.09	-
Provisions no longer required, written back	(23.58)	(3.34)
Amortisation of ancillary borrowing costs	73.18	43.47
Impairment / other write off of tangible / intangible assets pertaining to continuing operations	9.30	1.87
Impairment / other write off of tangible / intangible assets pertaining to discontinuing operations	483.25	-
Loss/ (profit) on sale of fixed assets	(3.82)	-
Provision / write off of doubtful advances and trade receivables	125.22	53.43
Effect of changes in exchange rates	186.52	80.85
Mark to market losses on derivative instruments	-	0.94
Net gain on sale of investments	(1,315.54)	(162.59)
Finance costs	2,025.82	1,770.84
Interest income	(200.20)	(194.34)
Dividend income on current investments	(0.04)	(0.64)
Operating profit before working capital changes	**2,803.74**	**1,689.94**
Movements in working capital :		
Increase / (decrease) in trade payables and other liabilities	524.57	810.86
(Increase) / decrease in trade receivables	(156.91)	(1,057.63)
(Increase) / decrease in inventories	(42.64)	(59.68)
Decrease/ (increase) in other assets	77.40	252.92
Decrease/ (increase) in loans and advances	105.54	(285.13)
Increase / (decrease) in provisions	26.97	56.05
Cash generated from operations	**3,338.67**	**1,407.33**
Direct taxes paid (net of refunds)	(262.50)	(76.40)
Net cash flow from operating activities (A)	**3,076.17**	**1,330.93**
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of fixed assets	(10,281.02)	(10,813.34)
Proceeds from sale of fixed assets	17.02	21.50
Proceeds from sale of long term investments	46.72	1,775.01
Purchase / sale of current investments (net)	473.47	608.83
Proceeds from sale / dilution of stake in subsidiary companies	1,677.23	200.57
Proceeds from sale / dilution of subsidiary companies on settlement of borrowings	1,284.30	-
Purchase consideration paid on acquisition of subsidiary companies / jointly contolled entities	(53.09)	(2,684.07)
(Investments) / redemption of bank deposits (net) (having original maturity of more than three months)	(1,589.88)	(247.33)
Interest received	193.26	241.10
Dividend received	0.04	0.64
Net cash flow used in investing activities (B)	**(8,231.95)**	**(10,897.09)**

Consolidated Cash flow statement for the year ended March 31, 2013 (Contd.)

	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of preference shares (including securities premium)	-	585.26
Redemption of preference shares (including redemption premium)	(9.03)	(9.50)
Payment of debenture / share issue expenses	(346.60)	(142.19)
Issue of common stock in consolidated entities (including share application money)	78.16	110.53
Proceeds from borrowings	16,142.24	16,952.89
Repayment of borrowings	(8,130.20)	(5,124.69)
Finance costs paid	(1,817.10)	(2,244.29)
Dividend paid (including dividend distribution taxes)	(7.19)	(4.82)
Net cash flow from financing activities (C)	**5,910.28**	**10,123.19**
Net increase in cash and cash equivalents (A + B + C)	754.50	557.03
Cash and cash equivalents as at April 1,	3,185.50	2,107.57
Cash and cash equivalents on acquisitions during the year	0.02	400.08
Cash and cash equivalents on account of sale subsidiary during the year	(201.51)	-
Effect of exchange differences on cash and cash equivalents held in foreign currency	44.60	120.82
Cash and cash equivalents as at March 31,	**3,783.11**	**3,185.50**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	10.85	14.43
Cheques/ drafts on hand	10.08	18.68
With banks:		
- on current account	3,399.83	1,635.94
- on deposit account (having original maturity of less than or equal to three months)	362.35	1,516.45
Total cash and cash equivalents	**3,783.11**	**3,185.50**

Note:

1. The above consolidated cash statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as referred to in section 211(3C) of the Companies Act, 1956.
2. The above consolidated cash flow statement has been compiled from and is based on the consolidated balance sheet as at March 31, 2013 and the related consolidated statement of profit and loss for the year ended on that date.
3. Refer note 5 and note 8 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.
4. Previous year figures have been regrouped and reclassified to conform to those of the current year.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership No.: 35141

Place: Bengaluru
Date : May 30, 2013

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

G. M. Rao
Executive Chairman

B. V. N. Rao
Managing Director

Madhva Bhimacharya Terdal
Group CFO

C. P. Sounderarajan
Company Secretary

Place: Bengaluru
Date : May 30, 2013

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 1 | CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') and its subsidiary companies, 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 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 subsidiary companies.

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 (refer note 30(a) with regard to discontinuance of operations) and Istanbul 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 SPVs which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or 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 subsidiary companies (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 companies 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. Subsidiary companies 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 notified by Companies (Accounting Standards) Rules, 2006, (as amended). 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 subsidiary companies. 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 subsidiary companies, 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 subsidiary companies 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 or losses arising from the dilution of interest on issue of additional shares to third parties is recorded as capital reserve or goodwill. Gains or losses arising on the direct sale by the Company of its investment in its subsidiary companies 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 associate companies, which have been made for temporary purposes, have not been considered for consolidation.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 2 | PRINCIPLES OF CONSOLIDATION (Contd.)

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."

The entities considered in the consolidated financial statements in each of the years are listed below

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2013	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
1	GMR Energy Limited (GEL)	India	Subsidiary	97.91%	97.91%	97.91%	97.91%
2	GMR Power Corporation Limited (GPCL)	India	Subsidiary	49.93%	49.93%	51.00%	51.00%
3	GMR Vemagiri Power Generation Limited (GVPGL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
4	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
5	Badrinath Hydro Power Generation Private Limited (BHPL)	India	Subsidiary[1]	-	96.93%	-	99.00%
6	GMR Mining & Energy Private Limited (GMEL)	India	Subsidiary[3]	97.52%	71.57%	99.60%	73.10%
7	GMR Kamalanga Energy Limited (GKEL)	India	Subsidiary[2]	79.13%	78.33%	80.82%	80.00%
8	Himtal Hydro Power Company Private Limited (HHPPL)	Nepal	Subsidiary[3]	80.29%	78.33%	82.00%	80.00%
9	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Subsidiary	98.01%	98.01%	100.00%	100.00%
10	GMR Lion Energy Limited (GLEL)	Mauritius	Subsidiary	98.01%	98.01%	100.00%	100.00%
11	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Subsidiary	71.55%	71.55%	73.00%	73.00%
12	GMR Energy Trading Limited (GETL)	India	Subsidiary	99.60%	99.60%	99.99%	99.99%
13	GMR Consulting Services Private Limited (GCSPL)	India	Subsidiary	96.93%	96.93%	99.00%	99.00%
14	GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
15	GMR BajoliHoli Hydropower Private Limited (GBHHPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
16	GMR Londa Hydropower Private Limited (GLHPPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
17	GMR Kakinada Energy Private Limited (GKEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
18	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture	17.03%	17.03%	17.39%	17.39%
19	GMR Chhattisgarh Energy Limited (GCHEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
20	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	98.01%	98.01%	100.00%	100.00%
21	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary	98.01%	98.01%	100.00%	100.00%
22	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
23	PT Duta Sarana Internusa (PTDSI)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
24	PT Barasentosa Lestari (PTBSL)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
25	GMR Rajahmundry Energy Limited (GREL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
26	SJK Powergen Limited (SJK)	India	Subsidiary	68.54%	68.54%	70.00%	70.00%
27	PT Unsoco (PT)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
28	EMCO Energy Limited (EMCO)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
29	Homeland Energy Group Limited (HEGL)	Canada	Subsidiary	54.67%	54.67%	55.84%	55.84%
30	Homeland Energy Corporation (HEC)	Mauritius	Subsidiary	54.67%	54.67%	100.00%	100.00%
31	Homeland Mining & Energy SA (Pty) Limited (HMES)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
32	Homeland Energy (Swaziland) (Pty) Limited (HESW)	Swaziland	Subsidiary[1]	-	41.00%	-	75.00%
33	Homeland Mining & Energy (Botswana) (Pty) Limited (HMEB)	Botswana	Subsidiary[1]	-	54.67%	-	100.00%
34	Homeland Coal Mining (Pty) Limited (HCM)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
35	Nhalalala Mining (Pty) Limited (NML)	South Africa	Joint Venture	27.34%	27.34%	50.00%	50.00%
36	Tshedza Mining Resource (Pty) Limited (TMR)	South Africa	Joint Venture	27.34%	27.34%	50.00%	50.00%
37	Corpclo 331 (Pty) Limited (CPL)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
38	Ferret Coal Holdings (Pty) Limited (FCH)	South Africa	Subsidiary[1]	-	54.67%	-	100.00%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 2 | PRINCIPLES OF CONSOLIDATION (Contd.)

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2013	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
39	Wizard Investments (Pty) Limited (WIL)	Botswana	Subsidiary[1]	-	38.27%	-	70.00%
40	Ferret Coal (Kendal) (Pty) Limited (FCK)	South Africa	Subsidiary	40.46%	40.46%	74.00%	74.00%
41	Manoka Mining (Pty) Limited (MMPL)	South Africa	Subsidiary[1]	-	35.54%	-	65.00%
42	GMR Maharashtra Energy Limited (GMAEL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
43	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
44	GMR Uttar Pradesh Energy Private Limited (GUPEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
45	GMR Hosur Energy Limited (GHOEL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
46	GMR Gujarat Solar Power Private Limited (GGSPPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
47	Karnali Transmission Company Private Limited (KTCPL)	Nepal	Subsidiary	98.01%	98.01%	100.00%	100.00%
48	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	Subsidiary	98.01%	98.01%	100.00%	100.00%
49	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
50	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
51	GMR Renewable Energy Limited (GREEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
52	Aravali Transmission Service Company Limited (ATSCL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
53	Maru Transmission Service Company Limited (MTSCL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
54	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%
55	GMR Energy Singapore Pte Limited (GESPL)	Singapore	Subsidiary[1]	-	70.00%	-	70.00%
56	GMR Supply Singapore Pte Limited (GSSPL)	Singapore	Subsidiary[1]	-	70.00%	-	100.00%
57	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%
58	GMR Highways Limited (GMRHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
59	GMR Tambaram Tindivanam Expressways Private Limited (GTTEPL)	India	Subsidiary[3]	86.48%	60.48%	100.00%	74.00%
60	GMR Tuni Anakapalli Expressways Private Limited (GTAEPL)	India	Subsidiary[3]	86.48%	60.48%	100.00%	74.00%
61	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	99.46%	99.46%	100.00%	100.00%
62	GMR Jadcherla Expressways Limited (Formerly known as GMR Jadcherla Expressways Private Limited) (GJEPL)	India	Subsidiary	99.99%	99.90%	100.00%	100.00%
63	GMR Pochanpalli Expressways Limited (GPEPL)	India	Subsidiary	99.99%	99.90%	100.00%	100.00%
64	GMR Ulundurpet Expressways Private Limited (GUEPL)	India	Subsidiary	99.99%	99.90%	100.00%	100.00%
65	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%
66	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	India	Subsidiary	89.79%	89.79%	90.00%	90.00%
67	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%
68	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary	61.20%	61.20%	63.00%	63.00%
69	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%
70	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	India	Subsidiary	31.21%	31.21%	51.00%	51.00%
71	Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
72	GMR Hyderabad Airport Resource Management Limited (GHARML)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
73	GMR Hyderabad Aerotropolis Limited (HAPL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
74	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
75	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
76	MAS GMR Aerospace Engineering Company Private Limited (MGAECL)	India	Joint Venture	30.60%	30.60%	50.00%	50.00%
77	TVS GMR Aviation Logistics Limited (TVS GMR)	India	Joint Venture	29.99%	29.99%	49.00%	49.00%
78	Hyderabad Duty Free Retail Limited (HDFRL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
79	GMR Airport Developers Limited (GADL)	India	Subsidiary	96.20%	96.20%	99.02%	99.02%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 2 | PRINCIPLES OF CONSOLIDATION (Contd.)

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2013	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
80	MAS GMR Aero Technic Limited (MGATL)	India	Joint Venture	30.60%	30.60%	50.00%	50.00%
81	GADL International Limited (GADLIL)	Isle of Man	Subsidiary	96.20%	96.20%	100.00%	100.00%
82	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary	96.20%	96.20%	100.00%	100.00%
83	GMR Airport Handling Services Company Limited (GAHSCL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
84	Asia Pacific Flight Training Academy Limited (APFT)	India	Joint Venture[4]	24.51%	60.28%	40.04%	98.50%
85	Delhi International Airport Private Limited (DIAL)	India	Subsidiary	52.82%	52.82%	54.00%	54.00%
86	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture	26.41%	26.41%	50.00%	50.00%
87	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary	52.82%	52.82%	100.00%	100.00%
88	East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Subsidiary	26.94%	26.94%	51.00%	51.00%
89	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Joint Venture	21.13%	21.13%	40.00%	40.00%
90	Devyani Food Street Private Limited (DFSPL)	India	Joint Venture	21.13%	21.13%	40.00%	40.00%
91	Delhi Select Services Hospitality Private Limited (DSSHPL)	India	Joint Venture	21.13%	21.13%	40.00%	40.00%
92	Delhi Duty Free Services Private Limited (DDFS)	India	Joint Venture	26.36%	26.36%	49.90%	49.90%
93	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Joint Venture	13.73%	13.73%	26.00%	26.00%
94	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	India	Joint Venture	13.73%	13.73%	26.00%	26.00%
95	Delhi Cargo Service Center Private Limited (DCSCPL)	India	Joint Venture	13.73%	13.73%	26.00%	26.00%
96	Wipro Airport IT Services Limited (WAISL)	India	Joint Venture	13.73%	13.73%	26.00%	26.00%
97	Delhi Airport Parking Services Private Limited (DAPSL)	India	Joint Venture	26.36%	26.36%	49.90%	49.90%
98	TIM Delhi Airport Advertising Private Limited (TIM)	India	Joint Venture	26.36%	26.36%	49.90%	49.90%
99	Istanbul Sabiha Gokcen Uluslarasi Havalimani Yatirim Yapum VeIsletme Sirketi (ISG)	Turkey	Joint Venture	40.00%	40.00%	40.00%	40.00%
100	Istanbul Sabiha Gokcen Uluslararasi Hvalimani YerHizmetleri Anonim Sirketi (SGH)	Turkey	Joint Venture	29.00%	29.00%	29.00%	29.00%
101	GMR Hotels and Resorts Limited (GHRL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%
102	GMR Airports Limited (GAL)	India	Subsidiary	97.15%	97.15%	97.15%	97.15%
103	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
104	GMR Krishnagiri SEZ Limited (GKSEZ)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
105	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
106	Aklima Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
107	Amartya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
108	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
109	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
110	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
111	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
112	Eila Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
113	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
114	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
115	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
116	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
117	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
118	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
119	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 2 | PRINCIPLES OF CONSOLIDATION (Contd.)

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2013	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
120	Padmapriya Properties Private Limited(PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
121	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
122	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
123	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
124	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
125	Sreepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
126	GMR SEZ and Port Holdings Private Limited (GSPHPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
127	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
128	Dhruvi Securities Private Limited (DSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
129	Kakinada SEZ Private Limited (KSPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%
130	GMR Power Infra Limited (GPIL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
131	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%
132	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%
133	GMR Infrastructure Overseas (Malta) Limited, (Formerly known as GMR Infrastructure Overseas Sociedad Limitada (GIOSL)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%
134	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%
135	GMR Airports (Malta) Limited (GMRAML) (Formerly known as GMR International (Malta) Limited	Malta	Subsidiary[5]	96.11%	99.91%	99.91%	99.91%
136	Limak GMR Construction JV (CJV)	Turkey	Joint Venture	50.00%	50.00%	50.00%	50.00%
137	GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%
138	GMR Energy (Global) Limited (GEGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%
139	LGM Havalimani Isletmeleri Ticaret Ve Turizm Anonim Sirketi (LGM)	Turkey	Joint Venture	40.00%	40.00%	40.00%	40.00%
140	GMR Male International Airport Private Limited (GMIAL)	Maldives	Subsidiary	76.99%	76.99%	77.00%	77.00%
141	GMR Male Retail Private Limited (GMRPL)	Maldives	Subsidiary	95.72%	95.72%	99.50%	99.50%
142	GMR Coal Resources Pte Limited (GCRPL)	Singapore	Subsidiary	98.01%	98.01%	100.00%	100.00%
143	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	India	Joint Venture	29.99%	29.99%	49.00%	49.00%
144	GMR Infrastructure Overseas Limited (GIOL)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%
145	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
146	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
147	GMR Business Process and Services Private Limited (GBPSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
148	GMR Airport Global Limited (GAGL)	Isle of Man	Subsidiary	96.20%	96.20%	100.00%	100.00%
149	GMR Highways Projects Private Limited (GHPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
150	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
151	PT Roundhill Capital Indonesia (RCI)	Indonesia	Joint venture	29.11%	29.11%	29.70%	29.70%
152	PT Borneo Indobara (BIB)	Indonesia	Joint venture	28.84%	28.84%	29.43%	29.43%
153	PT Kuansing Inti Makmur (KIM)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
154	PT Karya Cemerlang Persada (KCP)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
155	PT Bungo Bara Utama (BBU)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
156	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
157	PT Berkat Nusantara Permai (BNP)	Indonesia	Joint venture	29.40%	29.40%	30.00%	30.00%
158	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Joint venture[2]	29.40%	29.34%	30.00%	29.94%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 2 | PRINCIPLES OF CONSOLIDATION (Contd.)

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2013	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
159	PT Trisula Kencana Sakti (TKS)	Indonesia	Joint venture	20.58%	20.58%	21.00%	21.00%
160	PT Mangaala Alam Lestari (MAL)	Indonesia	Joint venture[1]	-	29.40%	-	30.00%
161	PT Nusa Indah Permai (NIP)	Indonesia	Joint venture[1]	-	29.40%	-	30.00%
162	GEMS Coal Resources Pte Limited (GEMSCR)	Singapore	Joint venture[6]	29.40%	-	30.00%	-
163	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	India	Subsidiary[7]	61.20%	-	100.00%	-
164	Asteria Real Estates Private Limited (AREPL)	India	Subsidiary[8]	100.00%	-	100.00%	-
165	Lantana Properties Private Limited (LPPL)	India	Subsidiary[8]	100.00%	-	100.00%	-

The reporting dates of the subsidiary companies and jointly controlled entities coincide with that of the parent Company except in case of HEGL and its subsidiary companies and jointly controlled entities (refer Sl. No 29 to 41 above) and PTGEMS and its subsidiary companies and jointly controlled entities (refer Sl. No 150 to 162 above), whose financial statements for the year ended on and as at December 31, 2012 were considered for the purpose of the audited consolidated financial statements of the Group.

The financial statements of other subsidiary companies / jointly controlled entities have been drawn up to the same reporting date as of the Company, i.e. March 31, 2013

Notes:

1. Wound up / sold during the year.
2. Further infusion of Equity Share Capital during the year.
3. Acquired additional stake from the minority shareholder.
4. Became a jointly controlled entity pursuant to the infusion of equity share capital by the minority shareholders and existence of joint venture agreements.
5. Dilution due to change in holding structure of the subsidiary companies during the year.
6. Subsidiary of PTGEMS incorporated during the year.
7. Subsidiary company / jointly controlled entity incorporated during the year.
8. Acquired during the year.

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates

The preparation of consolidated financial statements in conformity with 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 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 from the sale of coal is recognised when the risks and rewards of ownership passes to the purchaser 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 payments charges and any other claims, which the Group is entitled to, under the PPAs, are accounted for in the year of acceptance.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Development of highways:

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognised on accrual basis which coincides with the collection of toll. 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 roads 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.

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 recognized on accrual basis, as per the terms of the agreement entered into with the customers.

Revenue from the sale of goods at the duty free outlets operated by the Group is recognized 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 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.

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

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

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 recognized 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 to the balance sheet date. Any further losses that are foreseen in bringing contracts to completion are also recognised.

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 outstanding 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

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.

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

Revenue earned in excess of billings has been included under “other assets” as unbilled revenue and billings in excess of revenue have 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 / subsidiary companies created 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 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.

Operations and Maintenance Agreements have been entered by certain subsidiary companies 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

Tangible assets

Tangible assets are stated at cost, net of accumulated depreciation 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.

Subsequent expenditure related to an item of tangible 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 tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the tangible 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 and the related advances are shown as loans and advances.

Intangible assets

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.

e) Exploration and evaluation expenditure

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

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.

Ultimate recoupment of the exploration expenditure carried forward is dependent upon a successful development and commercial exploitation, or alternatively, sale of the respective area. Assets are reassessed on regular basis and these costs are carried forward provided that atleast one of the conditions outlined above is met. All other exploration and evaluation expenditure is recognised as expense in the period in which it is incurred.

f) Deferred stripping costs

The Group defers stripping costs incurred subsequently, during the production stage of its operations, for those operations where this is the most appropriate basis for matching the costs against the related economic benefits and the effect is material. This is generally the case where there are fluctuations in stripping costs over the life of the mine (or pit). The amount of stripping costs deferred is based on the ratio ('Ratio') obtained by dividing the tonnage of waste mined either by the quantity of ore mined or by the quantity of minerals contained in the ore. In some operations, the quantity of ore is a more practical basis for matching costs with the related economic benefits where there are important co-products or where the grade of the ore is relatively stable from year to year. Stripping costs incurred in the period are deferred to the extent that the current period Ratio exceeds the life of mine ratio. Such deferred costs are then charged to statement of profit and loss to the extent that, in subsequent periods, the current period Ratio falls short of the life of mine ratio.

The life of mine ratio is based on proved and probable reserves of the mine. The life of mine waste-to-ore ratio is a function of the pit design(s) and therefore changes to that design will generally result in changes to the Ratio. Changes in other technical or economic parameters that impact on reserves will also have an impact on the life of mine ratio even if they do not affect the pit design(s). Changes to the life of mine ratio are accounted for prospectively.

In the production stage of some mines, further development of the mine requires a phase of unusually high overburden removal activity that is similar in nature to pre-production mine development. The costs of such unusually high overburden removal activity are deferred and charged to statement of profit and loss in subsequent periods on a units of production basis. This accounting treatment is consistent with that for stripping costs incurred during the development phase of a mine, before production commences.

Deferred stripping costs are included in 'Minining properties (including deferred exploration and stripping costs)' under intangible assets. These form part of the total investment in the relevant cash generating unit, which is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

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 or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. 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, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

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 recognized immediately in the statement of profit and loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

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.

h) Depreciation / Amortisation

In case of entities under 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 Rs 5,000 or less, which are fully depreciated in the year of acquisition.

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

Other entities:

For domestic subsidiary companies and jointly controlled entities, other than as stated aforesaid and below, the Group provides depreciation on fixed assets, using straight line method at the rates specified under Schedule XIV to the Companies Act, 1956 or rates based on useful lives of the assets which are estimated by the management whichever are higher, except for assets individually costing less than ₹ 5,000, which are fully depreciated in the year of acquisition.

Leasehold land is amortised over the tenure of the lease except in case of power plant 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 subsidiary companies, 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 subsidiary companies, jointly controlled entities and associates. In view of different sets of environment in which such foreign subsidiary companies, jointly controlled entities and associates operate in their respective countries, depreciation is provided based on local laws and management estimates. These companies 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 subsidiary companies, jointly controlled entities and associates with those of the domestic subsidiary companies, jointly controlled entities and associates.

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	10
Plant and machinery	3	15
Furniture and fixtures	3	20
Computer equipments, office equipment	3	20
Motor vehicles	4	7
Other tangible fixed assets	5	10

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Intangible assets

Goodwill arising on consolidation is not amortised but tested for impairment.

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.

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 to 20 years and 20 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.

Software is amortised based on the useful life of 6 years on a straightline basis as estimated by the management.

i) 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 unit's ('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 of continuing operations, 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 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.

j) 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

k) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares: 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.

Contract work-in-progress: 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 overhead valued at cost.

Traded / Finished goods: 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 ('UNFCCC') 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.

l) Employee benefits

a. Defined contribution plans

Contributions paid / payable to defined contribution plans comprising of provident fund, pension fund, superannuation fund etc., in accordance with the applicable laws and regulations are recognised as expenses during the period when the services are rendered by the employees.

The Group makes monthly contributions and has no further obligations under such plans beyond its contributions.

b. 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.

c. 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 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.

d. 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.

m) 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

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

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 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 09, 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 recognized 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.

n) 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.

o) 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Development fee entitlement in terms of preliminary ad-hoc approval of Ministry of Civil Aviation ('MoCA') dated February 9, 2009, which was finally approved by Airports Economy Regulatory Authority ('AERA') vide its order No. 28/2011-12 and issued on November 14, 2011 towards development of project, is reduced from the total project cost. The balance portion of development fee for the project cost, which is under construction, shall be accrued and reduced from the aforesaid cost after completion of assets under construction.

p) Taxes on income

Tax expense comprises 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.

q) 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Unallocated items:

Unallocated items includes 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.

r) 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.

s) 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.

t) Shares issue expenses and premium on redemption

Share issue expenses incurred are expensed in the year of issue and debenture / preference share issue expenses and redemption premium payable on preference shares / debentures are expensed over the term of preference shares / debentures. These are adjusted against the securities premium account of the respective entities as permitted by Section 78 of the Companies Act, 1956 to the extent of balance available in such securities premium account.

u) Cash and cash equivalents

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

v) 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.

w) Employee stock compensation cost

In respect of HEGL, a subsidiary in Canada, officers, directors, employees and consultants are offered stock-based compensation. Measurement and disclosure of the employee share-based payment plans is done in the consolidated financial statements in accordance with Securities Exchange Board of India ('SEBI') (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on 'Accounting for Employee Share-based Payments', issued by the ICAI. The said subsidiary accounts all stock-based payments using a fair value-based method of accounting. The fair value of each stock option granted is accounted over the vesting period. The fair value is calculated using the Black-Scholes option pricing model.

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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 3 SHARE CAPITAL

Particulars	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Authorised shares		
7,500,000,000 (March 31, 2012: 7,500,000,000) equity shares of ₹ 1 each	750.00	750.00
Issued, subscribed and fully paid-up shares		
3,892,430,282 (March 31, 2012: 3,892,430,282) equity shares of ₹ 1 each	389.24	389.24
Issued, subscribed but not fully paid-up shares		
4,500 (March 31, 2012: 4,500) equity shares of ₹ 1 each not fully paid up [₹ 2,250 (March 31, 2012: ₹ 2,250)]	0.00	0.00
Total issued, subscribed and paid-up share capital	**389.24**	**389.24**

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

Equity Shares	March 31, 2013		March 31, 2012	
	Number	₹ in Crore	Number	₹ in Crore
At the beginning of the year	3,892,434,782	389.24	3,892,434,782	389.24
Outstanding at the end of the year	**3,892,434,782**	**389.24**	**3,892,434,782**	**389.24**

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 there in shall have voting rights in portion 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

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

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

Particulars	March 31, 2013 Number	March 31, 2012 Number
GMR Holdings Private Limited ('GHPL'), the Holding Company		
Equity shares of ₹ 1 each fully paid-up	2,736,221,862	2,736,221,862
Rajam Enterprises Private Limited ('REPL'), an associate of the Holding Company		
Equity shares of ₹ 1 each fully paid-up	-	5,170,000
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company		
Equity shares of ₹ 1 each fully paid-up	30,000,000	30,000,000
GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company		
Equity shares of ₹ 1 each fully paid-up	17,100,000	4,830,000
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

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

Particulars	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Equity shares allotted as fully paid-up for consideration other than cash[1]	2.60	2.60

1. During the year ended March 31, 2010, 46,800,000 equity shares of ₹ 10 each of DIAL were acquired from Infrastructure Development Finance Corporation Limited Infrastructure Fund - India Development Fund at a consideration of ₹ 149.72 crore, which was discharged by allotment of 26,038,216 equity shares of the Company of ₹ 1 each at an issue price of ₹ 57.50 per equity share (including ₹ 56.50 per equity share towards security premium).

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

Particulars	March 31, 2013		March 31, 2012	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 1 each fully paid				
GHPL	2,736,221,862	70.30%	2,736,221,862	70.30%

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 4 RESERVES AND SURPLUS

Particulars	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Capital reserve on consolidation		
Balance as per the last financial statements	115.85	115.85
Add: Additions during the year	10.02	-
Closing balance	**125.87**	**115.85**
Capital reserve on acquisition (as per last financial statements) [refer note 4(a)]	**3.41**	**3.41**
Capital reserve (government grant)		
Balance as per the last financial statements [refer note 4(b) and 4(c)]	65.49	92.94
Less: Transferred to minority interest [refer note 4(b)]	-	1.92
Less: Transferred to intangible assets under development [refer note 4(c)]	-	25.53
Closing balance	**65.49**	**65.49**
Capital redemption reserve		
Balance as per the last financial statements	19.50	10.00
Add: Amount transferred from surplus / (deficit) in the balance in the statement of profit and loss	9.03	9.50
Closing balance	**28.53**	**19.50**
Debenture redemption reserve		
Balance as per the last financial statements	80.78	49.09
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	99.50	50.66
Less: Amount transferred to surplus / (deficit) in the statement of profit and loss on redemption	21.66	18.97
Closing balance	**158.62**	**80.78**
Employee stock option outstanding		
Balance as per the last financial statements	0.96	1.13
Less: Gross employee stock compensation for options forfeited during the year	-	0.17
Closing balance	**0.96**	**0.96**
Securities premium account		
Balance as per the last financial statements	7,269.93	7,012.44
Add: Received on allotment of equity / preference shares	-	441.36
Less: Utilised towards debenture/ share issue expenses / redemption premium (net of taxes and MAT credit)	346.60	142.19
Add / (less): Transfer from / (transfer to) minority interest	3.46	(10.86)
Less: Utilised towards issue of bonus preference shares by a subsidiary to minority shareholders	-	30.82
Closing balance	**6,926.79**	**7,269.93**
Foreign currency translation reserve		
Balance as per the last financial statements	282.43	59.34
Movement during the year	55.48	223.09
Closing balance	**337.91**	**282.43**
Foreign currency monetary items translation difference account		
Balance as per the last financial statements	(2.50)	(7.38)
Movement during the year	(0.01)	4.88
Closing balance	**(2.51)**	**(2.50)**
Special Reserve u/s 45-IC of Reserve Bank of India Act ('RBI Act') [refer note 4(d)]		
Balance as per the last financial statements	26.86	20.34
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	1.67	6.52
Less: Amount transferred to surplus / (deficit) in the statement of profit and loss on redemption [refer note 4(e)]	28.33	-
Closing balance	**0.20**	**26.86**
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(714.17)	(79.15)
Profit / (loss) for the year	88.12	(603.34)

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 4 RESERVES AND SURPLUS (Contd.)

Particulars	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Appropriations		
Add: Transfer from debenture redemption reserve	21.66	18.97
Less: Transfer to debenture redemption reserve	(99.50)	(50.66)
Add: Transferred from special reserve u/s 45-IC of RBI Act [refer note 4(e)]	28.33	-
Less: Transferred to special reserve u/ 45-IC of RBI Act	(1.67)	(6.52)
Add / Less: Transfer of profit / (loss) to minority on dilution of interest in subsidiaries/ joint ventures	(15.95)	18.05
Less: Proposed equity dividend [refer note 4(f)]	(38.92)	-
Less: Dividend distribution tax on proposed equity dividend	(6.31)	-
Less: Preference dividend declared by a subsidiary	(2.16)	(0.84)
Less: Dividend distribution tax on preference dividend declared by a subsidiary	(6.73)	(1.18)
Less: Transferred to capital redemption reserve on redemption of preference shares by a subsidiary	(9.03)	(9.50)
Less: Total appropriations	(130.28)	(31.68)
Net surplus / (deficit) in the statement of profit and loss	**(756.33)**	**(714.17)**
Total reserves and surplus	**6,888.94**	**7,148.54**

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)

During the year ended March 31, 2006, GHIAL had received a grant of ₹ 107.00 crore from 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(c)

During the year ended March 31, 2011, GCORRPL had received project support fund of ₹ 28.44 crore from the Government of Tamil Nadu (‘GoTN’) as per the concession agreement and the Group’s share amounts to ₹ 25.53 crore. The total project support fund is ₹ 300.00 crore and the same will be disbursed on 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 GoTN. During the year ended March 31, 2012, the grant received by GCORRPL during earlier years aggregating to ₹ 25.53 crore (net off ₹ 2.91 crore transferred to minority interest in earlier years) has been adjusted with intangible assets under development.

NOTE 4(d)

As required by section 45-1C of RBI Act, 20% of GAL’s and DSPL’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(e)

On July 9, 2012, GAL had written a letter to the RBI seeking the status as Core Investment Company (‘CIC’) and exemption from registration with the RBI. Pursuant to the reply by the RBI vide letter reference DNBS (BG) No. 382/01.02.636/2012-13 dated September 5, 2013, GAL has been exempted from the requirement of registration with RBI under section 45-IA of RBI Act, 1934, in terms of para (i) of RBI notification No. DNBS(PD) 22-/CGM (US)-2011 dated January 5, 2011. Further it was advised that Certificate of Registration bearing No. B-02.00225 dated March 3, 2010 issued in the name of “GMR Airports Limited” has been cancelled. However, GAL has to adhere to the guidelines issued by the Bank vide Circular CC No. 291 dated July 2, 2012.

GAL vide reference no. GAL / DEL / CS / 130101 on January 7, 2013, wrote another letter to RBI for the permission to reverse provisions against Standard Assets and Reserve Fund created as per Section 45-IC of the RBI Act, 1934. RBI, vide letter reference DNBS (BG) NO. 1047/01.02.636/2012-13 dated March 14, 2013, advised that CICs which are not systemically important are exempt from registration required under Section 45-IA of the RBI Act, 1934 and Prudential Norms Directions for NBFCs. Since CIC non-Non Depository Systematic Investment companies are exempt from registration requirements, the provisions of section 45IC will not be applicable to them.

Hence, based on above developments during the year, the Group has written back the provisions against Standard Assets of ₹ 1.57 crore to other income and transferred the Reserve Fund created under section 45-IC of the RBI Act, 1934 pertaining to GAL amounting to ₹ 28.33 crore to the statement of profit and loss.

NOTE 4(f)

The Board of Directors of the Company have recommended a dividend of ₹ 0.10 per equity share of ₹ 1 each for the year ended March 31, 2013.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS

Particulars	Non-current portion		Current maturities	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Bonds/ debentures				
Debentures (secured)	2,298.15	1,700.89	44.61	35.13
Debentures (unsecured)	194.50	350.00	175.00	75.00
Term loans				
Indian rupee term loans from banks (secured)	15,739.49	11,208.57	1,356.14	1,198.94
Indian rupee term loans from financial institutions (secured)	5,411.70	2,718.18	448.17	957.19
Foreign currency loans from banks (secured)	6,384.64	8,067.19	3,488.18	543.84
Indian rupee term loans from banks (unsecured)	571.83	237.93	16.10	362.08
Indian rupee term loans from financial institutions (unsecured)	359.45	280.77	104.03	-
Foreign currency loans from banks (unsecured)	-	0.17	-	-
Indian rupee term loans from others (unsecured)	23.43	46.17	8.18	0.10
Foreign currency loans from others (unsecured)	5.66	117.56		-
Supplier's credit (secured)	64.51	75.82	16.13	15.16
Supplier's credit (unsecured)	109.00	109.00		-
Other loans and advances				
Bills discounted (secured)	-	-	134.70	134.70
Finance lease obligations (secured)	0.60	0.76	0.77	0.79
Negative grant (unsecured)	155.15	186.64	31.51	23.74
From the State Government of Andhra Pradesh (unsecured)	315.05	315.05	-	-
	31,633.16	**25,414.70**	**5,859.52**	**3,346.67**
The above amount includes				
Secured borrowings	29,899.09	23,771.41	5,524.70	2,885.75
Unsecured borrowings	1,734.07	1,643.29	334.82	460.92
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(5,859.52)	(3,346.67)
Net amount	**31,633.16**	**25,414.70**	**-**	**-**

1 During the year ended March 31, 2012, GEL has issued 8,000 secured, redeemable and non convertible debentures 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. The debentures are redeemable at a premium yielding 14.25% per annum (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 installments starting from March 2012. As at March 31, 2013, GEL has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.10 crore (₹ 987,500) (March 31, 2012: ₹ 0.10 crore (₹ 997,500)) 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 has 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 the bank plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal installments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal installments commencing from June 2012. As at March 31, 2013, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.10 crore (₹ 987,500) (March 31, 2012: ₹ 0.10 crore (₹ 997,500)) per debenture.

3 Secured, redeemable and non convertible debentures of ₹ 0.10 crore each issued by GPEPL amounting to ₹ 565.26 crore (March 31, 2012: ₹ 588.89 crore) bear an interest of 9.38% p.a. and are secured by way of pari passu first charge over GPEPL's movable and immovable properties, both present and future, including plant and machinery excluding project assets (unless permitted by NHAI under the Concession agreement). Further, it is secured by the

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

rights, title, interest, benefit, claims, of GPEPL 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 GPEPL in respect of monies lying to the credit of Trust and Retention Account (TRA) and other accounts. These debentures are redeemable in 34 unequal half yearly installments from April 2010 to October 2026.

4 During the year ended March 31, 2010, the Company issued 5,000 unsecured redeemable, non convertible debentures of ₹ 0.10 crore each to a bank which are redeemable at a premium yielding 14.00% p.a. (March 31, 2012 : 14.00% p.a.) and are repayable in 5 annual unequal installments commencing from April 2011. As at March 31, 2013, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.07 crore (March 31, 2012: ₹ 0.09 crore) per debenture.

5 During the year ended March 31, 2013, EDWPCPL has issued 1,950 unsecured fully convertible debentures of ₹ 0.01 crore each to IL&FS Renewable Energy Limited ('IL&FS Renw') which bear an interest rate of 15.00% p.a. These debentures are to be converted into 17.00% cumulatively compulsorily convertible preference shares of ₹ 100 each of EDWPCPL after 36 months from the issue date.

6 Secured Indian rupee term loans from banks of ₹ 250.00 crore (March 31, 2012 : ₹ Nil) of KSPL are secured by pari passu first charge on land and buildings appurtenant thereon and first ranking exclusive charge over DSRA of KSPL. Further, secured by an irrevocable and unconditional guarantee given by the Company. The loan is repayable in 12 equal quarterly installments starting from the end of 27 months from the first drawdown date and carries an interest rate of 9.75% p.a. plus spread of 4.50% p.a.

7 Secured Indian rupee term loans from banks of ₹ 43.50 crore (March 31, 2012: ₹ 59.00 crore) of the Company are secured by an exclusive first charge on assets to be acquired out of the proceeds of the loan and second charge on the current assets of EPC division of the Company. The rate of interest is base rate of the lender plus 2.50% p.a. (March 31, 2012 : base rate of the lender plus 2.50% p.a.) and are repayable in 3 half yearly installments commencing from February 2013.

8 Secured Indian rupee term loans from banks of ₹ 200.00 crore (March 31, 2012 : ₹ Nil) of the Company are secured by exclusive first mortgage and charge on: (a) movable fixed assets and immovable properties of GPCL; (b) non agricultural lands of GMR Hebbal Towers Private Limited (GHTPL) and Mr. G.M. Rao; (c) certain immovable properties of Boyance Infrastructure Private Limited (BIPL) in Mamidipally, Ranga reddy district; (d) commercial apartment owned by Honey Flower Estates Private Limited (HFEPL) and (e) 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 loans carry an interest rate of base rate of lender plus applicable spread of 3.25% p.a and is repayable in 16 quarterly installments commencing from October 2014.

9 Secured Indian rupee term loans from banks of ₹ 300.00 crore (March 31, 2012 : ₹ Nil) of the Company are secured by 10% of cash margin on the outstanding amount in form of lien on fixed deposit in favour of lender and exclusive charge on loans and advances provided by the Company out of this facility. The loans carry an interest rate of base rate of lender plus spread of 1.50% p.a. (March 31, 2012 : Nil) and is repayable in 6 equal quarterly installments commencing from March 2014.

10 Secured Indian rupee term loans from bank of ₹ 180.00 crore (March 31, 2012 : ₹ Nil) of the Company are secured by a first charge over certian immovable properties and aircrafts of the Group and 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 held by GHPL in GSPL. The loans carry an interest rate of base rate of lender plus spread of 1.50% p.a. and is repayable in 8 equal quarterly installments commencing from June 2016.

11 Secured Indian rupee term loans from banks of ₹ 138.79 crore (March 31, 2012: ₹ 138.64 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 secured by corporate guarantee given by GHIAL. The interest rate is 12.65% p.a. to 13.00 % p.a. (March 31, 2012 : 11.00% p.a. to 13.00% p.a.). The loan is repayable in 48 quarterly installments commencing from December 2012.

12 Secured Indian rupee term loans from banks and financial institutions of ₹ 1,681.70 crore (March 31, 2012 : ₹ 1,153.35 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 by pledge of 1,300,000 equity share held by GMRHL. The loans carry an interest rate of 11.75% p.a. (March 31, 2012 : 10.75% p.a.) and are repayable in 46 unequal quarterly installments commencing from April 2013.

13 Secured Indian rupee term loans from banks and financial institutions of ₹ 466.76 crore (March 31, 2012 : ₹ 481.62 crore) of GUEPL are secured by way of pari passu first charge over GUEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GUEPL 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 GUEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 5.96 crore (March 31, 2012 : 5.96 crore) equity shares of GUEPL held by GMRHL. The loans carry an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly installments commencing from January 2011.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

14 Secured Indian rupee term loans from banks of ₹ 271.53 crore (March 31, 2012 : ₹ 278.05 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 (March 31, 2012 : 2.33 crore and 2.42 crore) equity shares of GACEPL held by GIL and GEL respectively. The loans carry an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly installments commencing from August 2010.

15 Secured Indian rupee term loans from banks of ₹ 275.65 crore (March 31, 2012 : ₹ 308.05 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 (LC) 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 of 7.50% p.a. ± 10% spread, now fixed at 8.25% p.a. (March 31, 2012 : 7.50% p.a. ± 10% spread, fixed at 8.25% p.a.) and are repayable in 29 unequal half yearly installments commencing from November 2005.

16 Secured Indian rupee term loans from banks of ₹ 307.13 crore (March 31, 2012 : ₹ 316.97 crore) of GJEPL are secured by way of pari passu first charge over movable properties of GJEPL, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GJEPL 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 GJEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 3.53 crore (March 31, 2012 : 3.53 crore) equity shares of the GJEPL held by GMRHL. The loans carry an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly installments commencing from January 2011.

17 Secured Indian rupee term loans from banks of ₹ 570.32 crore (March 31, 2012 : ₹ 331.49 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 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 Company and GMRHL. The loans carry an interest rate of lead bank's interest rate plus margin plus 2.00% p.a, (March 31, 2012: lead bank's interest rate plus margin plus 2.00% p.a) reset from time to time and are repayable in 27 unequal half yearly installments commencing from June 2013.

18 Secured Indian rupee term loans from banks of ₹ 213.10 crore (March 31, 2012 : ₹ 238.00 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. (March 31, 2012 : 7.50% p.a. ± 10% spread, fixed at 8.25% p.a.) and are repayable in 29 unequal half yearly installments commencing from November 2005.

19 Secured Indian rupee term loans from banks and financial institutions of ₹ 929.51 crore (March 31, 2012: ₹ 563.00 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 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 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 of 7.50% p.a. to 8.50% p.a. (March 31, 2012 : 7.50% p.a. to 7.75% p.a.) plus applicable spread rate, reset from time to time and are repayable in 46 unequal quarterly installments from April 2014 to July 2025.

20 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,650.00 crore (March 31, 2012 : ₹ 3.650.00 crore) of DIAL are secured by first rank pari passu charge on all the future revenues, receivables 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' and also by the pledge / non disposable undertaking of requisite shares of DIAL held by of GIL, GEL, GAL, Malaysia Airports (Mauritius) Private Limited 'MAMPL' and Fraport AG Frankfurt Airport Services Worldwide 'FAG'. Out of ₹ 3,650.00 crore loans, lenders extending the loan of ₹ 1,250.00 crore would be sharing the said security with existing lenders on a pari passu basis after completion of security documentation, which is in process, for which they have allowed time period of 90 days from the date of first disbursement under loan agreement i.e. March 28, 2013. The loans carry an interest rate at base rate plus agreed spread, which is subject to reset at the end of agreed interval . The interest rate ranges from 11.25% p.a to 12.00 % p.a (March 31, 2012: 11.50% p.a to 12.00% p.a). The loans of ₹ 2,400.00 crore are repayable in 48 quarterly installments starting from June 2013 and the loans of ₹ 1,250.00 crore are repayable in 60 quarterly installments as per repayment schedule starting from June 2013.

21 Secured Indian rupee term loans from banks and financial institutions of ₹ 1,192.10 crore (March 31, 2012: ₹ 1,153.11 crore) of DIAL are secured by pari passu first charge on development fund fee 'DF' receipts. Further, the Company has given undertaking to lenders for meeting the shortfall in the repayment of loan by DIAL. The loan is repayable from collection of DF receipts and repayment commitments are as per the loan agreement. The loans carry fixed rate of interest at 11.50% p.a (March 31, 2012: 11.50% p.a to 11.74% p.a).

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

22 Secured Indian rupee term loans from banks of ₹ 101.99 crore (March 31, 2012: ₹ 109.98 crore) of DDFS are secured by hypothecation of 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 banks. Further secured by first charge on movable fixed assets of the DDFS, both present and future and pledge of 30% shareholding held by DIAL, Yalorvin Limited 'YL' and IDFC Trading Private Limited in DDFS and escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 13.25% p.a. (March 31, 2012 : 12.50% p.a.). The loan is repayable in 36 unequal quarterly installments commencing from December 2011.

23 Secured Indian rupee loans from banks and financial institutions and foreign currency loans from banks of ₹ 1,438.25 crore (March 31, 2012: ₹ 1,493.72 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land 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 (March 31, 2012 : 16.41 crore) and 2.87 crore (March 31, 2012 : 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 ₹ 582.25 crore (March 31, 2012: ₹ 579.71 crore) carry an interest rate of LIBOR plus agreed spread; however GHIAL has entered into interest rate swap '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 7.30% p.a. (March 31, 2012 : 7.30% p.a.). The Indian rupee term loans from banks and financial institutions carry interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval . The interest rate ranges from 10.75% to 12.10% p.a. (March 31, 2012 : 10.50% to 13.75% p.a.). Indian rupee loans from banks and financial institutions and foreign currency loans from banks are repayable in 56 quarterly installments commencing from July 2010.

24 Secured Indian rupee term loans from banks of ₹ 0.31 crore (March 31, 2012: ₹ 1.23 crore) of Laqshya are secured by first pari passu charge on current and fixed assets of Laqshya. Further secured by a corporate guarantee given by Laqshya Media Private Limited (LMPL). The rate of interest is 12.50% p.a. (March 31, 2012 : 9.00% p.a.). The loan is repayable in unequal monthly installments till October 2013.

25 Secured Indian rupee term loans from banks of ₹ 42.95 crore (March 31, 2012: ₹ 37.45 crore) of CDCTM are secured against charge on fixed assets and surplus account in accordance with escrow agreement entered with banks. Further, the loans have been guaranteed by Celebi Hava Servisi A.S. 'CHSAS' and pledge over shares of CDCTM held by CHSAS. The loans carry an interest rate of 12.00% p.a. (March 31, 2012: base rate of the lenders plus 1.25% p.a. to 1.50% p.a.). The loans are repayable in 28 equal quarterly installments commencing from June 2012.

26 Secured Indian rupee term loans from banks and financial institutions of ₹ 2,213.16 crore (March 31, 2012 : ₹ 1,693.62 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. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of the GREL in the project documents. Further, secured by way of pledge of 25.17 crore (March 31, 2012 : 25.17 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% p.a., except for one bank which charges at its base rate plus 3.75% p.a. (March 31, 2012 : base rate plus 3.00% p.a. to 3.25% p.a.) and the rate of interest on loans from financial institution is 12.84% p.a. (March 31, 2012 : 11.87% p.a.). As at March 31, 2012 these loans were repayable in 46 unequal quarterly installments commencing from April 2013. However, as per the amendment agreement dated March 25, 2013 the secured Indian rupee term loans from banks of ₹ 1,706.49 crore are repayable in 50 unequal quarterly installments commencing from October 2015 and secured Indian rupee term loans from financial institutions of ₹ 506.67 crore are repayable in 50 unequal quarterly installments commencing from October 2016.

27 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,075.33 crore (March 31, 2012 : ₹ 1,031.76 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 movables 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 51% of the total paid up equity share capital of GKEL. From the date of repayment of 50% of loan, the number of shares under the pledge may be reduced to 26% of the paid up equity share capital of GKEL. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans of ₹ 3,405.00 crore and working capital lenders for an amount acceptable to the lenders. The interest rate ranges from 11.50% to 14.50 % p.a (March 31, 2012 : 11.50% to 14.50 % p.a.). As at March 31, 2012, the loans were repayable in 48 equal quarterly installments from the earlier of 12 months from scheduled project completion date i.e. in August 2012 or 51 months from the date of financial closure i.e. in May 2009 as per the loan agreement, whichever is earlier. However, pursuant to the negotiations with the lenders during the year ended March 31, 2013 the installment repayment will start from September 15, 2013, further if the amount disbursed is less than the sum agreed as per the agreement, the installment of repayment of loan shall stand reduced proportionately.

28 Secured Indian rupee term loans from banks and financial institutions of ₹ 741.58 crore (March 31, 2012 : ₹ 327.61 crore) of GCHEPL are secured by way of a first ranking charge on all the movables including current assets, all bank accounts, all rights, title, interest, benefits, claims, and demand of GCHEPL in project documents, all clearances, licenses, permits, approvals, consents, letters of credit, guarantees, all insurance contracts, all intellectual property, etc. and immovable properties at Warora, Maharashtra and in the State of Chhattisgarh. The loan has a tenure of ten to fifteen years. The loans carry an

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

interest rate of 13.25% p.a. (March 31, 2012: 13.25% p.a.) except for one lender which charges the rate prevailing at the each rupee disbursement. GCHEPL shall repay 70% of the loans in 40 equal quarterly installments commencing from March 2015 and the balance of 30% of by a single installments on March 2025, except for one lender to whom the loan is to be repaid in 60 equal quarterly installments commencing from March 2015.

29 Secured Indian rupee term loans from banks and financial institutions of ₹ 2,560.36 crore (March 31, 2012 : ₹ 534.60 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 book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further secured by pledge of equity shares representing 51% of the total paid up equity share capital of EMCO. The loans carry an interest rate of Base Prime Lending Rate (BPLR) of the lead lender less 3.75% p.a. (March 31, 2012 : BPLR of the lead lender less 3.75% p.a). EMCO shall repay 70.09% of the loan in 43 equal quarterly installments commencing from September 2013 and the balance of 29.91% shall be paid by a single installment in June 2024.

30 Secured Indian rupee term loans from banks and financial institutions of ₹ 60.35 crore (March 31, 2012 : ₹ 20.00 crore) of EDWPCPL are secured by way of hypothecation / mortgage of all movable assets, receivables, bank balances and intangible assets of EDWPCPL. The rate of interest is 11.00% p.a. (March 31, 2012 : 15.00% p.a.). The loans are repayable in 40 equal quarterly installments payable commencing from 9th quarter from the date of first disbursement, i.e. July 2011.

31 Secured Indian rupee term loans from banks of ₹ Nil (March 31, 2012: ₹ 150.00 crore) of GBHHPL were secured by a corporate guarantee of GEL and subsequent charge on movable fixed and current assets of the GBHHPL. The rate of interest is base rate plus 2.45% p.a. (March 31, 2012 : base rate plus 2.45% p.a) During the year ended March 31, 2013, GBHHPL has repaid the loan in full.

32 Secured Indian rupee term loans from banks and financial institution of ₹ 211.70 crore (March 31, 2012: ₹ 184.00 crore) of GGSPPL 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. The rate of interest in case of loans from banks is 12.50% p.a. (March 31, 2012 : 13.00% p.a.) and in case of loans from financial institutions, the rate is 12.60% p.a. (March 31, 2012 : Nil). The loans from banks are repayable in 47 unequal quarterly installments commencing from July 2012 and the loans from financial institutions is repayable as bullet payment in January 2024.

33 Secured Indian rupee term loans from banks of ₹ 88.65 crore (March 31, 2012: ₹ 20.00 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, interests in respect of MTSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The rate of interest is base rate plus spread of 2.75% p.a. (March 31, 2012 : 2.75% p.a.). The loan is repayable in 28 equated monthly installments commencing from March 2014.

34 Secured Indian rupee term loans from banks of ₹ 14.46 crore (March 31, 2012: ₹ 14.46 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 rate of interest is base rate plus spread of 2.75% p.a. (March 31, 2012 : 2.75% p.a.). The loans are repayable in 28 equated monthly installments commencing from March 2014.

35 Secured Indian rupee term loans from banks of ₹ 26.40 crore (March 31, 2012: ₹ 32.19 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 interest rate is base rate of the lender minus 2.75% p.a. (March 31, 2012 : base rate of the lender minus 2.75% p.a.). The loans are repayable in 32 quarterly installments commencing from July 2011.

36 Secured Indian rupee term loans from banks of ₹ 55.12 crore (March 31, 2012: ₹ 69.40 crore) of HASSL are secured by 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 claim and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.37 crore (March 31, 2012 : 0.37 crore) equity shares of HASSL held by GHIAL. The rate of interest is Prime Lending Rate ('PLR') plus 3.00% p.a. (March 31, 2012 : PLR plus 3.00% p.a.). The loan is repayable in 21 equal quarterly installments commencing from March 2012.

37 Secured Indian rupee term loans from banks of ₹ 55.00 crore (March 31, 2012: ₹ 40.00 crore) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and first pari passu 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. The rate of interest is 12.00% p.a. (March 31, 2012 : PLR plus 2.50% p.a.) with yearly reset. As at March 31, 2012, the loans were repayable in 120 unequal monthly installments commencing from April 2013, however as per the negotiations with bank the repayment has been rescheduled as 40 unequal monthly installments commencing from November 2013.

38 Secured Indian rupee term loans from banks of ₹ 116.00 crore (March 31, 2012: ₹ 116.00 crore) of MGAECL are secured by first pari-passu charge of equitable mortgage by deposit of title deeds over immovable properties of MGAECL admeasuring 16.46 acres of leasehold lands including buildings, structures, etc. on such land, hypothecation of all the movable assets of the project, including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets of the project, all rights, title, interests, benefits, claims and demands whatsoever of MGAECL with respect to the insurance contracts, both present and future and all rights, claims and benefits to all monies receivable there under in respect of all the insured assets of the project both present and future, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of the project, all bank accounts of the project. Further secured by pledge of 26% of the paid up share capital of MGAECL held by one

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

of its shareholders. The rate of interest is 12.50% p.a. to 13.00% p.a. (March 31, 2012 : 11.00% p.a. to 13.00% p.a). The loan is repayable in 40 unequal quarterly installments commencing from February 2014.

39 Secured Indian rupee term loans from banks of ₹ 4.10 crore (March 31, 2012: ₹ 3.21 crore) of DFSPL are secured against 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, corporate guarantee of DIL. The rate of interest is base rate of the lender plus 2.25% p.a. (March 31, 2012 : base rate of the lender plus 2.25% p.a.). The loan is repayable in 28 equal quarterly installments commencing from September 2011.

40 Secured Indian rupee term loans from banks of ₹ 3.00 crore (March 31, 2012: ₹ 3.50 crore) of DSSHPL are secured by way of charge on furniture and fixtures and equipments of DSSHPL installed at various outlets and security deposit of ₹ 0.80 crore by DSSHPL with DIAL and pledge of 30% of the shareholding of DSSHPL held by DIL. The rate of interest is base rate of the lender plus agreed premium minus 1.50% p.a. (March 31, 2012 : base rate of the lender plus agreed premium minus 1.50% p.a.) The loan is repayable in 25 unequal quarterly installments commencing from March 2011.

41 Secured Indian rupee term loans from banks of ₹ 42.45 crore (March 31, 2012: ₹ 47.79 crore) of DAFF are secured by charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and DIAL's license fees. The rate of interest is base rate of the lender (March 31, 2012: base rate plus 1.25% p.a to 1.50% p.a). The loans are repayable in 48 quarterly unequal installments commencing from July 2011.

42 Secured Indian rupee term loans from banks of ₹ 81.61 crore (March 31, 2012: ₹ 89.04 crore) of DAPSL are secured by exclusive first charge on the receivables, cash flows and revenues as available under escrow account of DAPSL and by a pledge of 1.88 crore and 0.38 crore equity shares of DAPSL held by DIAL and Tenaga Parking Services (India) Private Limited, respectively. The rate of interest is 12.25% p.a. to 12.50 % p.a. (March 31, 2012: 12.50% p.a. to 13.75 % p.a). The loans are repayable in 36 unequal quarterly installments commencing from April 2011.

43 Secured Indian rupee term loans from banks of ₹ 43.64 crore (March 31, 2012: ₹ 35.52 crore) of DCSCPL are secured by first charge by way of hypothecation of all the current assets, all the tangible and intangible assets and pledge of 30% of the shares of DCSCPL held by one of its shareholders. The rate of interest is BPLR minus 2.50% (March 31, 2012 : BPLR minus 2.50%) on floating basis. The loans are repayable in 30 unequal installments commencing from October 2012.

44 Secured Indian rupee term loans from banks of ₹ 6.00 crore (March 31, 2012: ₹ 7.14 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 is 11.25% p.a. to 13.00% p.a. (March 31, 2012: 11.25% p.a. to 12.00% p.a.). The loans are repayable in 28 equal quarterly installments commencing from July 2011.

45 Secured Indian rupee term loans from banks of ₹ 9.93 crore (March 31, 2012: ₹ 11.44 crore) of HDFRL are secured by 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 held by GHIAL. As on March 31, 2013, HDFRL has pledged 0.15 crore (March 31, 2012 : 0.06 crore) equity shares out of total equity of 1.00 crore (March 31, 2012 : 0.50 crore) which is 15% of the paid up share capital of HDFRL. HDFRL is in process of securing pledge of balance 0.15 crore (March 31, 2012 : 0.09 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 interest rate for the year ranges from 12.40% p.a. to 12.75% p.a. (March 31, 2012 : 11.50% p.a. to 12.75% p.a.). The loans are repayable in 22 unequal quarterly installments commencing from March 2012.

46 Secured Indian rupee term loans from banks of ₹ 8.88 crore (March 31, 2012: ₹ 10.88 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 ₹ 35.00 crore (given to DIAL) so released by DIAL after appropriation towards dues of the lender, if any. The rate of interest is 11.50% p.a. to 12.50% p.a. (March 31, 2012 : 12.50% p.a.). The loans are repayable in 24 quarterly equal installments commencing from December 2011.

47 Secured Indian rupee term loans from banks of ₹ 26.51 crore (March 31, 2012: ₹ 31.44 crore) of GEL are secured by way of an equitable mortgage of immovable properties comprising of land and building acquired with the loan proceeds. The rate of interest is benchmark primary lending rate minus 1.00% p.a. The loan was repayable in 120 equated monthly installments of ₹ 0.74 crore each till August 2011. With effect from September 2011, the loan is repayable in 87 equated monthly installments of ₹ 0.41 crore each.

48 Unsecured Indian rupee loans from banks of ₹ 237.93 crore (March 31, 2012 : ₹ 250.01 crore) of GHIAL are guaranteed by the Company. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval, which is presently 11.75% p.a. (March 31, 2012 : 11.75% p.a.). The loans are repayable in 43 unequal quarterly installments commencing from October 2012.

49 Secured Indian rupee term loans from financial institution of ₹ 900.00 crore (March 31, 2012: ₹ 1,000.00 crore) of the Company are secured by an exclusive first charge on barge mounted plant of GEL and pledge of 11.51 crore (March 31, 2012: 10.27 crore) equity shares of ₹ 1 each of the Company, held by GHPL. The loans carry an interest rate of 11.75% p.a. (March 31, 2012 : 11.75% p.a.) and are repayable in 10 equated annual installments commencing from December 2012.

50 Secured Indian rupee term loans from financial institution of ₹ Nil (March 31, 2012 : ₹ 215.00 crore) of KSPL was secured by first charge on entire movable and immovable properties, both present and future of KSPL. The loan carried an interest rate of 11.90% p.a. (March 31, 2012 : 11.90% p.a.). The loans have been repaid in July 2012.

51 Secured Indian rupee term loans from financial institutions of ₹ Nil (March 31, 2012 : ₹ 250.00 crore) of KSPL was secured by first charge on entire movable and immovable properties, both present and future of KSPL. The loans carrried an interest rate of base rate of the lender minus 2.75% p.a (March 31, 2012 : base rate of the lender minus 2.75% p.a). The loan has been repaid in March 2013.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

52 Secured Indian rupee term loans from financial institutions of ₹ 250.00 crore (March 31, 2012: ₹ Nil) of GMRHL are secured by way of a pledge of 26% equity shares of GMRHL held by the Company. The rate of interest is 13.00% p.a. The loan is repayable in lump sum within 37 months from March, 2013.

53 Secured Indian rupee term loans from financial institutions of ₹ 30.47 crore (March 31, 2012 : ₹ 35.34 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 11.10% p.a to 13.66% p.a. (March 31, 2012 : 9.40% p.a. to 12.35% p.a.). The loan is repayable in quarterly installments of ₹ 1.22 crore each with an option to preclose at the end of 1 year and there after on every interest reset date with 30 days written notice to lender without any prepayment premium.

54 Secured Indian rupee term loans from financial institutions of ₹ Nil (March 31, 2012 : ₹ 375.00 crore) of SJK are secured by way of pledge of shares held by the GEL in the equity share capital of the SJK, representing 51% of the total paid up equity share capital of SJK and also, irrevocable and unconditional corporate guarantee of GEL. The loan carried interest at the rate of Nil (March 31, 2012 : 12.40% p.a.) The loan has been repaid in May 2012.

55 Secured Indian rupee term loans from financial institutions of ₹ 700.00 crore (March 31, 2012 : ₹ Nil) of GEL are secured by first pari passu charge on the land of KSPL and corporate guarantee given by the Company. As per the terms of the loan agreement the security has to be created within 90 days from the date of first disbursement and may be extended by another 90 days subject to approval by lender. GEL has filed for extension for creation of security till June 4, 2013, in case the security is not created within the agreed timelines including the extended period, the lender has various rights under the loan agreement. The loans carry an interest rate of 12.00% p.a. payable quarterly. The loan is repayable in 6 equal installments after fifth year from the date of first disbursement.

56 Unsecured Indian rupee loans from a financial institution of ₹ 182.72 crore (March 31, 2012 : ₹ Nil) of GHIAL are guaranteed by the Company. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval, which is presently 11.65% p.a. (March 31, 2012 : Nil). The loan is repayable in 41 quarterly installments commencing from March 2013.

57 Secured foreign currency loans from banks of ₹ 306.88 crore (March 31, 2012 : ₹ Nil) 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 equipments) 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. The rate of interest for each interest period is the percentage p.a. which is aggregate of the applicable margin and six months LIBOR calculated at two business days prior to the relevant interest period. GKEL has to repay 1.00% p.a. of the total foreign currency loans drawdown amount starting from 12 months from initial drawdown date for first four years and thereafter the balance amount is to be paid in the fifth installments.

58 Secured foreign currency loans from banks of ₹ 386.98 crore (March 31, 2012: ₹ 389.28 crore) of GIML are secured by way of pledge of 6.91 crore (March 31, 2012 : 6.91 crore) shares of GISPL and further secured by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 3.50% to 6.45% (March 31, 2012 : LIBOR plus 3.50% to 6.45%). The loan is repayable in 3 equal annual installments commencing from August 2013.

59 Unsecured foreign currency loans from a banks of ₹ 789.11 crore (March 31, 2012: ₹ Nil) of GIML are secured by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 200 bbps. The loan is repayable in June 2013.

60 Secured foreign currency loans from banks and financial institutions of ₹ 30.38 crore (March 31, 2012 : ₹ 36.26 crore) of LGM are secured by corporate guarantee given by the Company and further secured by pledge of shares of LGM held by its shareholders. The rate of interest is EURIBOR plus 550 bbps (March 31, 2012 : EURIBOR plus 550 bbps) and repayable in 14 equal half yearly installments commencing from December 2010.

61 Secured foreign currency loans from banks and financial institutions of ₹ 1,055.42 crore (March 31, 2012: ₹ 924.09 crore) of ISG are secured against present and future receivables, rights, income, claims, interest, benefits and all kinds of receivables arising out of or in connection with other agreements. Further secured by pledge of shares of ISG held by the Company and a subsidiary of the Company. The rate of interest is EURIBOR plus spread i.e. 5.00%. The loan is repayable in 18 unequal half yearly installments commencing from June 2013.

62 Secured foreign currency loans from banks of ₹ 699.07 crore (March 31, 2012 : ₹ 255.17 crore) of GISPL are secured by way of a charge over the DSRA to be created and a corporate guarantee provided by a shareholder. The interest rate ranges from 3.68% p.a. to 5.05% p.a. (March 31, 2012 : 3.65% p.a. to 5.08% p.a.). The loans was originally repayable in 8 equal quarterly installments commencing from July 2014. GISPL has fully repaid the loan in April 2013. Accordingly, the loan has been disclosed as current maturities of long term borrowings.

63 Secured foreign currency loans from banks of ₹ 327.90 crore (March 31, 2012 : ₹ 109.30 crore) of GISPL are secured by way of a charge over the DSRA to be created and a corporate guarantee provided by a shareholder. The interest rate ranges from 3.68% p.a. to 5.05% p.a. (March 31, 2012 : 3.65% p.a. to 5.08% p.a.). The loan was originally repayable after 48 months from the first drawdown date . i.e. in November 2011. GISPL has fully repaid the loan in April 2013. Accordingly, the loan has been disclosed as current maturities of long term borrowings.

64 Secured foreign currency loans from banks of ₹ Nil (March 31, 2012 : ₹ 1,190.44 crore) of GESPL were secured against debentures in respect of rights and interest over project assets, project documents, project accounts, insurances, all shares certificates, instruments of transfer and stock transfer forms. The rate of interest is Nil (March 31, 2012 : 2.91% p.a) The loan was repayable in 28 half yearly installments commencing from December 2014. Pursuant to

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

the sale of GESPL, GESPL has ceased to be the subsidiary of the Company.

65 Secured foreign currency loans from banks of ₹ 1,870.06 crore (March 31, 2012: ₹ 1,803.55 crore) of DIAL are secured by first rank pari passu charge on all the future revenues and receivables 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 shares of shareholders of DIAL held by GIL, GEL, GAL, MAMPL and FAG. The loans carry an interest at LIBOR plus agreed spread. DIAL had entered into 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 7.76% p.a. (March 31, 2012 : 7.76% p.a.) The loans are repayable in unequal half yearly installments commencing from March 2013 and till March 2021.

66 Secured foreign currency loans from banks of ₹ 136.45 crore (March 31, 2012: ₹ 102.61 crore) of HEGL are secured by way of charge on all the assets of HEGL and further guaranteed by the Company. The loan bears interest at LIBOR plus 400 to 450 bbps (March 31, 2012 : LIBOR plus 400 bbps), with tenure of 6 years from first drawdown date i.e. July 2011 with repayment starting from third year onwards. Pursuant to the agreements entered into for the sale of certain mines of HEGL and its subsidiaries/joint ventures during the year ended March 31, 2013, the loan has been disclosed as current maturities of long term borrowings.

67 Secured foreign currency loans from banks of ₹ 146.14 crore (March 31, 2012 : ₹ 206.12 crore) of GENBV are secured by pledge of shares of GENBV, pledge of 100% shares of PTDSU, PTDSI and PT Unsoco, 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 Company to retain 51% direct ownership and control in GEL. Further secured by way of 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 5.50%. The loan shall be repaid in 3 annual equal installments commencing from February 2013.

68 Secured foreign currency loans from banks of ₹ 90.91 crore (March 31, 2012: ₹ Nil) of ATSCL are 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 loans carry an interest at LIBOR plus 4.5%. ATSCL has entered into full currency swap 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 installment in December 2017.

69 Secured foreign currency loans from banks of ₹ 2,574.43 crore (March 31, 2012: ₹ 2,421.91 crore) of GCRPL are secured by a charge over all tangible and intangible assets of GCRPL and charge over the shares of GCRPL held by GEL and the Company. Further, it is secured by way of guarantee by the Company and a non-disposable undertaking with respect to shares held in PTGEMS by GCRPL. The rate of interest is three month LIBOR plus 4.25% (March 31, 2012: One month LIBOR plus 3.73%). 5% of the loans are repayable 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 installment of 75% on the maturity date i.e. in October 2016.

70 Secured foreign currency loans from banks amounting ₹ 876.80 crore (March 31, 2012: ₹ 592.60 crore) of GMIAL are secured by first charge / assignment of all 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. 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 and working capital facilities and interest and currency hedge providers. The rate of interest is six months LIBOR plus 375 bbps (March 31, 2012 : LIBOR plus 550 bbps). The loan was originally repayable in half yearly installments starting from June 2015. However, pursuant to the takeover of control of Ibrahim Nasir International Airport ('Male airport') by the Government of Maldives/ Maldives Airport Company Limited ('MACL'), the bank has served a notice of events default on December 7, 2012 and has recalled the total loan outstanding. Accordingly, the loan 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.

71 Unsecured Indian rupee term loans from banks of ₹ 250.00 crore (March 31, 2012 : ₹ Nil) of the Company are secured by exclusive first mortgage and charge on non-agricultural lands of Boyance Infrastructure Pvt. Ltd. (BIPL), Neozone Real Estate Private Limited (NREPL), Sri Varalakshmi Jute Twine Mills Private Limited ('SVJTMPL') and Neozone Properties Private Limited. The loans carry an interest rate of base rate of lender plus 1.50% p.a. and is repayable in 5 equated monthly installments commencing from November 2014.

72 Unsecured Indian rupee term loans from banks of ₹ 100.00 crore (March 31, 2012 : ₹ Nil) of GEL carried an interest rate of base rate of the bank plus 1.75% p.a. and repayable in 4 equal quarterly installments from the end of 15 months from the date of first disbursement.

73 Unsecured Indian rupee loans from banks of ₹ Nil (March 31, 2012 : ₹ 350.00 crore) of GEL carried an interest rate of 9.50% p.a to 12.25% p.a. The loans are repayable by way of a bullet payment after one year from the date of disbursement. During the year ended March 31, 2013, GEL has repaid the loans in full.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 5 LONG-TERM BORROWINGS (Contd.)

74 Unsecured Indian rupee term loan from a financial institution of ₹ 275.00 crore (March 31, 2012 : ₹ 275.00 crore) of the Company are secured by way of corporate guarantee issued by GHPL and pledge of 26.92 crore (March 31, 2012: 16.92 crore) equity shares of ₹ 1 each of the Company, held by GHPL. The loans carry periodic rates of interest as agreed with the lenders. The loan is repayable in 3 equated annual installments commencing from August 2013.

75 Unsecured Indian rupee loans from a financial institution of ₹ 5.76 crore (March 31, 2012 : ₹ 5.77 crore) of WAISL carries an interest rate of 10.50% p.a. (March 31, 2012 : 10.55% p.a.). The loan is repayable in 72 equal monthly installments from January 2012 to December 2017.

76 Unsecured Indian rupee term loan from others of ₹ 5.10 crore (March 31, 2012 : ₹ Nil) of DCSCPL is interest free. The loan was originally repayable after 48 months but subsequent to the balance sheet date, on request of Cargo Service Centre (India) Private Limited, the loan has been prepaid in full.

77 Unsecured loans from others of ₹ Nil (March 31, 2012 : ₹ 26.00 crore) in relation to GTAEPL and GTTEPL carried an interest rate of 1.00% p.a. GTAEPL and GTTEPL have repaid the loan during the year ended March 31, 2013.

78 Unsecured loan from others of ₹ Nil (March 31, 2012 : ₹ 117.56 crore) of GESPL carried an interest rate of 6.50% p.a. (March 31, 2012 : 6.50% p.a. to 6.72% p.a).

79 Unsecured loan others of ₹ 4.55 crore (March 31, 2012 : ₹ 4.55 crore) of EDWPCPL carries an interest rate of 15.00% p.a. (March 31, 2012 :15.00% p.a) and is repayable in 40 equal quarterly installments commencing from 9th quarter from the date of first disbursement i.e. April 2011.

80 Unsecured loan from others of ₹ 14.51 crore (March 31, 2012 : ₹ 14.51 crore) of Laqshya is interest free. The loan is repayable in unequal annual installments over next 8 years.

81 Unsecured loan from others of ₹ 1.10 crore (March 31, 2012 : ₹ 1.20 crore) of HMACPL is interest free. The loan is repayable in 15 equal annual installments of ₹ 0.10 crore each commencing from April 2009.

82 Unsecured loan from others of ₹ 5.40 crore (March 31, 2012 : ₹ Nil) of DSPL carries interest rate of 12.00% p.a. The loan is repayable in thirteen months or as mutually agreed between the parties.

83 Unsecured loan from others of ₹ 0.96 crore (March 31, 2012 : ₹ Nil) of DSSHPL carries at an interest rate of base rate plus 2.5% p.a. Loans of ₹ 0.56 crore is repayable in 45 equal monthly installments commencing from November 1, 2011 and loans of ₹ 0.40 crore is repayable in 8 equal quarterly installments after completion of one year of moratorium period.

84 Unsecured foreign currency from others of ₹ 5.66 crore (March 31, 2012 : ₹ Nil) of CDCTM carries an interest rate of six month LIBOR rate plus spread of 500 bbps and loan is repayable on maturity i.e. May 2018.

85 Unsecured foreign currency loans from bank ₹ Nil (March 31, 2012: ₹ 0.17 crore) of KIM carry an interest rate of Nil (March 31, 2012 : 14.50% p.a.). During the year ended March 31, 2013 the loan has been repaid in full.

86 Secured supplier credit of ₹ 80.64 crore (March 31, 2012: ₹ 90.98 crore) of GAPL is secured by way of hypothecation of aircrafts and guarantee issued by the Company. The rate of interest is six months LIBOR plus spread of 115 bbps. The interest rate is hedged at 3.66% p.a. (March 31, 2012 : 3.66% p.a.). The loan is repayable in 16 equal half yearly installments commencing from April 2010.

87 Unsecured supplier credit of ₹ 61.00 crore (March 31, 2012 : ₹ 61.00 crore) of GVPGL is interest free and is repayable in a single installment 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 has assigned the credit facilities to Prolific Finvest Private Limited (assignee) (PFPL). The assignee on acceptance by GVPGL may convert the above facility in to fully convertible debentures at par to be issued by GVPGL.

88 Unsecured suppliers credit of ₹ 48.00 crore of GGSPPL (March 31, 2012 : ₹ 48.00 crore) represents interest free retention money repayable after 15 years.

89 Bills discounted of ₹ 134.70 crore (March 31, 2012 : ₹ 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 security would be shared on a pari passu basis with existing chargeholders. The amount was repayable on April 6, 2013 and has been further renewed till April 6, 2014.

90 Finance lease obligations of ₹ 1.37 crore (March 31, 2012 : ₹ 1.55 crore) are secured by underlying assets taken on finance lease arrangement. Lease term is around 4 to 5 years and carries an interest from 8.50% p.a. to 10.00% p.a. (March 31, 2012: 10.00% p.a. to 13.00% p.a.)

91 Negative grant of ₹ 120.25 crore (March 31, 2012 : ₹ 126.50 crore) of GUEPL is interest free. Negative grant is repayable in unequal yearly installments over next 6 years. Refer note 35 (ii).

92 Negative grant of ₹ 66.41 crore (March 31, 2012 : ₹ 83.88 crore) of GACEPL is interest free. Negative grant is repayable in unequal yearly installments over next 5 years. Refer note 35 (ii).

93 Interest free loan from others of ₹ 315.05 crore (March 31, 2012 : ₹ 315.05 crore) of GHIAL received from the State Government of Andhra Pradesh (GoAP) is repayable in 5 equal installments 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, 2013

NOTE 6 OTHER LONG-TERM LIABILITIES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Trade payables	68.57	11.67
	68.57	**11.67**
Others		
Advance / deposits received from customers	355.52	284.54
Unearned revenue	70.50	2.37
Deposits / advances from concessionaires	179.89	274.86
Deposits / advances from commercial property developers	1,471.51	1,427.18
Concession fee payable	109.98	80.51
Non trade payable (including retention money)	670.83	367.91
Other liabilities	-	41.15
	2,858.23	**2,478.52**
	2,926.80	**2,490.19**

NOTE 7 PROVISIONS

Particulars	Long-term		Short-term	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Provision for employee benefits				
Provision for gratuity (refer note 37)	1.16	3.92	0.13	0.80
Provision for leave benefits	-	-	46.02	31.42
Provision for voluntary retirement compensation (refer note 40)	89.57	108.57	18.99	19.36
Provision for other employee benefits	4.61	-	55.42	61.04
	95.34	**112.49**	**120.56**	**112.62**
Other provisions				
Provision for taxation (net)	-	-	36.74	39.93
Provision for wealth tax	-	-	0.01	0.05
Provision for debenture redemption premium	-	-	8.53	7.88
Provision for preference shares redemption premium	-	-	12.23	12.95
Provision for operation and maintenance (net of advances) (refer note 40)	53.50	36.59	27.51	8.20
Proposed equity dividend	-	-	38.92	-
Provision for tax on proposed equity dividend	-	-	8.51	-
Provision for tax on proposed preference dividend	-	-	0.09	0.59
	53.50	**36.59**	**132.54**	**69.60**
	148.84	**149.08**	**253.10**	**182.22**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 8 SHORT TERM BORROWINGS

	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Secured:		
Cash credit and overdraft from banks	385.29	74.66
Letters of credit/ bills discounted	3,570.35	5,183.00
Indian rupee short term loans from banks	443.72	120.52
Foreign currency short term loans from banks	-	108.58
Indian rupee short term loans from financial institutions	152.72	125.28
Unsecured:		
Bonds	-	3.45
Letters of credit/ bills discounted	88.10	-
Indian rupee short term loans from banks	151.99	1,382.42
Indian rupee short term loans from financial institutions	-	192.00
Indian rupee short term loans from others	64.44	125.66
	4,856.62	**7,315.57**
The above amount includes		
Secured borrowings	4,552.09	5,612.04
Unsecured borrowings	304.53	1,703.53
	4,856.62	**7,315.57**

1 Cash credit from banks of ₹ 43.03 crore (March 31, 2012 : ₹ 45.01 crore) of GHIAL is secured by way of first pari passu charge by way of hypothecation of the stocks, consumable stores and spares, other movables including book debts, bills, outstanding monies receivable, both present and future and whole of the movable properties including movable plant and machinery, machinery spares, tools and accessories, whether stored or not or in the course of transit or on high seas or on order of delivery, but not limited to documents of title to goods. The rate of interest is 12.50% to 12.75% p.a (March 31, 2012: 12.75% p.a).

2 Cash credit from banks of ₹ 0.87 crore (March 31, 2012 : ₹ 0.80 crore) of HDFRL is secured by 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. As on March 31, 2013, HDFRL has pledged 0.15 crore (March 31, 2012 : 0.06 crore) equity shares out of total equity of 0.99 crore (March 31, 2012 : 0.50 crore) which is 15% (March 31, 2012 : 12%) of the paid up share capital of HDFRL. HDFRL is in process of securing pledge of balance 15% of share capital as per the sanction terms. The rate of interest is 12.50% to 12.75% p.a (March 31, 2012: 11.00% p.a to 12.75% p.a).

3 Cash credit from banks of ₹ 0.20 crore (March 31, 2012: ₹ 1.57 crore) of TIM is secured by charge on receivables and subservient charge on security deposit of ₹ 17.46 crore deposited with DIAL by TIM, after statutory dues and license fees payable to DIAL. The rate of interest is 11.25% to 12.50% p.a. (March 31, 2012 : base rate of the lender plus 1.75% p.a.).

4 Bank overdraft of ₹ 20.89 crore (March 31, 2012 : ₹ 0.04 crore) of GPCL is secured by way of first charge on inventories and book debts of GPCL. The rate of interest is 13.50% to 15.00% p.a. (March 31, 2012 : base rate of the bank plus 4.75% p.a).

5 Bank overdraft of ₹ 65.71 crore (March 31, 2012 : ₹ 24.83 crore) of GETL is secured against bank deposits of GETL. The rate of interest is 10.22% p.a (March 31, 2012 : 10.90% p.a).

6 Cash credit from banks of ₹ 1.61 crore (March 31, 2012 : ₹ 2.41 crore) of GAPL is secured by way of hypothecation of aircraft and charge over receivables of GAPL. The rate of interest is 14.35% p.a. (March 31, 2012 : 13.25% to 14.60% p.a.)

7 Cash credit from banks of ₹ 5.70 crore (March 31, 2012: ₹ Nil) of MGATL 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 standing in the name of MGAECL on which MRO facilities have been created along with all the buildings, structures. The rate of interest is base rate of the bank plus 3.25% p.a.

8 Cash credit from banks of ₹ 23.65 crore (March 31, 2012: ₹ Nil) of GEL secured by first pari-passu charges on entire current assets and second pari-passu charges on the entire fixed assets of GEL. The rate of interest is Bank's base rate plus 2.00% p.a.

9 Cash credit from banks of ₹ 4.00 crore (March 31, 2012: ₹ Nil) 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 paripassu 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 base rate of the lender plus 2.50% p.a.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 8 SHORT-TERM BORROWINGS (Contd.)

10 Bank overdraft of ₹ 201.20 crore (March 31, 2012: ₹ Nil) of the Company is secured by a first charge on current assets of the EPC division of the Company and carries an interest ranging from 10.00% to 11.20% p.a.

11 Cash credit facilities of ₹ 18.43 crore (March 31, 2012 : ₹ Nil) 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 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. The rate of interest is base rate of the lender plus 2.25% p.a.

12 Domestic letters of credit of ₹ 1,452.00 crore (March 31, 2012 : ₹ 1,074.47 crore) and foreign letters of credit of ₹ 1,381.97 crore (March 31, 2012 : ₹ 783.41 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 9.75% p.a to 11.75% p.a (March 31, 2012 : 9.82% to 11.75% p.a.) and foreign letters of credit is from 0.99% to 4.05% p.a. (March 31, 2012 : 0.99% to 4.05% p.a.)

13 Domestic letters of credit of ₹ Nil (March 31, 2012 : ₹ 237.79 crore) and foreign letters of credit of ₹ 239.24 crore (March 31, 2012 : ₹ 1,028.08 crore) of GKEL are sub limit to rupee term loans as per the facility agreement entered into by GKEL and are secured in the same manner and terms and conditions as that of rupee term loans of GKEL. 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 letters of credit is 10.87% to 12.24% p.a (March 31, 2012 : 9.62% to 10.79% p.a) and foreign letters of credit is 2.13% to 4.43% p.a. (March 31, 2012 : 0.85% to 3.66% p.a.).

14 Domestic letters of credit of ₹ Nil (March 31, 2012 : ₹ 348.61 crore) and foreign letters of credit of ₹ 435.92 crore (March 31, 2012: ₹ 420.21 crore) of GREL are sub limit to rupee term loans as per the facility agreement availed by GREL and are 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. These letters of credit have been discounted with banks. The rate of interest of domestic letters of credit is 9.95% to 11.30% p.a. (March 31, 2012: 9.95% to 11.30% p.a.) and foreign letters of credit is 1.78% to 2.16% p.a (March 31, 2012 : 1.95 % to 3.05% p.a).

15 Bills discounted of ₹ 61.01 crore (March 31, 2012 : ₹ 22.62 crore) of GEL are secured by second charge on the present and future current assets of GEL. These letters of credit have been discounted with various banks for payment to the gas vendors for the supply of nature gas. The rate of interest is 11.75% to 13.00% p.a (March 31, 2012 : 11.00% to 11.75% p.a.).

16 Domestic letters of credit of ₹ 0.21 crore (March 31, 2012: ₹ Nil) of Laqshya is secured by first pari-passu charge on current and fixed assets of Laqshya. Further secured by corporate guarantee of holding company i.e. LMPL. These letters of credit have been discounted with banks. The rate of interest is 12.50% p.a.

17 Domestic letters of credit of ₹ Nil crore (March 31, 2012 : ₹ 504.85 crore) and foreign letters of credit of ₹ Nil crore (March 31, 2012: ₹ 762.96 crore) of EMCO are sub limit to rupee term loans as per the facility agreement entered into by EMCO and are secured in the same manner and terms and conditions as that of rupee term loans of EMCO. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. The rate of interest of domestic letters of credit is 9.75% to 12.00% during 2013 -13 (March 31, 2012: 8.95% to 12.00% p.a) and foreign letters of credit is 0.9% to 3.74 % p.a. during 2012-13 (March 31, 2012: 0.85 % to 4.00% p.a).

18 Secured short term loans from banks and financial institutions of ₹ 347.67 crore (March 31, 2012: ₹ 240.23 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 (March 31, 2012 : 8.50 % to 10.50% p.a).

19 Secured short term loans from banks of ₹ 2.23 crore (March 31, 2012: ₹ Nil) of CDCTM are secured on trade receivables including unbilled revenue. The loans carry an interest rate of 12.00% to 13.00%. p.a

20 Secured short term loans from banks ₹ 6.85 crore (March 31, 2012: ₹ Nil) of DAFF are secured by way of charge on receivables/ cash flows/ revenue under escrow account (present & future) after statutory dues and DIAL's license fee and carries an interest rate of 10.20% p.a.

21 Secured short term loan from bank of ₹ 46.20 crore (March 31, 2012: ₹ Nil) of GETL are secured by way of a first ranking pari passu charge by way of hypothecation of the borrower's entire stock of materials, semi finished goods, finished goods, consumable goods and spares and such other movable including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form and manner satisfactory to the banks. The rate of interest is 12.75% p.a.

22 Secured short term loans from banks of ₹ Nil (March 31, 2012: ₹ 2.50 crore) of DDFS are secured by hypothecation of the DDFS's entire stocks of raw material, 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, first charge on movable fixed assets of the DDFS, both present and future, pledge of 30% of share holding in DDFS, escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 13.00% p.a (March 31, 2012: 12.50% p.a). During the year ended March 31, 2013, DDFS has repaid the loan in full.

23 Secured short term loans from banks of ₹ 3.49 crore (March 31, 2012: ₹ 3.06 crore) of DASPL are secured by a first charge on DASPL's escrow account, after payment of statutory dues and fees of DIAL. The rate of interest is 12.50% p.a (March 31, 2012 : 13.00% p.a.)

24 Secured short term loans from banks of ₹ Nil (March 31, 2012: ₹ 108.58 crore) of ISG are secured against present and future receivables, rights, income, claims, interest, benefits, into and under its receivables and all kinds of receivables arising out of or in connection with other agreements. Further,

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 8 SHORT-TERM BORROWINGS (Contd.)

secured by pledge of shares of ISG held by the Company and a subsidiary of the Company. The rate of interest is 6.10% p.a plus agreed margin. During the year ended March 31, 2013, ISG has repaid the loans in full.

25 Domestic letters of credit of ₹ 69.99 crore (March 31, 2012 : ₹ Nil) of GVPGL are secured by corporate guarantee given by the Company. The rate of interest is 10.25% to 12.00% p.a.

26 Unsecured bills of ₹ 18.11 crore (March 31, 2012: ₹ Nil) of PT GEMS are discounted with banks against trade receivables from coal sales. The rate of interest is 2.85% p.a.

27 Unsecured short term loans from banks of ₹ 150.00 crore (March 31, 2012 : ₹ 500.00 crore) of the Company carry an interest rate ranging from 12.00% to 12.80% p.a. (March 31, 2012: 12.00% to 12.50% p.a).

28 Secured short term loans from banks of ₹ 190.00 crore (March 31, 2012 : ₹ 150.00 crore) of GEL are secured by fixed deposit of GPCL and GVPGL and carries an interest rate ranging from 9.75% to 10.45% p.a (March 31, 2012: 9.00% to 11.00% p.a).

29 Unsecured short term loans from banks of ₹ 1.99 crore (March 31, 2012 : ₹ Nil) of CDCTM carry an interest rate of 12% to 13% p.a.

30 Unsecured short term loans from banks of ₹ Nil (March 31, 2012 : ₹ 731.50 crore) of DIAL are guaranteed by the Company. The rate of interest is 12.00% to 13.50% p.a (March 31, 2012: 12.00% to 13.50% p.a). During the year ended March 31, 2013, DIAL has repaid the loans in full.

31 Unsecured short term loans from banks of ₹ Nil (March 31, 2012 : ₹ 0.92 crore) of other companies under airport segment are repayable on demand and carry an interest rate 9.00% to 12.00% p.a (March 31, 2012: 9.00% to 12.00% p.a). During the year ended March 31, 2013, the loans have been repaid in full.

32 Unsecured short term loans from financial institutions of ₹ Nil (March 31, 2012 : ₹ 192.00 crore) of GHIAL is guaranteed by the Company. The loan is repaid during current year. The loan carry an interest at the rate of 11.93 % 12.00% p.a. (March 31, 2012: 11.93% p.a.) The terms of the loan has been changed during the year ended March 31, 2013, pursuant to which the loan have been disclosed as long term borrowings.

33 Unsecured short term loans from others of ₹ 54.44 crore (March 31, 2012 : ₹ 30.00 crore) of EDWPCPL from IL&FS Renewable Energy Limited, a minority shareholder in EDWPCPL carries an interest rate of 11.00% p.a. (March 31, 2012: 11.00% p.a.)

34 Unsecured short term loans from others of ₹ 10.00 crore (March 31, 2012 : ₹ Nil) of DSPL carry an interest rate of 10.00% p.a.

35 Unsecured short term loans from others of ₹ Nil (March 31, 2012 : ₹ 95.00 crore) of GIL taken from GMR Projects Private Limited ('GPPL') carried an interest rate of 11.00% p.a. During the year ended March 31, 2013, GIL has repaid the loans in full.

36 Unsecured short term loans from others of ₹ Nil (March 31, 2012 : ₹ 0.66 crore) of other companies in airport segment carried an interest rate of 9.00 % to 13.00% p.a. (March 31, 2012 : 9.00% to 13.00% p.a.) During the year ended March 31, 2013, these loans have been repaid in full.

37 Convertible bonds of ₹ Nil (March 31, 2012 : ₹ 3.45 crore) have been issued by MAL to PT Bumi Kencana Eka Sakti (BKES) pursuant to an agreement between MAL and BKES. The convertible bonds are repaid during the year.

38 Secured short term loan from banks of ₹ Nil (March 31, 2012: ₹ 150.00 crore) of GEL carried on interest rate ranging from 9.00% to 11.00% p.a. (March 31, 2012: 9.00% to 11.00% p.a.).

NOTE 9 OTHER CURRENT LIABILITIES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Trade payables (including acceptances)	1,481.59	1,236.71
	1,481.59	**1,236.71**
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	5,859.52	3,346.67
Deposits / advances from concessionaires	12.08	11.21
Deposits / advances from commercial property developers	69.88	119.00
Interest accrued but not due on borrowings	323.22	114.50
Others		
Advance / deposits from customers	1,446.30	1,248.29
Unpaid share application money refund - not claimed	0.05	0.05
Book overdraft	0.83	19.59
Non trade payables (including retention money)	3,325.96	2,824.80
Statutory dues payable	98.57	122.65
Unearned revenue	73.20	242.87
Development fee accrued (to the extent not utilised) [refer note 35 (vii)(a)(i)]	185.60	-
Other liabilities	97.00	42.81
	11,492.21	**8,092.44**
	12,973.80	**9,329.15**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 10 TANGIBLE ASSETS

(₹ in crore)

	Freehold land	Leasehold land	Runways and others	Buildings	Plant and machinery	Leasehold improvements	Computer equipments	Office equipments (including computers)	Furniture and fixtures	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, 2011	205.22	90.27	2,010.54	8,060.91	7,093.36	154.75		547.92	271.15	429.30	2.46	5.39	0.06	18,871.33
Additions	35.56	20.80	49.79	454.05	568.87	78.40		16.89	25.99	13.02	-	-	-	1,263.37
Additions on inclusion of subsidiaries/ joint ventures	0.27	0.02	-	10.04	30.86	-		0.05	3.04	1.31	-	-	0.10	45.69
Disposals	(0.52)	(0.36)	(8.24)	(6.52)	(4.31)	(4.65)		(0.79)	(6.80)	(1.13)	-	-	-	(33.32)
Adjustments against development fund	-	-	(48.17)	(762.04)	(414.54)	-		-	(12.19)	-	-	-	-	(1,236.94)
Other adjustments	-	(11.96)	-	-	-	-		-	-	-	-	-	(0.06)	(12.02)
Exchange differences	-	-	22.88	255.12	96.96	1.63		4.67	11.18	10.22	-	-	-	402.66
Borrowing costs	-	-	7.30	131.89	68.36	-		0.15	2.10	0.01	-	-	-	209.81
As at March 31, 2012	**240.53**	**98.77**	**2,034.10**	**8,143.45**	**7,439.56**	**230.13**		**568.89**	**294.47**	**452.73**	**2.46**	**5.39**	**0.10**	**19,510.58**
Additions	17.18	24.77	89.44	504.67	1,805.20	31.16		26.12	33.30	6.05	-	-	-	2,537.89
Disposals	(0.40)	-	-	(0.24)	(11.11)	(2.79)		(2.45)	(4.61)	(3.40)	-	-	(0.03)	(25.03)
Adjustments against development fund	-	-	0.32	1.53	0.95	-		-	0.04	-	-	-	-	2.84
Other adjustments	-	-	537.70	(578.95)	(6.22)	-		0.17	19.31	-	-	-	-	(27.99)
Exchange differences	(0.24)	(0.01)	23.82	117.52	143.99	0.37		4.67	7.58	9.21	-	-	-	306.91
Borrowing costs	10.73	-	-	40.06	153.14	0.49		-	0.82	-	-	-	-	205.24
Transferred to claims recoverable	-	-	-	(3.82)	(7.20)	-		(9.44)	(7.43)	(3.68)	-	-	-	(31.57)
Transferred to assets held for sale	-	-	-	-	(103.29)	-		(0.32)	(0.04)	(126.24)	-	-	-	(229.89)
As at March 31, 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**
Accumulated depreciation														
As at April 1, 2011	-	-	153.27	419.35	1,737.30	11.07	-	160.01	44.89	60.92	0.75	4.53	-	2,592.09
Charge for the year	-	-	73.43	311.24	327.16	7.95		45.40	28.42	26.60	0.74	0.86	0.01	821.81
Depreciation on account of inclusion of subsidiaries/ joint ventures	-	-	-	0.55	6.15	-		0.03	1.43	0.28	-	-	0.08	8.52
Disposals	-	-	-	(0.93)	(3.79)	(2.37)		(0.32)	(4.81)	(0.73)	-	-	-	(12.95)
Other adjustments	-	-	-	-	-	-		-	-	-	-	-	-	-
Exchange differences	-	-	0.01	8.73	0.07	0.92		0.32	0.92	0.36	-	-	0.00	11.33
As at March 31, 2012	**-**	**-**	**226.71**	**738.94**	**2,066.89**	**17.57**	**-**	**205.44**	**70.85**	**87.43**	**1.49**	**5.39**	**0.09**	**3,420.80**
Charge for the year	-	-	129.08	250.53	320.95	10.52		51.26	39.04	30.93	0.49	-	-	832.80
Disposals	-	-	-	(0.14)	(5.79)	(1.52)		(0.86)	(0.99)	(2.30)	-	-	(0.02)	(11.62)
Exchange differences	-	-	-	0.56	1.48	-		0.81	0.66	0.58	-	-	-	4.09
Transferred to claims recoverable	-	-	-	(0.08)	(0.36)	-		(1.06)	(0.54)	(0.33)	-	-	-	(2.37)
Transferred to assets held for sale	-	-	-	-	(20.88)	-		(0.22)	(0.03)	(40.10)	-	-	-	(61.23)
As at March 31, 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**
Net Block														
As at March 31, 2012	**240.53**	**98.77**	**1,807.39**	**7,404.51**	**5,372.67**	**212.56**	**-**	**363.45**	**223.62**	**365.30**	**0.97**	**-**	**0.01**	**16,089.78**
As at March 31, 2013	**267.80**	**123.53**	**2,329.59**	**7,234.41**	**7,052.73**	**232.79**	**-**	**332.27**	**234.45**	**258.46**	**0.48**	**-**	**-**	**18,066.51**

Notes:

1. Buildings with a gross book value of ₹ 6,346.99 crore (March 31, 2012: ₹ 6,473.58 crore) and runways are on leasehold land.
2. Disposals from gross block during the year includes ₹ 0.56 crore (March 31, 2012: ₹ 17.87 crore) on reversal of outstanding liabilities pertaining to project construction which are no longer payable now in case of GHIAL and reversal of depreciation there on amounting to ₹ 0.12 crore (March 31, 2012 : ₹ 1.53 crore) of GHIAL under depreciation charge for the year.
3. Development fund of ₹ 2.84 crore (March 31, 2012 : ₹ 1,236.94 crore) received towards development of aeronautical assets in DIAL is reduced from the gross block above. Refer note 35(vii).
4. Other adjustments in the Gross Block during the year includes:
   a. leasehold land reclassification of ₹ Nil (March 31, 2012 : ₹ 11.96 crore) to capital advances with respect to PTDSU.
   b. ₹ 21.73 crore (March 31, 2012 : ₹ Nil) of DIAL towards reduction in liability in final settlement with vendors in respect of Terminal 3.
   c. Reclassification of ₹ 537.70 crore from buildings to runways and others in connection with final settlements of vendors in respect of Terminal 3.
   d. ₹ 6.26 crore (March 31, 2012 : ₹ Nil) of DAPSL on reversal of outstanding liabilities pertaining to project construction which are no longer payable.
5. Foreign exchange differences in gross block:
   a. Foreign exchange gain of ₹ 38.66 crore (March 31, 2012: ₹ 90.55 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 Accounting Standard 11.
   b. Foreign exchange loss of ₹ 268.25 crore (March 31, 2012 : ₹ 312.11 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets.
6. Claim recoverable in gross block and accumulated depreciation of ₹ 31.57 crore and ₹ 2.37 crore (March 31, 2012: ₹ Nil) respectively pertains to assets transferred by GMAIL pursuant to the take over of the Male airport on the date of take over. Refer note 30.
7. Assets held for sale as at March 31, 2013 includes gross block and accumulated depreciation respectively of
   a. Aircraft asset of ₹ 125.91 crore and ₹ 39.96 crore (March 31, 2012 : ₹ Nil) of GAPL.
   b. ₹ 102.52 crore and ₹ 20.73 crore (March 31, 2012 : ₹ Nil) consequent to sale of mining rights in HEGL. Refer note 30(b)
   c. ₹ 1.46 crore and ₹ 0.54 crore (March 31, 2012 : ₹ Nil) of GJEPL which were sold subsequent to the year ended March 31, 2013. Refer note 30(d)
8. Depreciation for the year includes ₹ 0.52 crore (March 31, 2012 : ₹ 10.72 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).
9. Foreign exchange differences in accumulated depreciation represents foreign exchange loss of ₹ 4.09 crore (March 31, 2012 : ₹ 11.33 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 11 INTANGIBLE ASSETS

(₹ in crore)

	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, 2011	937.34	893.15	80.29	3,517.71	70.41	-	5,498.90
Additions	-	39.71	10.32	0.46	81.02	17.03	148.54
Additions on inclusion of subsidiary companies / jointly controlled entities	2,172.75	-	1.84	-	46.08	-	2,220.67
Disposals	(17.71)	-	(0.13)	-	-	-	(17.84)
Exchange differences	82.12	53.42	0.05	-	(1.39)	-	134.20
Other adjustments	-	(51.98)	-	-	-	-	(51.98)
As at March 31, 2012	**3,174.50**	**934.30**	**92.37**	**3,518.17**	**196.12**	**17.03**	**7,932.49**
Additions	-	1.96	14.12	2,897.16	129.25	-	3,042.49
Additions on inclusion of subsidiaries/ joint ventures	8.69	-	-	-	-	-	8.69
Disposals	(44.62)	(2.40)	(0.16)	-	-	-	(47.18)
Exchange differences	123.27	25.45	0.01	-	(6.50)	-	142.23
Borrowing costs	-	-	-	269.16	-	-	269.16
Transferred to claims recoverable	-	(450.83)	(2.42)	-	-	-	(453.25)
Transferred to assets held for sale	-	-	(0.46)	(539.36)	(90.67)	-	(630.49)
As at March 31, 2013	**3,261.84**	**508.48**	**103.46**	**6,145.13**	**228.20**	**17.03**	**10,264.14**
Accumulated amortisation							
As at April 1, 2011	-	35.68	29.19	489.04	4.27	-	558.18
Charge for the year	-	27.55	14.24	84.64	1.61	1.44	129.48
Amortisation on account of inclusion of subsidiary companies / jointly controlled entities	-	-	0.15	-	7.11	-	7.26
Disposals	-	-	(0.13)	-	-	-	(0.13)
Exchange differences	-	1.02	-	-	0.12	-	1.14
Other adjustments	-	(1.31)	-	-	-	-	(1.31)
As at March 31, 2012	**-**	**62.94**	**43.45**	**573.68**	**13.11**	**1.44**	**694.62**
Charge for the year	-	23.05	15.56	146.62	20.18	3.46	208.87
Disposals	-	(0.41)	(0.15)	-	-	-	(0.56)
Exchange differences	-	1.97	-	-	0.99	-	2.96
Transferred to assets held for sale	-	-	(0.39)	(59.77)	(38.95)	-	(99.11)
Transferred to claims recoverable	-	(37.92)	(0.33)	-	-	-	(38.25)
Assets written off	-	-	-	-	29.43	-	29.43
As at March 31, 2013	**-**	**49.63**	**58.14**	**660.53**	**24.76**	**4.90**	**797.96**
Accumulated Impairment							
As at April 1, 2011	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
As at March 31, 2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	98.71	-	-	-	98.76	-	197.47
As at March 31, 2013	**98.71**	**-**	**-**	**-**	**98.76**	**-**	**197.47**
Net Block							
As at March 31, 2012	**3,174.50**	**871.36**	**48.92**	**2,944.49**	**183.01**	**15.59**	**7,237.87**
As at March 31, 2013	**3,163.13**	**458.85**	**45.32**	**5,484.60**	**104.68**	**12.13**	**9,268.71**

Notes:

1. Additions on inclusion of subsidiary companies / jointly controlled entities in goodwill during the year ended March 31, 2013 represents additional payment of ₹ 8.69 crore made to the minority shareholders of HHPL and additions on inclusion of subsidiary companies / jointly controlled entities in goodwill during the year ended March 31, 2012 includes additional payment of ₹ 57.00 crore made to the sellers of EMCO and SJK on the satisfaction of the conditions specified as per the shareholding agreement with the sellers of these companies.
2. Disposal in goodwill is arising on account of disposal / dilution of Group's holding in GESPL. Refer note 30(c).
3. Impairment of goodwill of ₹ 98.71 crore during the year ended March 31, 2013 represents goodwill on consolidation of HEGL. For details, refer note 30(b).
4. Exchange difference in goodwill on consolidation represents foreign exchange gain of ₹ 123.27 crore (March 31, 2012: ₹ 82.12 crore) on account of effect of translation of goodwill arising out of consolidation of foreign subsidiary companies / jointly controlled entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.
5. Foreign exchange differences in gross block includes foreign exchange gain of ₹ 19.00 crore (March 31, 2012: ₹ 52.08 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.
6. Claim recoverable in gross block and accumulated amortisation of ₹ 453.25 crore and ₹ 38.25 crore respectively pertains to assets transferred by GMIAL pursuant to the take over of the Male airport by MACL. Refer note 30(a).
7. Impairment loss during the year ended March 31, 2013 includes ₹ 98.76 crore (March 31, 2012: ₹ Nil) pertaining to impairment of mining properties held by HEGL. Refer note 30(b)
8. Assets held for sale as at March 31, 2013 includes gross block and accumulated amortisation respectively of Gross block of ₹ 539.82 crore and acccumulated amortisation of ₹ 59.77 crore (March 31, 2012: ₹ Nil) of carriageways due to sale of GJEPL subsequent to year ended March 31, 2013.
   Gross block of ₹ 90.67 crore and acccumulated amortiosation of ₹ 39.34 crore (March 31, 2012 : ₹ Nil) of mining rights, consequent to sale of certain mines by the Group subsequent to the year end.
9. Amortisation on carriage ways for the year ended March 31, 2013 ₹ Nil (March 31, 2012 : ₹ 48.15 crore) is net off write back due to change in the method of amortisation.
10. Amortisation for the year includes ₹ 1.47 crore (March 31, 2012 : ₹ 4.76 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).
11. Foreign exchange differences in accumulated amortisation represents foreign exchange loss of ₹ 2.96 crore (March 31, 2012 : ₹ 1.14 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 12 NON-CURRENT INVESTMENTS

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Long term - at cost, unquoted		
A. In Equity shares of Companies - Trade		
Vemagiri Power Services Limited		
[5,000 (March 31, 2012 : 5,000) equity shares of ₹ 10 each, fully paid up]	0.01	0.01
Power Exchange India Limited		
[4,000,000 (March 31, 2012 : 2,500,000) equity shares of ₹ 10 each, fully paid up]	4.00	2.50
B. In Equity shares of Body Corporates - Trade		
GMR Holding (Malta) Limited		
[58 (March 31, 2012: 58) equity shares of EUR 1 each] (₹ 3,924 (March 31, 2012: ₹ 3,924))	0.00	0.00
PT DSSP Power Sumsel		
[2 (March 31, 2012: 2) equity shares with nominal value of Indonesia Rp 1,000,000 per share]	0.01	0.01
MAL		
[12,939 (March 31, 2012: Nil) equity shares with nominal value of Indonesia Rp 1,000,000 each]	0.03	-
C. In Debentures of Companies - Trade		
Kakinada Infrastructure Holdings Private Limited		
[100 (March 31, 2012 : 100) 0.10% cumulative optionally convertible Debentures of ₹ 10,000,000 each]	100.00	100.00
D. In Preference shares of Companies - Other than trade		
Rushil Constructions (India) Private Limited		
[Nil (March 31, 2012 : 4,673,000) preference shares of ₹ 100 each, fully paid up]	-	46.73
E. In Equity shares of Companies - other than trade		
Business India Publications Limited		
[5,000 (March 31, 2012: 5,000) equity shares of ₹ 10 each, fully paid up]	0.06	0.06
Ujjivan Financial Services Private Limited		
[50,000 (March 31, 2012: 50,000) equity shares of ₹ 1 each, fully paid up]	0.05	0.05
Total (A+B+C+D+E)	**104.16**	**149.36**

Notes:

Aggregate amount of non-current unquoted investments - ₹ 104.16 crore (March 31, 2012 : ₹ 149.36 crore)

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 13 LOANS AND ADVANCES

Particulars	Non-current		Current	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Capital advances				
Unsecured, considered good	2,114.65	1,944.00	-	-
(A)	**2,114.65**	**1,944.00**	**-**	**-**
Security deposit				
Unsecured, considered good	237.76	298.25	5.75	5.45
(B)	**237.76**	**298.25**	**5.75**	**5.45**
Advances recoverable in cash or kind				
Unsecured, considered good	187.61	187.65	219.17	435.54
Unsecured, considered doubtful	53.44	-	0.97	0.59
	241.05	**187.65**	**220.14**	**436.13**
Provision for doubtful advances	(53.44)	-	(0.97)	(0.59)
(C)	**187.61**	**187.65**	**219.17**	**435.54**
Other loans and advances				
Unsecured, considered good				
Advance income-tax (net), including paid under protest	211.66	89.54	-	39.52
MAT credit entitlement	62.37	44.44	0.45	0.62
Prepaid expenses	11.55	10.96	307.62	319.74
Loan to others	266.78	350.87	285.53	149.43
Loans to employees	3.61	4.96	12.53	8.99
Deposits / balances with statutory / government authorities	381.83	273.79	48.74	28.39
	937.80	**774.56**	**654.87**	**546.69**
Unsecured, considered doubtful				
Balances with statutory / government authorities	6.23	1.27	-	-
	6.23	**1.27**	**-**	**-**
Provision for doubtful advances	(6.23)	(1.27)	-	-
(D)	**937.80**	**774.56**	**654.87**	**546.69**
Total (A+B+C+D)	**3,477.82**	**3,204.46**	**879.79**	**987.68**
Capital advances includes advances to related parties:				
Oriental Structures Engineers Private Limited (OSEPL)	-	10.86	-	-
IL&FS Environmental Infrastructure & Services Limited (IEISL)	27.94	29.93	-	-
GPPL	590.00	140.00	-	-
Airports Authority of India (AAI)	-	1.33	-	-
Security deposit includes deposits with related parties:				
GMR Family Fund Trust (GFFT)	32.44	29.94	-	-
GMR Bannerghatta Properties Private Limited (GBPPL)	1.12	1.63	-	-
GHTPL	135.00	135.00	-	-
Corporate Infrastructure Services Limited (CISL)	8.59	8.59	-	-
Raxa Security Services Limited (RSSL)	4.49	4.95	-	-
Advances recoverable in cash or kind includes advances to related parties:				
AAI	-	-	0.76	2.92
Laqshya Media Private Limited (LMPL)	-	-	-	0.52
Celebi Ground Handling Delhi Private Limited (CELBI GHDPL)	-	-	0.57	0.28
Cambata Aviation Private Limited (CAPL)	-	-	3.60	2.99
Limak Insaat San.Ve Tic. A.S. (LISVT)	-	-	3.13	-
Times Innovative Media Limited (TIML)	-	-	0.07	-
Asia Pacific Flight Training Sdn Bhd (APFTSB)	-	-	0.61	-
Bird World Wide Flight Services India Private Limited (BWWFSIPL)	-	-	1.21	1.96
Track India Private Limited (TIPL)	-	-	-	0.10
CHSAS	-	-	-	0.21
Loan to others includes loans to related parties:				
Welfare Trust of GMR Infra Employees (GWT)	115.00	115.00	-	-
GMR Projects Private Limited (GPPL)	100.00	100.00	10.00	10.00
U E Development India Private Limited (UEDIPL)	-	-	-	14.93
GMR Holdings Malta Limited (GHML)	-	-	127.07	-
Crossridge Investments Limited (CIL)	14.64	59.33	-	-
GMR Varalakshmi Foundation (GVF)	-	-	28.51	12.89

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 14 TRADE RECEIVABLES

Particulars	Non-current		Current	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	173.41	133.65	404.49	503.05
Unsecured, considered doubtful	4.83	2.12	33.77	15.96
	178.24	**135.77**	**438.26**	**519.01**
Provision for doubtful trade receivables	(4.83)	(2.12)	(33.77)	(15.96)
(A)	**173.41**	**133.65**	**404.49**	**503.05**
Other receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	1,291.14	1,200.65
Unsecured, considered doubtful	-	-	1.75	0.28
	-	**-**	**1,292.89**	**1,200.93**
Provision for doubtful trade receivables	-	-	(1.75)	(0.28)
(B)	**-**	**-**	**1,291.14**	**1,200.65**
Total (A+B)	**173.41**	**133.65**	**1,695.63**	**1,703.70**

NOTE 15 OTHER ASSETS

Particulars	Non-current		Current	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 18)	1,795.76	442.33	-	-
(A)	**1,795.76**	**442.33**	**-**	**-**
Unamortised expenditure				
Ancillary cost of arranging the borrowings	332.13	466.45	41.52	39.88
(B)	**332.13**	**466.45**	**41.52**	**39.88**
Others				
Insurance claim recoverable	-	-	3.16	-
Assets held for sale	-	-	715.41	-
Interest accrued on fixed deposits	2.72	-	23.63	21.00
Interest accrued on current investments	-	-	6.27	4.68
Interest accrued on long term investments	-	-	-	-
Development fund receivable [refer note 35(vii)(b)]	864.22	700.49	345.16	820.63
Non trade receivables	843.27	0.52	66.84	67.92
Non trade receivables, considered doubtful	-	-	27.27	20.68
Grant receivable from authorities	-	-	0.04	0.04
Unbilled revenue	7.71	6.55	282.79	270.21
	1,717.92	**707.56**	**1,470.57**	**1,205.16**
Less: Provision for doubtful non trade receivable	-	-	(27.27)	(20.68)
(C)	**1,717.92**	**707.56**	**1,443.30**	**1,184.48**
Total (A+B+C)	**3,845.81**	**1,616.34**	**1,484.82**	**1,224.36**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 16 CURRENT INVESTMENTS

Particulars		March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Current portion of long term investments, unquoted			
In Debentures of Body Corporates - Trade			
GMR Holding (Malta) Limited			
[Nil (March 31, 2012 : 19,234,619) compulsory convertible debentures of USD 1 each]		-	99.12
	(i)	**-**	**99.12**
Current			
Other than trade, quoted (valued at lower of cost and fair value)			
A. Investment In Equity shares of Companies			
Karur Vysya Bank Limited			
[41,000 (March 31, 2012 : 229,018) equity shares of ₹ 10 each, fully paid up]		1.60	6.99
Aviva Corporation Limited			
[4,000,000 (March 31, 2012 : 4,000,000) common shares without par value]		2.04	3.03
Caracara Silver Inc.			
[2,116,451 (March 31, 2012 : Nil) unlimited common shares without par value]		0.81	-
Southern Andes Energy Inc			
[Nil (March 31, 2012 : 4,704,219) unlimited common shares without par value]		-	3.91
	(ii)	**4.45**	**13.93**
Other than trade, unquoted			
A. Investment in Mutual Funds			
ICICI Prudential - Super Institutional Plan - Growth Option			
[565,361 (March 31, 2012 : 1,828,471) units of ₹ 100 each]		9.78	28.95
Birla Sunlife Infrastructure Fund - Plan - Dividend - Payout			
[4,720,000 (March 31, 2012 : 4,720,000) units of ₹ 10 each]		4.60	4.72
Birla Sun Life Cash Plus - Institutional Premium Growth			
[5,393,513 (March 31, 2012 : 1,809,683) units of ₹ 100 each]		101.11	33.31
Birla Sunlife Cash Plus Institutional - Daily Dividend			
[85,208 (March 31, 2012 : 300,255) units of ₹ 100 each]		1.60	3.01
IDFC Cash Fund Super Institutional Plan - C Growth			
[88,362 (March 31, 2012 : 191,750) units of ₹ 1,000 each]		12.58	24.82
IDBI Liquid Fund-Growth			
[20,805 (March 31, 2012 : Nil) units of ₹ 1,000 each]		2.61	-
Baroda Pioneer Liquid Fund Growth Plan			
[31,829 (March 31, 2012 : Nil) units of ₹ 1,000 each]		4.27	-
LIC Nomura - Liquid Fund - Growth Plan			
[134,639 (March 31, 2012 : Nil) units of ₹ 1,000 each]		28.62	-
SBI Premier Liquid Fund			
[8,173 (March 31, 2012 : Nil) units of ₹ 1,000 each]		1.50	-
Axis Liquid Fund Institutional - Growth Scheme			
[Nil (March 31, 2012 : 55,550) units of ₹ 1,000 each]		-	6.60
ICICI Prudential Institutional Liquid Plan - Super Institutional Growth			
[Nil (March 31, 2012 : 18,494,345) units of ₹ 100 each]		-	290.14
HDFC Liquid Fund - Premium Plan - Growth			
[Nil (March 31, 2012 : 2,897,921) units of ₹ 10 each]		-	6.22
UTI Liquid Cash Plan Institutional - Growth Option			
[Nil (March 31, 2012 : 33,742) units of ₹ 1,000 each]		-	5.93
Kotak Liquid Fund Premium Plan Daily Dividend Reinvestment Option			
Nil (March 31, 2012 : 6,791,746) units of ₹ 10 each]		-	13.60
Reliance Liquidity Fund - Growth Option			
[Nil (March 31, 2012 : 9,963,746) units of ₹ 10 each]		-	16.09

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Particulars		**March 31, 2013 ₹ in crore**	**March 31, 2012 ₹ in crore**
Reliance Floating Rate Fund, Daily Dividend Plan			
[Nil units (March 31, 2012 : 287,921) units of ₹ 10 each]		-	0.29
Birla Sun Life Dynamic Bond - Retail Plan Quarterly Dividend			
[Nil (March 31, 2012 : 113,720) units of ₹ 10 each]		-	0.13
ICICI Prudential Flexible Income Plan Regular Dividend Weekly			
[Nil units (March 31, 2012 : 126,831) units of ₹ 10 each]		-	0.13
IDFC Super Saverincome Short Term Plan A (Regular) Dividend Monthly			
[Nil units (March 31, 2012 : 128,423) units of ₹ 10 each]		-	0.13
Union KBC Liquid Fund Growth			
[Nil (March 31, 2012 : 80,162) units of ₹ 1,000 each]		-	8.60
Tata Liquid Fund SHIP - Appreciation			
[Nil (March 31, 2012 : 43,146) units of ₹ 1,000 each]		-	8.54
Birla Sun life Savings Fund Retail-Weekly Dividend			
[Nil (March 31, 2012 : 13,274) units of ₹ 1,000 each]		-	0.13
DSP Black Rock Short Term Dividend			
[Nil units (March 31, 2012 : 117,876) units of ₹ 10 each]		-	0.13
DSP Black Rock Liquidity Fund - Institutional Plan - Growth			
[Nil (March 31, 2012 : 106,917) units of ₹ 10 each]		-	0.13
Templeton India Low Duration Fund - Quarterly Dividend			
[Nil (March 31, 2012 : 125,081) units of ₹ 10 each]		-	0.13
Templeton India Short Term Income Plan- Dividend			
[Nil units (March 31, 2012 : 1,139) units of ₹ 1,000 each]		-	0.13
HDFC Cash Management Fund- Treasury Advantage Plan Dividend Monthly			
[Nil (March 31, 2012 : 131,802) units of ₹ 10 each]		-	0.13
HDFC Short Term Plan Dividend			
[Nil (March 31, 2012 : 125,221) units of ₹ 10 each]		-	0.13
Fidelity Short Term Income Fund Dividend			
[Nil (March 31, 2012 : 129,085) units of ₹ 10 each]		-	0.13
ICICI Prudential Short Term Plan Dividend			
[Nil (March 31, 2012 : 109,099) units of ₹ 10 each]		-	0.13
B. Investment in Non-Convertible Debentures			
9% Shriram Transport Company Limited			
[42,284 (March 31, 2012 : 42,284) units of ₹ 1,000 each]		4.23	4.23
C. Investments in Venture Capital Funds:			
Faering Capital India Evolving Fund			
[38,450 (March 31, 2012 : 24,000) Units of ₹ 1,000 each]		3.28	2.19
	(iii)	**174.18**	**458.80**
Other than Trade, Unquoted			
A. Investment In Equity shares of Companies			
Sai Rayalaseema Paper Mills Limited			
[Nil (March 31, 2012: 323,210) equity shares of ₹ 10 each, fully paid up]		-	0.39
	(iv)	**-**	**0.39**
Total - (v) = (i)+(ii)+(iii)+(iv)		**178.63**	**572.24**

Notes:

i) Aggregate market value of current quoted investments - ₹ 4.70 crore (March 31, 2012 : ₹ 15.47 crore)

ii) Aggregate amount of current unquoted investments - ₹ 174.18 crore (March 31, 2012 : ₹ 459.19 crore)

iii) Aggregate amount of current portion of long term unquoted investments - ₹ Nil (March 31, 2012 : ₹ 99.12 crore)

iv) Aggregate provision for diminution in the value of current investments - ₹ 4.16 crore (March 31, 2012 : ₹ 11.76 crore)

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Raw materials	86.82	78.50
Work-in-progress	71.16	3.82
Traded goods / finished goods	55.31	125.52
Stores, spares and components	57.14	51.61
	270.43	**259.45**

NOTE 18 CASH AND BANK BALANCES

Particulars	Non-current		Current	
	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Cash and cash equivalents				
Cheques / drafts on hand	-	-	10.08	18.68
Cash on hand	-	-	10.85	14.43
Balances with banks:				
– On current accounts*	-	-	3,399.83	1,635.94
– Deposits with less than three months maturity	-	-	362.35	1,516.45
	-	**-**	**3,783.11**	**3,185.50**
Other bank balances				
– Deposits with maturity for more than 12 months	384.50	22.31	36.75	23.22
– Deposits with maturity for more than 3 months but less than 12 months	135.89	-	294.57	546.46
– Restricted deposits ** ^	1,275.37	420.02	1,020.41	500.96
	1,795.76	**442.33**	**1,351.73**	**1,070.64**
Amount disclosed under non-current assets (refer note 15)	1,795.76	442.33	-	-
	-	**-**	**5,134.84**	**4,256.14**

* Includes share application money pending refund ₹ 0.05 crore (March 31, 2012: ₹ 0.05 crore)

** As at March 31, 2013, GICL, a subsidiary of the Company, has fixed deposits of ₹ 747.20 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 the country. Accordingly, the amount of deposit has been considered as non current.

^ 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, 2013

NOTE 19 SALES / INCOME FROM OPERATIONS

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Sale of products		
Power segment:		
Income from sale of electrical energy	1,374.91	2,042.65
Income from mining activities	779.74	199.25
	2,154.65	**2,241.90**
Traded goods		
Power segment:		
Income from sale of electrical energy	266.11	133.09
	266.11	**133.09**
Airport segment:		
Non - Aeronautical		
Fuel trading	980.14	1,370.37
Duty free items	431.12	281.17
	1,411.26	**1,651.54**
Sale of services / others		
Airport segment:		
Aeronautical	2,748.15	1,014.02
Non - Aeronautical	1,565.85	1,367.03
Cargo operations	277.02	265.24
Income from commercial property development	96.79	83.46
	4,687.81	**2,729.75**
Roads segment:		
Annuity income from expressways	248.53	248.55
Toll income from expressways	268.84	157.09
	517.37	**405.64**
EPC segment:		
Construction revenue	655.16	970.89
	655.16	**970.89**
Others segment:		
Income from hospitality services	94.95	87.31
Income from management and other services	84.56	99.99
	179.51	**187.30**
Sales / Income from operations	**9,871.87**	**8,320.11**

NOTE 20 OTHER OPERATING INCOME

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Interest income on		
Bank deposits	54.03	59.46
Current investments	2.58	16.39
Others	-	0.06
Dividend income on current investments	0.04	0.64
Sale of certified emission reductions	4.37	-
Net gain on sale of current investments	41.97	76.37
	102.99	**152.92**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 21 OTHER INCOME

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Interest income on		
Bank deposits	90.27	61.38
Current investments	0.36	4.31
Others	52.96	52.74
Provisions no longer required, written back	23.58	3.34
Net gain on sale of investments		
Long-term investments [refer note 30(c)]	-	37.11
Current investments	42.32	49.11
Exchange differences (net)	0.17	-
Profit on sale of fixed assets (net)	3.82	-
Lease income	2.94	0.89
Income from management fees	30.42	-
Miscellaneous income (net of expenses directly attributable to such income are of ₹ Nil (March 31, 2012 : ₹ Nil))	30.35	34.54
	277.19	**243.42**

NOTE 22 COST OF MATERIALS CONSUMED

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Inventory at the beginning of the year	78.50	36.26
Add: Purchases	210.22	341.27
	288.72	**377.53**
Less: Inventory at the end of the year	86.82	78.50
	201.90	**299.03**

NOTE 23 PURCHASE OF TRADED GOODS

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Purchase of electrical energy	235.35	92.98
Purchase of fuel	751.74	1,111.70
Purchase of duty free items	243.71	123.31
	1,230.80	**1,327.99**

NOTE 24 (INCREASE) / DECREASE IN STOCK IN TRADE

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Stock as at April 1,	125.52	97.55
Less: Transferred at cost	49.51	-
Less: Stock as at March 31,	55.31	125.52
	20.70	**(27.97)**

NOTE 25 EMPLOYEE BENEFITS EXPENSES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Salaries, wages and bonus	543.62	610.21
Contribution to provident and other funds	27.34	22.07
Gratuity expenses	4.42	2.72
Other employment benefits	3.28	3.21
Staff welfare expenses	33.27	49.62
	611.93	**687.83**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 26 OTHER EXPENSES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Consumption of stores and spares	34.44	48.62
Electricity and water charges	184.73	166.65
Prompt payment rebate	14.92	24.24
Open access charges paid	25.54	31.44
Airport service charges / operator fees	60.04	52.08
Cargo handling charges	12.49	12.62
Freight	11.32	16.42
Rent [includes land lease rentals of ₹ 8.23 crore (March 31, 2012: ₹ 6.56 crore)]	124.95	84.11
Rates and taxes	56.58	42.67
Insurance	38.01	36.58
Repairs and maintenance		
Plant and machinery	95.66	129.70
Buildings	29.48	36.38
Others	144.53	70.39
Manpower charges	15.81	18.15
Advertising and sales promotion	132.84	67.40
Travelling and conveyance	41.91	56.20
Communication costs	10.97	11.47
Printing and stationery	7.10	8.54
Legal and professional fees	201.08	178.00
Directors' sitting fees	1.77	8.61
Adjustments to the carrying amount of current investments	2.91	11.76
Provision / write off of doubtful advances and trade receivables	125.22	53.43
Inventories written off	8.09	-
Exchange differences (net)	-	59.18
Donation	14.76	12.02
Fixed assets written off	38.57	1.87
Office maintenance	85.82	80.26
Security expenses	48.81	47.05
Logo fees	14.76	14.63
Miscellaneous expenses	53.90	47.39
	1,637.01	**1,427.86**

NOTE 27 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Depreciation on tangible assets	832.38	811.09
Amortisation on intangible assets	207.40	124.72
	1,039.78	**935.81**

NOTE 28 FINANCE COSTS

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Interest	2,005.43	1,555.14
Bank charges	45.94	24.75
Amortisation of ancillary borrowing costs	73.18	43.47
Mark to market loss on derivative instruments	-	0.94
Exchange difference to the extent considered as an adjustment to borrowing costs (net) [refer note 35(i)(c)]	(25.55)	28.83
	2,099.00	**1,653.13**

NOTE 29 EXCEPTIONAL ITEMS - (GAINS) / LOSSES

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
a. Profit on sale of a subsidiary [refer note 30(c)]	(1,231.25)	-
b. Loss on impairment of assets in a subsidiary [refer note 30(b)]	251.37	-
c. Assets write off in a subsidiary [refer note 30(a)]	202.61	-
d. Interest on loans against development fee receipts [refer note 35(vii)(a)(ii)(b)]	-	162.12
	(777.27)	**162.12**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 30 DISCONTINUING OPERATIONS

a) GMIAL entered into an agreement on June 28, 2010 with Maldives Airports Company Limited ('MACL') and Ministry of Finance and Treasury (MoFT), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male airport 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 Male airport 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 Male International Airport and GMIAL vacated the airport effective December 8, 2012. This has resulted in the 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. GMIAL is in the process of seeking remedies under the aforesaid concession agreement and does not anticipate counter claims if any. In view of the aforesaid matter, GMIAL continues to reflect assets amounting to ₹ 1,295.80 crore (USD 23.65 crore) including claim recoverable ₹ 919.16 crore (USD 16.77 crore) at their carrying values as at March 31, 2013, net off assets written off of ₹ 202.61 crore. Such assets written off are disclosed as an exceptional item in these consolidated financial statements. The outcome of the arbitration is uncertain as at March 31, 2013. GMIAL's ability to continue its future business operations 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, 2013 have been prepared and accordingly consolidated on a going concern basis in these consolidated financial statements.

Further, GMIAL has executed work construction contracts with GADLIL and other service providers for rehabilitation, expansion, modernization of Male International Airport. Pursuant to 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 during the year ended March 31, 2013 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, 2013 since the amounts payable are not certain.

Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident of proving that the concession agreement was not void ab initio and that the Group would be entitled for compensation under the concession agreement.

The statement disclosed in note 30(e) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and the cash flows of discontinuing operations with regard to GMIAL.

b. The Group has an investment of ₹ 167.94 crore and has given a loan of ₹ 219.20 crore to HEGL. During the year ended March 31, 2013, the Group has 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. Based on the realisable value of these mines, pursuant to the proposed divestment, the Group has made an impairment provision of ₹ 251.37 crore towards the carrying value of the net assets of HEGL (including goodwill on consolidation of ₹ 98.71 crore). The management of the Group is confident that the carrying value of net assets as at March 31, 2013 in HEGL after the aforesaid impairment provision is appropriate. The Group has disclosed such impairment provision as an exceptional item in these consolidated financial statements.

The statement disclosed in note 30(e) of these consolidated financial statements includes the revenue and expenses, the carrying amounts of the total assets and liabilities and the cash flows of discontinuing operations with regard to HEGL and its subsidiaries and jointly controlled entities.

c. During the year ended March 31, 2012, the Group had divested its 30% stake in GESPL to PETRONAS Power Sdn Bhd, a subsidiary of Petronas International Corporation Limited and had recognised a profit of ₹ 37.11 crore arising on such sale of shares, which has been disclosed under other income. During the year ended March 31, 2013, the Group has divested its balance 70% stake in GESPL to FPM Power Holding Limited and has realised a profit of ₹ 1,231.25 crore arising on such sale of shares, which has been disclosed as an 'exceptional item' in these consolidated financial statements. GESPL was developing a 800MW combined cycle gas turbine power plant in Jurong Island, Singapore. Further, the Company has provided a guarantee of SGD 38.00 crore towards warranties as specified in the Share Purchase Agreement (SPA) and other SPA transaction documents for a period till September 30, 2014 and in respect of tax claims, if any, the guarantee period is upto March 31, 2018.

The statement disclosed in note 30(e) 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 GESPL.

d. During the year ended March 31, 2013, the Group has entered into definitive sale agreements for divestment of 74% equity shareholding in GJEPL to Macquarie SBI Infrastructure Investments Pte. Limited and SBI Macquarie Infrastructure Trustee Limited. Subsequent to the year end, the sale transaction has been completed.

GJEPL was a special purpose vehicle formed to widen the existing 2 lane portion from Km 34.14 (Farukhnagar) to Km 80.05 (Jadcherla) on National Highway - 7 in the State of Andhra Pradesh to 4 lanes and improvement, operation and maintenance of Km 22.3 (Thondapalli) to Km 34.14 (Farukhnagar) on National Highway - 7 in the State of Andhra Pradesh.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

The statement disclosed in note 30(e) 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 GJEPL.

e. i) Profit / (loss) from discontinuing operations

Particulars	For the year ended March 31, 2013 ₹ in crore	For the year ended March 31, 2012 ₹ in crore
Income		
Revenue from operations:		
Sales/ income from operations	1,144.29	1,449.68
Other income	15.12	15.79
Total	**1,159.41**	**1,465.47**
Expenses		
Revenue share paid / payable to concessionaire grantors	85.74	102.08
Purchase of traded goods	453.00	717.16
Decrease / (Increase) in stock in trade	14.65	(22.84)
Sub-contracting expenses	97.88	101.94
Employee benefits expenses	110.24	136.04
Other expenses	244.23	231.73
Depreciation and amortisation expenses	40.50	37.36
Finance costs	57.20	51.02
Total	**1,103.44**	**1,354.49**
Profit / (loss) before exceptional items, tax expenses, and minority interest	55.97	110.98
Exceptional items		
Profit on sale of a subsidiary [refer note 30(c)]	1,231.25	-
Loss on impairment of assets in a subsidiary [refer note 30(b)]	251.37	-
Assets write off in a subsidiary [refer note 30(a)]	202.61	-
Profit / (loss) before tax expenses and minority interest	**833.24**	**110.98**
Tax expenses		
Current tax	14.62	20.08
Tax adjustments for prior years	1.08	-
Deferred tax expense / (credit)	(0.20)	0.17
Profit / (loss) after tax expenses and before minority interest	**817.74**	**90.73**
Minority interest - share of (profit) / loss	39.11	18.13
Profit / (loss) after minority interest	**856.85**	**108.86**

ii) The carrying amounts of the total assets and liabilities of discontinuing operations at March 31 are as follows:

Particulars	As at March 31, 2013 ₹ in crore	As at March 31, 2012 ₹ in crore
Total assets	1,661.03	3,969.47
Total liabilities	1,462.56	2,614.92
Net assets	**198.47**	**1,354.55**

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

Particulars	As at March 31, 2013 ₹ in crore	As at March 31, 2012 ₹ in crore
Cash flow from / (used in) operating activities	(13.68)	(139.27)
Cash flow from / (used in) investing activities	(411.66)	(1,907.92)
Cash flow from / (used in) financing activities	1,117.37	1,954.48
Net cash inflows / (outflows)	**692.03**	**(92.71)**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 31 EARNINGS PER SHARE (EPS)

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Nominal value of equity shares (₹ per share)	1.00	1.00
Weighted average number of equity shares used in computing earnings per share	3,892,432,532	3,892,432,532
Profit / (loss) after tax expenses and before minority interest (₹ in crore)	88.12	(603.34)
EPS - Basic and diluted (₹)	0.23	(1.55)
(Loss) / profit after minority interest from continuing operations (₹ in crore)	(768.73)	(712.20)
EPS - Basic and diluted (₹)	(1.97)	(1.83)
Profit / (loss) after minority interest from discontinuing operations (₹ in crore)	856.85	108.86
EPS - Basic and diluted (₹)	2.20	0.28

Notes:

(a) As at March 31, 2013, ₹ 0.00 crore (₹ 2,250) (March 31, 2012: ₹ 0.00 crore (₹ 2,250)) was receivable towards equity shares and for the computation of weighted average number of equity shares outstanding at the end of the year, these have been considered as partly paid-up shares.

(b) The Group does not have any dilutive securities.

NOTE 32 (a) CAPITAL WORK IN PROGRESS

Particulars	March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Capital expenditure incurred on tangible assets	18,990.32	12,563.00
Salaries, allowances and benefits to employees	531.59	490.50
Contribution to provident and other funds	27.38	16.49
Staff welfare expenses	26.86	21.60
Rent [includes land lease rentals of ₹ 21.46 crore (March 31, 2012: ₹ 12.06 crore)]	152.29	112.28
Repairs and maintenance		
Buildings	3.86	3.07
Others	71.36	48.17
Rates and taxes	45.14	26.94
Insurance	82.84	56.72
Legal and professional fees	863.35	869.81
Travelling and conveyance	205.06	217.07
Communication costs	14.56	11.44
Depreciation of tangible assets	17.24	20.85
Amortisation of intangible assets	6.07	4.41
Interest costs	2,869.31	2,342.83
Amortisation of ancillary borrowing costs	40.92	32.81
Bank charges	326.09	379.12
Printing and stationery	2.38	2.28
Exchange differences (net)	413.39	149.71
Trial run costs	165.84	-
Miscellaneous expenses	220.47	180.82
(i)	**25,076.32**	**17,549.92**
Less: Other income		
Interest income on bank deposits	74.97	30.37
Net gain on sale of current investments	35.86	99.71
Miscellaneous income (net of expenses directly attributable to such income Nil (March 31, 2012: Nil))	17.53	2.70
(ii)	**128.36**	**132.78**
Total - (iii) = (i) - (ii)	**24,947.96**	**17,417.14**
Less: Apportioned over the cost of tangible assets	2,772.70	1,881.24
Less: Sale of subsidiary during the year [refer note 30(c)]	3,861.31	-
Less: Transferred to claims recoverable	528.67	-
(iv)	**7,162.68**	**1,881.24**
Total - (v) = (iii) - (iv)	**17,785.28**	**15,535.90**

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 32 (b) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars		March 31, 2013 ₹ in crore	March 31, 2012 ₹ in crore
Capital expenditure incurred on intangible assets		4,231.13	2,875.50
Salaries, allowances and benefits to employees		114.67	70.37
Contribution to provident and other funds		6.78	3.64
Staff welfare expenses		6.54	5.44
Rent		10.79	7.61
Repairs and maintenance			
Others		12.25	6.22
Rates and taxes		3.00	2.17
Insurance		9.10	6.59
Legal and professional fees		140.42	98.68
Travelling and conveyance		27.35	16.46
Communication costs		2.52	1.66
Depreciation of tangible assets		0.14	1.63
Amortisation of intangible assets		0.45	0.35
Interest costs		360.96	142.33
Amortisation of ancillary borrowing costs		6.59	3.51
Bank charges		21.80	14.27
Printing and stationery		0.37	0.09
Miscellaneous expenses		60.12	58.63
	(i)	**5,014.98**	**3,315.16**
Less: Other income			
Interest income on bank deposits		2.91	0.19
Exchange differences (net)		1.21	-
Net gain on sale of current investments		3.55	4.12
Miscellaneous income (net of expenses directly attributable to such income Nil (March 31, 2012: Nil))		0.04	0.03
	(ii)	**7.71**	**4.34**
	Total - (iii) = (i) - (ii)	**5,007.27**	**3,310.82**
Less: Government grant received (refer note 32(b)(i) and 32(b)(ii)) below		453.39	189.44
Less: Apportioned over the cost of intangible assets		3,132.06	-
Less: Transferred to statement of Profit and Loss		13.41	-
Less: Transferred to assets held for sale		15.37	-
	(iv)	**3,614.23**	**189.44**
	Total - (v) = (iii) - (iv)	**1,393.04**	**3,121.38**

Note 32(b)(i) - GOSEHHHPL is entitled to a grant of ₹ 340.19 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, 2013, GOSEHHHPL has received a grant of ₹ 241.80 (March 31, 2012: ₹ 82.74 crore) against the aforesaid sanction and the same has been 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 GoTN. As at March 31, 2013, GCORRPL has received a grant of ₹ 211.59 crore (March 31, 2012: ₹ 106.70 crore) against the aforesaid sanction and the same has been deducted from the cost of intangible assets under development.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 33 a | CONTINGENT LIABILITIES

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Corporate guarantees	2,201.82	251.93
Bank guarantees outstanding	1,085.09	855.38
Claims against the Group not acknowledged as debts	530.46	301.08
Matters relating to income tax under dispute	77.94	86.73
Matters relating to indirect taxes duty under dispute	730.41	99.81
Arrears of cumulative dividends on preference share capital issued by subsidiary	16.05	1.62

b. Others in addition to 33(a) above:

i. During the year ended March 31, 2010, GVPGL was granted a refund of customs duty of ₹ 69.09 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 ('JDGFT') 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 as the intimation cannot be applied retrospectively. Accordingly, no adjustment has been made with regard to ₹ 59.11 crore already received by GVPGL in the consolidated financial statements of the Group.

c. GVPGL has filed a writ petition with the Hon'ble High Court of Delhi in November 2011 as regards the aforesaid matter, which is pending settlement as at March 31, 2013.

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, which was passed on to Tamil Nadu Electricity Board (TNEB) as a pass through as per the terms of the 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 the liability, if any, is to be recovered from TNEB, 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, 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 ₹ 57.27 crore for the period September 2006 to March 2013 (March 31, 2012 : ₹ 52.02 crore) has been considered as a contingent liability in these consolidated financial statements of the Group.

iv. 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 had 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 for the period from June 2010 to March 31, 2013 (March 31, 2012: ₹ 12.36 crore) has been considered as a contingent liability and accordingly no adjustments have been made to these consolidated financial statements of the Group.

v. As at March 31, 2013, Municipal Corporation of Delhi ('MCD') has demanded property tax of ₹ 105.18 crore (March 31, 2012: ₹ 59.24 crore) on the land and properties at Delhi Airport. DIAL had filed a writ petition in the Delhi High Court challenging the applicability of the DMC (Amendment) Act, 1957 on the land and properties at the Delhi Airport and has deposited an amount of ₹ 13.68 crore under protest. Based on the legal opinion obtained, the management of the Group is confident of success in the writ petition and hence amount of ₹ 105.18 crore has been considered as a contingent liability in these consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

vi. GEL had entered into a 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 toward purchase of Naphtha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event that there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL has 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 toward failure of purchase of the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. GEL vide its letter dated October 31, 2012 has disputed the demand from the supplier towards the aforementioned damages.

Further, GEL received a notice of arbitration from the fuel supplier's legal representative requesting the appointment of arbitrator for the dispute resolution which has been disputed by GEL in their reply dated February 15, 2013. Based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made to these consolidated financial statements of the Group.

vii. In case of DIAL, with effect from June 1, 2007, the Airports Authority of India ('AAI') has claimed service tax on the annual fee payable to them considering the same as rental from immovable property. DIAL has disputed the grounds of the levy under provisions of the OMDA. As the matter is under dispute and pending with the Hon'ble High Court of Delhi, the impact of the same, if any, has not been considered in these consolidated financial statements of the Group.

viii. 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. During the year ended March 31, 2013, GHIAL had received an order from the Hon'ble High court of Andhra Pradesh (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 customs duty amounting to ₹ 14.02 crore (March 31, 2012: ₹ Nil) for the period from March 23, 2008 to March 31, 2012 as provision no longer required and included the same in other income for the year ended March 31, 2013.

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 Andhra Pradesh passed an order for interim suspension of the said order passed by the Hon'ble Single Judge. 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 in these consolidated financial statements of the Group.

ix. SGH dismissed 552 employees in January 2012 out of which 348 employees have filed a joint lawsuit against SGH for wrongful dismissal in February 2012. The courts have ruled against SGH and asked for payment of 16 months' salary as compensation to the employees. SGH appealed against the rulings and in January 2013, the Supreme Court of Turkey has ratified the decision of the lower courts and decided against SGH and ordered to pay Euro 0.12 crore (Group's share of Euro 0.03 crore) (March 31, 2012: EUR Nil) due in February 2013 in respect to the 90 employees who are part of 348 joint lawsuits. SGH had already made provision amounting to Euro 0.43 crore (Group's share of Euro 0.12 crore) for the joint lawsuits of 348 employees, including all legal expenses for the year ended March 31, 2013.

In October 2012, 130 additional employees were dismissed; out of which 101 employees have filed cases for wrongful dismissal against SGH as of December 31, 2012. In respect to the lawsuits of 101 employees; SGH has made provision of Euro 0.21 crore (Groups' share of Euro 0.06 crore) (March 31, 2012: Euro Nil) as at March 31, 2013. Based on an internal assessment, the management of the Group is of the view that no further financial implications will arise on account of the aforesaid lawsuits and accordingly, no further adjustments have been made in these consolidated financial statements.

x. 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, 2013. The Group based on its internal assessment is of the view that there would not be any claims against the Group and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2013.

xi. The Deputy Commissioner of Commercial Taxes, Bhuvaneshwar have demanded ₹ 150.23 crore (including penalty of ₹ 100.16 crore) for non payment of entry tax on imported plant and machinery worth ₹ 2,464.05 crore during the financial year 2010-11 to financial year 2012-13 from outside India as per Orissa Entry Tax Act, 1999. GKEL has deposited ₹ 13.42 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 no further financial implicaitons will arise on account of aforesaid matter and accordingly, no further adjustment have been made in these consolidated financial statements.

xii. Refer note 35(vi)(c) for details of contingent liabilities on issue of non-cumulative compulsorily convertible non-participatory preference shares (CCPS) by GAL to Investor I and Investors II.

xiii. Refer note 35(vi)(b) for details of contingent liabilities on issue of fully paid up compulsorily convertible cumulative preference shares ('CCCPS') by GEL at an agreed upon IRR.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE | 34 a | CAPITAL COMMITMENTS

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	10,871.59	19,577.68

(b) Other commitments

1) Entities in roads sectors have entered into various concession agreements with Concessionaires for periods ranging from 17.50 years to 26 years from achievement of date of commencement of commercial operations ('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, operation and maintenance of roads / highways in accordance with the respective concession agreements, performance of the obligations under the respective financing agreements, non transfer or change in ownership without the prior approval of the concessionaire and transfer of the roads / highways projects on termination of relevant agreements or in case of defaults as defined in the respective concession agreements.

2) Entities in airports sector have entered into various agreements with Concessionaires for periods ranging from 21 years and 300 days 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, 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.

3) 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.

4) 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.

5) 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.

6) One of the overseas entities in power sector (as the buyer) and its joint venture 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.

7) Certain entities in power sector has entered into Long Term Assured Part 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.

8) 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.

9) One of the entities in airport 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, 2013, this entity has funded ₹ 12.30 crore (March 31, 2012: ₹ 17.31 crore) towards shortfall in collection from the customers.

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

11) 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.
12) Refer note 38(b) for commitments relating to lease arrangements.
13) Refer note 35(ii) as regards negative grant payable to concessionaries of road entities.
14) Refer note 35(vi), for commitments arising out of convertible preference shares.
15) Shares of the certain subsidiaries/ joint ventures have been pledged as security towards loan facilities sanctioned to the Group.

NOTE | 35 | OTHERS

i) Foreign currency transactions

The MCA, GoI vide its Notification No GSR 225 (E) dated March 31, 2009 announced Companies Accounting Standards (Amendment) Rules 2009 prescribing changes to AS 11 on 'The Effects of Changes in Foreign Exchange Rates'.

The Group has, pursuant to the adoption of principles of Companies Accounting Standard (Amendment) Rules 2009, exercised the option of recognising 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,

a. Exchange loss amounting to ₹ 268.25 crore (net off exchange difference of ₹ 25.55 crore accounted as detailed under note 35(i)(c)) (March 31, 2012: exchange loss of ₹ 312.11 crore) has been adjusted to the cost of depreciable assets in these consolidated financial statements of the Group.

b. An exchange gain of ₹ 0.01 crore, (March 31, 2012: exchange loss of ₹ 4.88 crore), net of amortisation, on long term monetary assets 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 assets but not beyond March 31, 2020. The unamortised balance as at March 31, 2013 amounts to a debit balance of ₹ 2.51 crore (March 31, 2012: ₹ 2.50 crore).

c. In view of the clarification issued by MCA through General Circular No. 25/2012 dated August 09, 2012 with regard to paragraph 46A of Notification No. GSR . 914(E) dated December 29, 2011 on AS -11, the Group has capitalized the exchange difference of ₹ 25.55 crore which was charged off to the statement of profit and loss during the year ended March 31, 2012 and the finance costs for the year ended March 31, 2013 are shown net off such adjustments.

(ii) Negative grant

In accordance with the terms of the concession agreements entered into with NHAI by GACEPL, GJEPL and GUEPL dated November 16, 2005, February 20, 2006 and April 19, 2006 respectively, the companies have an obligation to pay an amount of ₹ 507.96 crore by way of Negative Grant to NHAI and pursuant to which an amount of ₹ 321.30 crore has been paid as at March 31, 2013 (March 31, 2012: ₹ 297.58 crore) and the balance amount of ₹ 186.66 crore (March 31, 2012: ₹ 210.38 crore) has been disclosed as 'negative grant' under note 5 – 'Long term borrowings' in these consolidated financial statements of the Group (refer note 5).

(₹ in crore)

Name of the subsidiary	Date of Concession Agreement	Total negative grant	Repayment details	Payable as at March 31, 2013	Payable as at March 31, 2012
GACEPL	November 16, 2005	174.75	Unequal yearly installments over next 5 years	66.41	83.88
GJEPL	February 20, 2006	82.70	Not Applicable	-	-
GUEPL	April 19, 2006	250.51	Unequal yearly installments over next 6 years	120.25	126.50
Total		**507.96**		**186.66**	**210.38**

(iii) Utilisation fees

Pursuant to the implementation agreement between Undersecretariat for Defense Industries (Administration) and consortium consisting of Limak Insaat Sanayi Ve Ticaret A.S., the Company and 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 has been extended by a total of 665 days through February 2030 for an additional concession fee totaling approximately Euro 24.40 crore, which is accounted as below:

(i) Utilization fees is charged as per units of usage method, based on revenue projections with a corresponding credit to utilisation fees liability.

(ii) Prepaid utilisation fees as at March 31, 2013 amounts to ₹ 225.79 crore (March 31, 2012: ₹ 139.62 crore), which has been included in current prepaid expenses in note 13.

(iv) Trade receivables

a. The Government of Karnataka vide its Order No. EN 540 NCE 2008 dated January 1, 2009 (the Order) invoked Section 11 of the Electricity Act, 2003 ('the Electricity Act') and directed GEL to supply power to the State Grid during the period January 01, 2009 to May 31, 2009 at a specified rate. The period was subsequently extended up to June 5, 2009 vide Order No. EN 325 NCE 2009 dated September 22, 2009. GEL had a contract with a buyer till January 31, 2009 at a selling rate higher than such specified rate and, as such, filed a petition before the Hon'ble High Court of Karnataka

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

challenging the Order. Revenue recognition in respect of power supplied during January 2009 has been made in the books as per the original contracted rate, based on a legal opinion. The differential revenue, so recognised in the books, amounts to ₹ 44.04 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 recognition for the four months ended June 05, 2009 has been made, 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, has dismissed the petition of GEL challenging the Order by invoking section 11(1) of the Electricity Act with a direction that if the Order has any adverse financial impact on the Group, then a remedy is provided to GEL to approach the appropriate commission under the Electricity Act empowered to offset the adverse financial impact in such manner as it considers appropriate. GEL had filed a Special Leave Petition ('SLP') before the Hon'ble Supreme Court of India to appeal against the said Order of the Hon'ble High Court of Karnataka, and has sought ex-parte ad-interim order staying the operation of the said Order and to direct 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') have filed their reply on April 26, 2012 contesting GEL's claim of ₹ 166.75 crore and have 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 has filed an updated petition with KERC on September 6, 2012.

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

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

b. GEL had entered into a LOI with GETL, for sale of electricity on merchant basis at a monthly pre-determined rate for the period from June 01, 2012 to May 30, 2013. GETL, in turn sells the power purchased from GEL to Andhra Pradesh Central Power Distribution Company Limited (APCPDCL). On February 7, 2013, GETL received a letter from APCPDCL wherein APCPDCL has informed that APDISCOMs have already filed an application with Andhra Pradesh Electricity Regulatory Commission ('APERC') to determine tariff payable regarding power supplied by GETL for the aforesaid contract period and the same is pending decision by the APERC. Further, APCPDCL claimed that KG D-6 gas was allocated to GEL by Ministry of Petroleum and Natural Gas ('MoPNG'), Government of India ('GOI') at the rate approved by Empowered Group of Ministers, GOI. As per the directives, GEL is required to supply entire power to APDISCOMs at a regulated tariff of APERC. In light of the above, APCPDCL has proposed to recover the differential amount of unit rate paid from June 01, 2012, under the above LOI from the bench mark unit rate paid to the new power projects under long-term power purchase agreements subject to necessary adjustments, after tariff determination by APERC.

   GEL and GETL have filed a writ petition in the Hon'ble High Court of Andhra Pradesh disputing the aforementioned claim. The matter is pending final settlement, however based on an internal assessment, the management of the group is confident that there will not be any adverse financial impact on the Group with regard to aforesaid matter and as such no adjustment has been made in these consolidated financial statements of the Group.

c. As at March 31, 2013, the power segment companies have receivables (including unbilled revenue) from TNEB and TANGENDCO Limited ('TANGENDCO') aggregating to ₹ 722.56 crore (March 31, 2012: ₹ 850.76 crore). Based on an internal assessment and various discussions that the Group had with TNEB and TANGENDCO, 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.

d. As at March 31, 2013, GVPGL has total receivables of ₹ 10.98 crore (March 31, 2012: ₹ 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) has issued an order whereby APERC has directed the customer to pay the MAT reimbursement claim along with interest after validation of payment of MAT by GVPGL. GVPGL has submitted the copies of bank challans and based on its internal assessment 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.

e. Considering the delays in realization of dues from Air India and its subsidiaries (collectively referred to as 'Air India') and the uncertainty over the timing of the ultimate collection involved, DIAL and GHIAL, as a measure of prudence, had decided to recognize the revenue from Air India w.e.f. October 1, 2011 only when such uncertainty of realization is removed as required by para 9.2 of AS - 9, 'Revenue Recognition'.

   DIAL and GHIAL followed this practice till December 31, 2012 due to continued uncertainty. However, in view of substantial recoveries during the period January 1, 2013 to March 31, 2013 and other developments subsequent to the year end, the management of the Group believes that the reasonable certainty of realization has been established during the quarter ended March 31, 2013 and has accordingly recognized revenue from Air India amounting to ₹ 239.08 crore in these consolidated financial statements of the Group.

f. As at March 31, 2013, GHIAL and DIAL have receivables from Kingfisher Airlines Limited ('KAL') aggregating to ₹ 16.73 crore (March 31, 2012: ₹ 24.09 crore). The management of the Group is of the view that the receivables are fully recoverable and DIAL and GHIAL have taken necessary steps to recover these amounts. As such, no adjustments have been made in these consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

(v) Passenger Service Fee (PSF)

a. In case of DIAL and GHIAL, the PSF charged from the departing passengers has two components, viz., Facilitation Component (FC) and Security Component (SC). Ministry of Civil Aviation ('MoCA') had issued a Standard Operating Procedure ('SOP') for accounting / auditing of PSF (SC) according to which, amounts collected towards PSF (SC) are held by the airport infrastructure companies in fiduciary capacity on behalf of the GoI and are deposited in an escrow account utilised for meeting the security related expenses of the airports. It is also stipulated in the escrow account agreement that MoCA will have supervening powers to direct the escrow bank on the issues regarding operations as well as withdrawal from the escrow account.

The PSF (SC) accounts are required to be maintained separately in accordance with the procedures laid down in the SOP and are subject to audit by the Comptroller & Auditor General of India (C&AG).

Following are the details of PSF (SC) account balances, which have been audited by one of the joint auditors of DIAL and GHIAL for the year ended March 31, 2012.

(₹ in crore)

Description	Year ended March 31, 2013 (Unaudited)		Year ended March 31, 2012 (Audited)	
PSF (SC) (net of collection charges)	273.92		297.23	
Interest and other income	1.10	275.02	7.29	304.52
Less: Expenses		348.86		314.15
Net Income (expenses)		**(73.84)**		**(9.63)**
Add: Surplus brought forward		189.01		198.64
Secured loan from Corporation bank		176.55		197.95
Total		**291.72**		**386.96**
Fixed assets (net) (including capital work in progress)		331.63		339.31
Receivables including trade receivables		41.65		91.51
Other assets*		116.27		116.71
Cash and bank balance in escrow account (including term deposits)		9.16		10.34
		498.71		557.87
Less: Other liabilities		206.99		170.91
Total		**291.72**		**386.96**

*Includes an amount of ₹ 33.31 crore and ₹ 33.23 crore (March 31, 2012: ₹ 33.31 crore and ₹ 33.23 crore) paid under protest for Assessment year 2007-08 and 2008-09 respectively, related to taxability of PSF (SC).

b. 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 debited to PSF (SC) account.

DIAL has filed a writ petition with the Hon'ble Delhi High Court challenging the applicability of the said circulars/letter issued by MoCA. The Hon'ble Delhi High Court 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 now the matter is posted on October 24, 2013. In a similar case the aforesaid MoCA circulars/ letters were challenged before the Hon'ble Andhra Pradesh High court and the court has passed an interim order dated July 13, 2012, holding that the MoCA circular dated April 16, 2010 was prospective in nature and therefore reversal of payment of any amount prior to the issuance of the circular did not arise. Based on an internal assessment and the aforesaid order of the Hon'ble Delhi 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 financial statements.

(vi) Preference shares issued by subsidiaries

a. During the year ended March 31, 2010, GEL issued 0.0001% 200,000,000 non-cumulative redeemable preference shares of ₹ 10 each fully paid up amounting to ₹ 200.00 crore along with a securities premium of ₹ 100.00 crore to ICICI. GEL shall 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 remitted and remaining outstanding amount shall be redeemed on December 31, 2014. The applicable yield shall be 14.00% p.a for tranches subscribed prior to December 31, 2010 and for tranches subscribed on or after January 1, 2011 onwards, the applicable yield shall be 14.00% or ICICI Bank Benchmark Advance Rate plus the applicable liquidity premia plus 0.25% per annum, whichever is higher. The 5% of the subscription amount outstanding has been redeemed on the completion of 13th month, 24th month and 36th month during the year ended March 31, 2011, March 31, 2012 and March 31, 2013 respectively.

b. During the year ended March 31, 2011, GEL had issued following fully paid up CCCPS:

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Investor Company	No. of preference shares	Amount (₹ in crore)
Claymore Investments (Mauritius) Pte Limited	9,300,000	930.00
IDFC Private Equity Fund III	2,500,000	250.00
Infrastructure Development Finance Company Limited	500,000	50.00
IDFC Investment Advisors Limited	500,000	50.00
Ascent Capital Advisors India Private Limited	500,000	50.00
Argonaut Ventures	650,000	65.00
Total		**1,395.00**

CCCPS are convertible upon the occurrence of QIPO of GEL at an agreed internal rate of return ('IRR'). 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 have the right to require GIL to purchase the preference shares or if converted, the equity shares of GEL at an agreed upon IRR or exercise other rights as per the terms of the share subscription and shareholders agreement. The holders would be entitled to dividend, if dividend is paid to other class of preference shareholders. The preference shareholders have a right to attend General Meetings of GEL and vote on resolutions directly affecting their interest. In the event of winding up of GEL, GEL would repay the preference share capital in priority to the equity shares of GEL but it does not confer any further right to participate either in profits or assets of GEL.

c. During the year ended March 31, 2011, GAL has issued 2,298,940 non-cumulative compulsory convertible non-participatory preference shares (CCPS1) 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, JM Financial Products Limited and Build India Capital Advisors LLP ('Investors II'). GIL and GAL have provided Investor I and Investors II various conversion and exit options at an agreed IRR as per the terms of the Restructuring Options Agreements and Investment agreements executed between GIL, GAL, Investor I and Investors II.

(vii) Development Fund (DF) Order

a. **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 (March 31, 2012: ₹ 1,238.35 crore) earmarked for construction of Air Traffic Control 'ATC' tower, currently under progress as at March 31, 2013. DF amounting to ₹ 164.40 crore has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2013 and balance DF amounting to ₹ 185.60 crore, pending utilization, 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 had 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 reduced DF collection charges aggregating to ₹ 2.84 crore (As on March 2012 : ₹ 10.47 crore) from the DF grant, which was earlier adjusted against the DF receivable.

b) The DF amount collected from airlines so far as considered by AERA for determination of additional DF has not been computed based on the principle of NPV as allowed earlier by MoCA in its order dated February 9, 2009. In its DF Order, issued on November 14, 2011, AERA had stated that the treatment of interest paid on debts raised by DIAL on securitization of DF and the liability would be considered at the stage of tariff determination. Further, based on submissions made by DIAL and other stakeholders, AERA in its order No. 03/2012-13 issued on April 24, 2012 considered the aforesaid interest amount aggregating to ₹ 350.50 crore for the period from March 1, 2009 till November 30, 2011 as an operating cost for the purpose of tariff determination and not to be adjusted against the DF receipts.

In view of the aforesaid order and the fact that DIAL has used DF loans obtained against DF receivable for the construction of the airport, DIAL has capitalized a portion of interest aggregating to ₹ Nil (March 31, 2012: ₹ 188.38 crore) till the date of commencement of operations of the domestic and international terminals at the airport and interest aggregating to ₹ Nil (March 31, 2012: ₹ 162.12 crore) subsequent to such commencement of operations is charged to the statement of profit and loss which is disclosed as an exceptional item during the year ended March 31, 2012.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

c) AERA has passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of development fee at Delhi airport. As per the said order, the rate of Airport Development Fee 'ADF' has been reduced from ₹ 200 to ₹ 100 and from ₹ 1,300 to ₹ 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016.

b. The Central Government has framed Airport Authority of India (Major Airports) Development Fee Rules, 2011 (collectively referred as 'DF Rules') vide its notification dated August 2, 2011. The said rules prescribe the guidelines for operation and administration of DF being collected at major airports in India. As per DF Rules and Section 22A of the AAI Act, AAI may levy on / collect from the embarking passengers at an airport, the DF at the rates as may be prescribed by the relevant authority i.e. AERA. Further such DF amount shall be credited to AAI escrow account and will be regulated and utilised in accordance with DF SOP dated November 30, 2011 issued by the AAI. In view of AAI's rights under the DF rules, DIAL has been appointed by the AAI to collect DF on behalf of AAI at Delhi Airport and deposit the same to the designated AAI DF escrow account. In view of the provisions of the DF Rules and DF SOP, the management of the Group believes that DIAL's responsibility is restricted only to the billing on behalf of AAI. Accordingly, billing to Airlines is not recorded in these consolidated financial statements of the Group. The Group accounts the DF on receipt of the same from AAI escrow account based on the Group's application for release of the DF amounts for repayment of DF loan and interest in accordance with the drawdown schedule.

The Statement showing amounts billed to the Airlines, payable to AAI and balance in the escrow bank account in the name of AAI to the extent not reflected in the Group's accounts as at March 31, 2013 are as follows:

(₹ in crore)

Particulars	DF as per MoCA Order dated February 9, 2009		DF as per AERA Order No. 28/2011-12		Total	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Assets :						
Receivable from airlines towards DF	30.20	97.06	102.36	108.33	132.56	205.39
Bank balances (AAI escrow)	-	-	12.01	15.27	12.01	15.27
Service tax	-	-	0.08	-	0.08	-
Total	**30.20**	**97.06**	**114.45**	**123.60**	**144.65**	**220.66**
Liabilities						
Payable to AAI towards DF	30.20	97.06	114.45	123.60	144.65	220.66
Total	**30.20**	**97.06**	**114.45**	**123.60**	**144.65**	**220.66**

(viii) Others

a. DIAL received advance development costs of ₹ 653.13 crore (March 31, 2012: ₹ 620.13 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 agreement. Further, DIAL has no right to escalate the development cost and in case, any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2013, DIAL has incurred development expenditure of ₹ 276.66 crore (March 31, 2012: Rs 230.10 crore) which has been adjusted against the aforesaid advance and balance amount is disclosed in long term and current liabilities in these consolidated financial statements of the Group.

b. During the year, DIAL has collected "Marketing Fund" at a specified percentage from various concessionaires as per respective concessionaire agreements, to be utilized towards sales promotional activities as defined in such agreements. During the year ended March 31, 2013, DIAL had billed ₹ 23.91 crore towards such Marketing Fund and has incurred expenditure amounting to ₹ 2.20 crore towards agency fees to various external advertising and marketing service providers from the amount so collected. The balance amount of ₹ 21.71 crore as at March 31, 2013 (March 31, 2012: ₹ Nil) pending utilization, against such sales promotion activities is included under "Other Liabilities" as specific fund to be used for the purposes for which the amounts are collected.

c. During the year March 31, 2012, with a view to restructure the holdings in Indian and International airport business, the Company has transferred 612,500,000 equity shares and 238,139,998 equity shares of DIAL and GHIAL respectively held by it to GAL, a subsidiary of the Company, at cost. GAL is 97.15% subsidiary of the Company.

d. As at March 31, 2013, DIAL has an accumulated losses of ₹ 1,380.69 crore (March 31, 2012 : ₹ 1,453.21 crore) thus resulting in substantial erosion of its net worth as at the year end. However, during the year ended March 31, 2013, DIAL has earned a net profit of ₹ 72.52 crore (March 31, 2012: net loss of ₹ 1,085.40 crore) and has met all its obligations as at March 31, 2013. AERA vide its powers conferred under section 13(1) (a) of AERA Act, 2008 passed an Aeronautical tariff hike Order No.03/2012-13 issued on April 24, 2012. The aforesaid Order increased the Aeronautical tariffs to be levied at Delhi airport for the fourth and fifth tariff year (i.e. 2012-13 and 2013-14) of the first five year control period (i.e. 2009-10 to 2013-14) which is effective from May 15, 2012 and April 1, 2013 respectively. AERA has also approved the rates of UDF in terms of the provisions of section 13 (1) (b) of the AERA Act, 2008 read with Rule 89 of the Aircraft Rules 1937.

Based on the Order received and DIAL's business plan, the management of the Group is confident that DIAL will be able to generate sufficient profits in future years and would meet its financial obligations as they arise.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

e. As at March 31, 2013, GHRL has accumulated losses of ₹ 85.03 crore (March 31, 2012: ₹ 61.18 crore). The accumulated losses at the year ended March 31, 2013 are more than fifty percent of the net-worth of GHRL. Also, GHRL has incurred cash loss during the year ended March 31, 2013. 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. GHIAL 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 amounts of assets or the amounts and classification of liabilities that may be necessary if GHRL is unable to continue as a going concern.

f. During the year ended March 31, 2013, HDFRL has incurred a net loss of ₹ 1.55 crore (March 31, 2012: ₹ 0.94 crore) and has accumulated losses of ₹ 5.82 crore (March 31, 2012: ₹ 4.27crore) against equity of ₹ 9.95crore (March 31, 2012: ₹ 4.95 crore). These conditions indicate the existence of material uncertainty that may cast significant doubt about HDFRL's ability to continue as a going concern. Based on business plans, the management expects that there will be significant increase in the operations of HDFRL that will lead to improved cash flows and long term profitability. GHIAL has undertaken to provide such financial support as necessary, to enable HDFRL 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 amounts of assets or the amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

g. The Company along with its subsidiary has an investment of ₹ 484.45 crore in its joint venture ISG as at March 31, 2013 (March 31, 2012: ₹ 376.47 crore). The Group's share of ISG's accumulated losses / negative reserves amounts to ₹ 436.42 crore (March 31, 2012: ₹ 306.09 crore), thereby resulting in substantial erosion of net worth of ISG as at March 31, 2013. Based on ISG's business plan, the management of the Group is confident that ISG will be able to generate sufficient profits in future years and would meet its financial obligations as they arise.

h. The Group has an investment of ₹ 341.56 crore (including loans of ₹ 104.97 crore, share application money pending allotment of ₹ 20.00 crore and investment in equity and preference shares of ₹ 216.59 crore as at March 31, 2013) [March 31, 2012: ₹ 307.86 crore (including loans of ₹ 91.27 crore and investments in equity and preference shares of ₹ 216.59 crore)]. As at March 31, 2013 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. 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 management of the Group is of the view that the carrying value of net assets of ₹ 238.35 crore (after providing for losses till date of ₹ 103.21 crore) [March 31, 2012: ₹ 227.79 crore (after providing for losses till date of ₹ 80.07 crore)] as regards investment in GACEPL as at March 31, 2013 is appropriate.

i. The consolidated financial statements of PTDSU and its subsidiaries (PTDSI and PTBSL) have accumulated deficit of ₹ 21.92 crore (USD 0.40 crore) (March 31, 2012: ₹ 18.04 crore (USD 0.35 crore)). PTBSL, a coal property Company remains in the exploration phase and is consistently in need of capital injection for its exploration costs. The management of the Group has committed to provide funding through stockholder loan in the form of Mandatory Convertible Bond until PTBSL commences commercial operations and generates income on its own. The management of the Group is not aware of any material uncertainties that may cast significant doubt upon these entities ability to continue as a going concern and hence these consolidated financial statements of the Group do not include any adjustments relating to the recoverability and classification of carrying amounts of assets or the amounts and classification of liabilities.

j. 1. The Group is engaged in the business of generation and sale of electrical energy from its two gas based power plants of 220MW and 387.63MW situated at Kakinada and Vemagiri respectively. Further, the Group has investments in 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. During the year ended March 31, 2013, GEL and GVPGL have incurred losses, thereby resulting in erosion of networth of these gas based power generating companies and GREL has not 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 MoPNG is yet to allocate the gas linkage. The consortium of lenders have approved the reschedulement of Commercial Operation Date ('COD') of the plant under construction to April 1, 2014 and repayment of project loans. The Group and the Association of Power Producers are closely monitoring the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that the GoI would take necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. Based on business plan and valuation assessment, the management of the Group is confident that GEL and GVPGL will be able to generate sufficient profits in future years, GREL will achieve the COD as stated aforesaid and these gas based power generating companies would meet their financial obligations as they arise and hence considers that the carrying value of the net assets of the above entities as at March 31, 2013 is appropriate. Despite the aforementioned loss, these consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty.

   2. In respect of plant under construction at Rajahmundry, pending securing supply of requisite natural gas, the Group has put on hold the 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 company setting up the plant has approached the MCA seeking

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation referred in 35 (viii)(j)(1) above. The management of the Group is confident of obtaining necessary clarification / relaxation allowing such capitalisation. Pending receipt of requisite clarification / relaxation, the Group has capitalised aforesaid expenses amounting to ₹ 282.39 crore for the period July 1, 2012 to March 31, 2013 towards cost of the plant under construction.

k. GPCL approached Tamil Nadu Electricity Regulatory Commission ('TNERC') to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from TNEB 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 TNEB. GPCL had received a favourable Order from TNERC on April 16, 2010 and in pursuance of the Order, GPCL had filed its claim on April 30, 2010 amounting to ₹ 481.68 crore and recognised ₹ 79.55 crore as income in the books of account.

   TNEB filed a petition against TNERC Order in Appellate Tribunal for Electricity ('APTEL'). In terms of an interim Order on November 19, 2010 from APTEL, TNEB 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 TNEB 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 has 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.

   GPCL is 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 has offered the claims upto March 31, 2012 as income in its tax returns and has claimed the deduction as available under Section 80IA of the IT Act.

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

   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 these consolidated financial statements of the Group. Further, GPCL has been legally advised that in view of the appeal filed by TNEB against the Order of APTEL in Hon'ble Supreme Court, the entire matter is now subjudice and has not attained the finality.

l. The Group has an investment of ₹ 1,237.47 crore (including investments in equity share capital of ₹ 822.87 crore and subordinate loan of ₹ 414.60 crore) in GCHEPL as at March 31, 2013 [March 31, 2012: ₹ 924.67 crore (including investments in equity share capital of ₹ 510.07 crore and subordinate loan of ₹ 414.60 crore)] and has also provided corporate/ bank guarantee towards loan taken by GCHEPL from the project lenders. GCHEPL is in advanced stage of construction of 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh and is awaiting linkage of domestic coal. GCHEPL has obtained provisional Mega Power status certificate from the GoI, Ministry of Power vide letter dated September 8, 2011. The management of the Group is confident of obtaining the linkage of domestic coal prior to the completion of construction of the plant and is of the view that the carrying value of its investment including subordinate loan in GCHEPL as at March 31, 2013 is appropriate.

m. GADLIL is registered in the Republic of Maldives for upgrading of existing terminal and construction of new terminal at the Male International Airport. 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 Male airport 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. However, the financial statements of GADLIL as at and for the year ended March 31, 2013 have been prepared and accordingly consolidated on a going concern basis.

n. 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 mandatory 'conditions precedent' specified under the Concession Agreement within the due date, GKUAEL has 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. Further, NHAI in their letter dated January 17, 2013 to GKUAEL has also indicated of making good the alleged defaults of NHAI within the cure period of 90 days.

   The Company along with its subsidiary has made an investment of ₹ 700.00 crore in GKUAEL, which is primarily utilized towards payment of mobilization advance of Rs 590.00 crore to its EPC contractors and Rs 107.75 crore towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). The management of the Group is confident of recovering the aforesaid mobilisation advance and does not anticipate any compensation to be payable to NHAI in view of the aforesaid dispute and continue to carry such project expenses as capital work in progress pending satisfactory resolution of the matter.

o. The Company has given an interest free loan of ₹ 115.00 crore to GWT during the year ended March 31, 2011 for the purpose of an employee benefit scheme. GWT has utilised the proceeds of the loan received from the Company in the following manner and the position as at March 31, 2013 is:

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Equity shares of GIL	101.55	101.55
Equity shares of GAL	11.28	11.28
Investment in mutual funds	2.17	2.17
Total	**115.00**	**115.00**

   SEBI has issued Circular No. CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed entities from framing any employee benefit scheme involving acquisition of own securities from the secondary market. The management of the Group has submitted the details of the GWT to the stock

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

exchanges and is in the process of complying with the requirements of the circular within the prescribed timelines. SEBI has issued Circular No. CIR/CFD/DIL/7-2013 dated May 13, 2013 extending the date of compliance to December 31, 2013.

p. As at March 31, 2013, the Group has an outstanding interest bearing inter corporate loan of ₹ 126.04 crore (USD 2.30 crore) receivable from a subsidiary of GHPL, the Ultimate Holding Company of the Group. Subsequent to March 31, 2013, an amount of ₹ 98.64 crore (USD 1.80 crore) has been repaid and the management of the Group is confident of the recovery of the balance outstanding loan in the immediate future.

q. As at March 31, 2013, GICL has fixed deposits of ₹ 747.20 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 bank balance and disclosed under "Other Non Current Assets" in these consolidated financial statements of the Group.

r. KSPL is undertaking development of a port based multi-product SEZ at Kakinada. The approvals from the Ministry of Commerce and Industry for the SEZ development were valid till June 26, 2012. Pending completion of the development of the SEZ, KSPL has applied for extension of the validity period which is pending approval from the Board of Approval of the Ministry of Commerce & Industry. The management is confident of obtaining the necessary approvals in the foreseeable future and continues with the active development of the SEZ.

s. 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 ₹ 60.63 crore (March 31, 2012: 55.94 crore) has been treated as part of the land acquisition cost and is classified under capital work-in-progress. Considering that the negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is in progress, no provision has been made towards the potential cost that is likely to be incurred by KSPL towards rehabilitation and settlement.

t. As per CERC guidelines, maximum rate that can be received by GKEL for Infirm Power exported prior to COD with the prior permission of regional load dispatch center is at ₹ 1.65 rate per unit for power generated with domestic coal. GKEL on prudent basis has estimated trial run income at ₹ 1.35 rate per unit for Infirm Power exported amounting to ₹ 3.13 crore.

u. Certified emission reductions :

Particulars	March 31, 2013	March 31, 2012
Number of certified emission reductions held as inventories	-	-
Number of certified emission reductions under certification	321,755	-
Number of certified emission reductions sold during the year	111,677	-
Depreciation and operating and maintenance costs of Emission reduction equipments expensed during the year	-	-

v. 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. The Group has not received any demand from the Income Tax Authorities. The management of the Group believes that it has complied with all the applicable provisions of the IT Act with respect to its operations.

w. The C&AG has conducted the performance audit of Public Private Partnership (PPP) project of AAI at Delhi airport for the period 2006 to 2012. C&AG has presented its report before Rajya Sabha on August 17, 2012 wherein they have made certain observations on DIAL. The management is of the opinion that the observations in the C&AG report do not have any financial impact on these consolidated financial statements of the Group.

NOTE 36 DERIVATIVE INSTRUMENTS:

(i) IRS outstanding as at the balance sheet date:

a. In case of DIAL, as per the conditions precedent to disbursement of External Commercial Borrowing (ECB) loan, DIAL has entered into an IRS agreements from floating rate of interest to fixed rate of interest against its foreign currency loan of USD 34.13 crore (March 31, 2012: USD 35.00 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.

Particulars of Derivatives	Purpose			
Interest rate swap outstanding as at balance sheet date: USD 34.13 crore (March 2012: USD 35.00 crore)	Hedge of variable interest outflow on External Commercial Borrowing. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR:			
	March 31, 2013 ECB Amount (USD in crore)	March 31, 2012 ECB Amount (USD in crore)	March 31, 2013 Interest Rate	March 31, 2012 Interest Rate
	9.75	10.00	4.99%	4.99%
	7.31	7.50	2.76%	2.76%
	7.32	2.50	0.87%	1.98%
	9.75	15.00	0.86%	1.96%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. GAPL has entered into an IRS contract with Axis Bank Limited from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.77 crore (March 31, 2012 : USD 1.47 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 marked 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.

c. In case of GHIAL, as per the conditions precedent to disbursement of foreign currency loan, of USD 12.50 crore (March 31, 2012 : 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. 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.

d. ISG has entered into an IRS agreement with Royal Bank of Scotland for swapping floating rate of interest to fixed rate of interest for its loan of Euro 33.60 crore covering the period June 30, 2008 to June 29, 2018. 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 in this regard.

e. GIML had entered into swap agreement with ICICI Bank UK PLC for swapping floating rate of interest to fixed rate of interest for its GBP denominated loan equivalent of USD 7.65 crore covering the period August 17, 2009 to August 11, 2011. During the year ended March 31, 2012, the agreement has expired and appropriate adjustment has been made in these consolidated financial statements of the Group towards closure of the IRS during the year ended March 31, 2012. During the year ended March 31, 2013, GIML did not have any swap agreements.

f. During the year ended March 31, 2013, GKEL has entered into an IRS contract with a bank from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 0.50 crore and USD 1.00 crore covering the period from January 04, 2013 to December 01, 2017 and January 22, 2013 to December 01, 2017 respectively. 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 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.

g. During the year ended March 31, 2013, ATSCL has entered into an IRS contract with ICICI Bank Limited 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. Based on an internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net 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.

h. GMIAL has entered into IRS agreement with Axis Bank Limited for swapping floating rate of interest to fixed rate of interest against the loan of USD 9.00 crore covering the period December 31, 2011 to December 31, 2015.

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.

(ii) Un-hedged foreign currency exposure for monetary items is as follows:

Currency	Cash and balance with banks	Fixed assets non - current investments and current investments	Trade receivables, Inventory, 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 (in crore)	0.41	2.87	0.16	0.79	-
	(0.63)	(5.22)	(1.53)	(0.85)	-
Swiss Franc (in crore)	-	-	0.00	-	-
	-	-	(0.00)	(0.00)	-
Chinese Yuan (in crore)	0.08	-	0.01	-	-
	(0.08)	-	(0.00)	-	-
Danish Krone (in crore)	-	-	-	-	-
	-	-	-	(0.00)	-
Euro (in crore)	0.97	13.00	5.88	4.85	15.62
	(1.54)	(13.86)	(3.86)	(3.97)	(15.75)
Great British Pound (in crore)	0.06	0.15	0.24	0.07	4.64
	(0.06)	(0.16)	(0.20)	(0.13)	(4.78)
Indonesian Rupiah (in crore)	25,854.79	24,497.84	32,835.00	6,232.89	-
	(56,473.53)	(21,720.99)	(21,189.22)	(10,643.01)	(646.40)

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Currency	Cash and balance with banks	Fixed assets non - current investments and current investments	Trade receivables, Inventory, 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
Malaysian Ringgit (in crore)	-	-	-	-	-
	-	-	-	(0.01)	-
Nepalese Rupee (in crore)	2.22	107.30	0.25	1.70	-
	(2.87)	(90.85)	(2.61)	(2.05)	-
Singapore Dollar (in crore)	-	(0.05)	0.08	1.21	23.49
	(8.43)	(47.01)	(5.64)	(0.72)	(41.32)
Turkish Lira (in crore)	0.06	-	0.11	0.00	-
	(0.09)	-	-	-	-
United States Dollar (in crore)	31.99	52.02	23.27	38.16	170.94
	(22.16)	(65.34)	(9.11)	(30.26)	(168.49)
Amount (₹ in crore)	1,998.01	4,230.21	1,903.29	2,567.99	11,862.34
	(1,958.10)	(6,765.48)	(1,180.95)	(1,977.42)	(11,816.61)

Note: Previous year figures are mentioned in brackets

Forward contract outstanding as at balance sheet date:

GEL	USD Nil (March 31, 2012: USD 0.75 crore), ₹ Nil (March 31, 2012: ₹ 38.65 crore)	Hedge of payables with respect to fuel purchase
GKEL	CNY Nil (March 31, 2012: CNY 72.88 crore), ₹ Nil (March 31, 2012: ₹ 503.36 crore)	Forward contract against payment for offshore supplies and discounted letter of credit
	USD Nil (March 31, 2012: USD 2.42 crore), ₹ Nil (March 31, 2012: ₹ 124.70 crore)	
GKEL	USD 1.50 crore (March 31, 2012: USD Nil), ₹ 82.20 crore (March 31, 2012: ₹ Nil)	Forward cover for hedging of loan availed
GIML	GBP 4.64 crore (March 31, 2012: GBP 2.50 crore), ₹ 381.79 crore (March 31, 2012: ₹ 203.64 crore)	Forward cover for hedging of loan availed
EMCO	USD Nil (March 31, 2012: USD 0.10 crore), ₹ Nil (March 31, 2012: ₹ 5.15 crore)	Forward contract for hedging of highly probable future cash outflows
GAPL	USD Nil (March 31, 2012: USD 0.13 crore), ₹ Nil (March 31, 2012: ₹ 6.70 crore)	Forward contract for hedging the supplier credit
ATSCL	USD 1.66 crore (March 31, 2012: USD Nil), ₹ 90.00 crore (March 31, 2012: ₹ Nil)	Forward cover for hedging of loan availed

Note: Previous year figures are mentioned in brackets.

NOTE 37 EMPLOYEE BENEFITS

a) Defined contribution plan

Contribution to provident and other funds under 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:

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Contribution to provident fund	14.10	15.98
Contribution to superannuation fund	12.03	9.99
	26.13	**25.97**

b) Defined benefit plan

Provident Fund

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

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Contribution to provident fund	5.48	4.27
	5.48	**4.27**

DIAL contributed ₹ 5.48 crore (March 31, 2012: ₹ 4.27 crore) towards provident fund during the year ended March 31, 2013.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

The Guidance on implementing of AS-15 'Employee benefits (Revised 2005)' issued by Accounting Standard Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. Based on the actuarial valuation and on the assumptions provided below there is a shortfall of ₹ 0.97 crore (March 31, 2012: ₹ 0.66 crore) which has been provided in the financial statements and is included in other current liabilities (note 9).

The details of the fund and plan asset position are as follows:

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Plan assets at the year end, at fair value	56.45	48.86
Present value of benefit obligation at year end	55.48	49.52
Net (liability) recognized in the balance sheet	(0.97)	(0.66)

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

Particulars	March 31, 2013	March 31, 2012
Discount Rate	8.10%	8.50%
Fund Rate	8.60%	8.60%
EPFO Rate	8.60%	8.60%
Withdrawal Rate	5.00%	5.00%
Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate

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 expense 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

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Current service cost	6.02	4.42
Interest cost on benefit obligation	1.73	1.08
Expected return on plan assets	(2.15)	(1.43)
Net actuarial (gain) / loss recognised	0.92	2.26
Net benefit expense	6.52	6.33

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Actual return on plan assets	2.24	1.81

Balance Sheet

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Defined benefit obligation	28.30	21.08
Fair value of plan assets	27.01	16.36
Plan asset / (liability)	(1.29)	(4.72)

Changes in the present value of the defined benefit obligation

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Opening defined benefit obligation	21.08	13.48
Interest cost	1.73	1.08
Current service cost	6.02	4.42
Benefits paid	(1.54)	(0.54)
Actuarial (gains) / losses on obligation	1.01	2.64
Closing defined benefit obligation	28.30	21.08

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Changes in the fair value of plan assets are as follows

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Opening fair value of plan assets	16.36	12.91
Expected return on plan assets	2.15	1.43
Contributions by employer	9.95	2.18
Benefits paid	(1.54)	(0.54)
Actuarial gains / (losses) on plan assets	0.09	0.38
Closing fair value of plan assets	27.01	16.36

The Group expects to contribute ₹ 9.04 crore (March 31, 2012: ₹ 3.21 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, 2013	March 31, 2012
	%	%
Investments with insurer managed funds	100	100

The principal assumptions used in determining gratuity obligation:

Particulars	March 31, 2013 %	March 31, 2012 %
Discount rate	8.10	8.50
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 3 below	Refer note 3 below

Notes :

1. 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.
2. 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.
3. As per Indian Assured Lives Mortality (2006-08) (modified) Ult. (2012- LIC (94-96) Ultimate Mortality Table.)

Amounts for the current and previous four years are as follows:

Particulars	Gratuity				
	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)	March 31, 2011 (₹ in crore)	March 31, 2010 (₹ in crore)	March 31, 2009 (₹ in crore)
Defined benefit obligation	28.30	21.08	13.48	8.48	4.25
Plan assets	27.01	16.36	12.91	8.38	5.58
Surplus / (deficit)	(1.29)	(4.72)	(0.57)	(0.10)	1.33
Experience adjustments on plan liabilities	1.01	2.64	(0.37)	(0.46)	(0.51)
Experience adjustments on plan assets	0.09	0.38	0.09	0.07	0.02

Other defined post employment benefit:

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

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

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Current service cost	2.53	-
Interest cost on benefit obligation	0.45	-
Net actuarial (gain) / loss recognised	(1.22)	-
Net benefit expense	1.76	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Opening defined benefit obligation	5.44	-
Interest cost	0.45	-
Current service cost	2.53	-
Benefits paid	(0.02)	-
Acquisitions during the year	-	5.44
Actuarial (gains) / losses on obligation	(1.22)	-
Closing defined benefit obligation	7.18	5.44

NOTE 38 LEASES:

a. Finance lease

The Group has entered into finance lease arrangements 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 payment	Present value of minimum lease	Minimum lease payment	Present value of minimum lease
	As at March 31, 2013		As at March 31, 2012	
(i) Payable not later than 1 year	0.89	0.77	0.88	0.79
(ii) Payable later than 1 year and not later than 5 years	0.76	0.60	0.95	0.76
(iii) Payable later than 5 years	-	-	-	-
Total – (i)+(ii)+(iii) = (iv)	1.65	1.37	1.83	1.55
Less: Future finance charges (v)	0.28	-	0.28	-
Present value of minimum lease payments [(iv) – (v)]	1.37	-	1.55	-

Lease payment made during the year ₹ 0.88 crore (March 31, 2012: ₹ 1.03 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 charged during the year (included in note 32(a), note 32(b) and note 25) and the maximum obligation on the long term non-cancellable operating lease payable as per the agreements are as follows:

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Payment		
Lease rentals under cancellable leases and non-cancellable leases	141.52	118.66
Receipt		
Lease rentals under cancellable leases	2.94	0.89
Obligations on non-cancellable leases:		
Not later than one year	13.47	26.50
Later than one year and not later than five years	41.27	111.32
Later than five years	32.23	99.14

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 39 DEFERRED TAX

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

Sl.No.	Particulars	March 31, 2013		March 31, 2012	
		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	-	1,046.13	-	811.71
2	Carry forward losses	115.12	-	85.51	-
3	Carry forward depreciation	789.41	-	580.11	-
4	Intangibles (Airport concession rights)	80.68	-	84.32	-
5	Others	5.53	-	24.11	-
	Sub - total (A)	**990.74**	**1,046.13**	**774.05**	**811.71**
	Deferred tax liability (net)		55.39		37.66
	Deferred tax asset:				
1	Depreciation	-	211.92	-	334.43
2	Carry forward losses	3.50	-	20.06	-
3	Carry forward depreciation	231.85	-	442.01	-
4	Others	34.68	-	8.25	-
	Sub - total (B)	**270.03**	**211.92**	**470.32**	**334.43**
	Deferred tax asset (net)	58.11		135.89	
	Total (A+B)	**1,260.77**	**1,258.05**	**1,244.37**	**1,146.14**
	Deferred tax asset / (Deferred tax liability) (net)	2.72		98.23	
	Change for the year		95.51		53.19
	Foreign currency translation reserve		(0.22)		0.03
	Deferred tax asset/(liability) on account of acquisition during the year		-		1.84
	Charge/(credit) during the year		95.29		55.06

i. In case of GPCL, GTAEPL and GTTEPL, 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. GHIAL is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations in 2007-08, under Section 80-IA of the IT Act with regard to income from airport operations. Considering that GHIAL had brought forward losses of ₹ Nil (March 31, 2012: ₹ 57.60 crore), unabsorbed depreciation of ₹ 674.35 crore (March 31, 2012: ₹ 740.31 crore), and other items of ₹ 16.12 crore (March 31, 2012: ₹ 14.77 crore) as at March 31, 2013 under IT Act, the management of the Group, based on the projected future taxable income, expects to avail such tax holiday from the assessment year 2018-19.

GHIAL has continued recognition of deferred tax asset (net) amounting to ₹ 30.60 crore (March 31, 2012: ₹ 83.80 crore) on carry forward business loss, unabsorbed depreciation and other items available for set-off from future taxable income before commencement of the expected tax holiday period. The management of the Group, based on an internal assessment and legal opinion, believes that there is virtual certainty, with convincing evidence, of availability of such future taxable income as it is entitled to levy regulated charges at the airport as per the Concession agreement read along with Order Nos. 13 and 14/2010-11 and Direction 5/2010-11 of AERA which ensure a reasonable rate of return to the airport operator, considering the fair rate of return on regulatory assets base, operations and maintenance expenses, depreciation and taxes.

Based on an independent expert's opinion, the aforementioned net deferred tax asset has been recognised in respect of all the timing differences which have originated up to March 31, 2013 and are expected to reverse either before commencement of the expected tax holiday period or after the expiry of such tax holiday period.

iii. In case of PT BSL, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability.

iv. During the year ended March 31, 2010, based on an expert opinion, GVPGL had recognised deferred tax asset amounting to ₹ 147.00 crore on carry forward business loss and unabsorbed depreciation available for set-off from future taxable income before commencement of the expected tax holiday period. The management believed that there was virtual certainty, with convincing evidence, of availability of such future taxable income in view of the power pricing mechanism in the PPA entered into with the APDISCOMs for supply of 370 MW out of the total capacity of 387 MW, as amended, for a period of 23 years set to expire in 2029 and the agreement entered into by the Group with Reliance Industries Limited, Niko (Neco) Limited and BP Exploration (Alpha) Limited for the supply of natural gas for a period till March 31, 2014 pursuant to allocation of natural gas from KG D-6 being made available to the

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Group under firm allocation basis by the MoPNG, GoI, vide their letter dated November 18, 2009.

The management had recognized deferred tax / liability in respect of all the timing differences which had originated up to March 31, 2012 and were expected to reverse either before the commencement of the expected tax holiday period or after the expiry of such tax holiday period.

During the year ended March 31, 2013, the natural gas supplies from KG D-6 basin have dropped significantly. In the absence of virtual certainty supported by convincing evidence of future taxable profits to the Group, for set off of unabsorbed depreciation and carry forward losses, the management has written down the carrying amount of deferred tax asset in the financial statements of the Group for the year ended March 31, 2013.

NOTE 40 PROVISIONS

Particulars	As at April 1, 2012 (₹ in crore)	Provision made during the year (₹ in crore)	Amount written back during the year (₹ in crore)	Amount used during the year (₹ in crore)	As at March 31, 2013 (₹ in crore)
Provision for operations and maintenance	44.79	39.51	3.29	-	81.01
	(24.95)	(24.62)	(4.08)	(0.70)	(44.79)
Provision for voluntary retirement compensation	127.93	-	-	19.37	108.56
	(138.21)	(37.94)	(-)	(48.22)	(127.93)

Note: Previous year figures are mentioned in brackets.

DIAL has provided ₹ 288.82 crore (March 31, 2012: ₹ 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.

NOTE 41 INFORMATION ON JOINT VENTURES AS PER ACCOUNTING STANDARD - 27

Name of the joint venture	Country of incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2013	March 31, 2012
ISG	Turkey	40.00%	40.00%
SGH	Turkey	29.00%	29.00%
CJV	Turkey	50.00%	50.00%
LGM	Turkey	40.00%	40.00%
RCMEPL	India	17.03%	17.03%
TVS GMR	India	29.99%	29.99%
MGATL	India	30.60%	30.60%
MGAECL	India	30.60%	30.60%
TFS	India	21.13%	21.13%
DAFF	India	13.73%	13.73%
TIM	India	26.36%	26.36%
DASPL	India	26.41%	26.41%
DFSPL	India	21.13%	21.13%
DSSHPL	India	21.13%	21.13%
DDFS	India	26.36%	26.36%
WAISL	India	13.73%	13.73%
CDCTM	India	13.73%	13.73%
DCSCPL	India	13.73%	13.73%
DAPSL	India	26.36%	26.36%
NML	South Africa	27.34%	27.34%
TMR	South Africa	27.34%	27.34%
Laqshya	India	29.99%	29.99%
APFT*	India	24.51%	-
PTGEMS	Indonesia	29.40%	29.40%
RCI	Indonesia	29.11%	29.11%
BIB	Indonesia	28.84%	28.84%
KIM	Indonesia	29.40%	29.40%
KCP	Indonesia	29.40%	29.40%

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Name of the joint venture	Country of incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2013	March 31, 2012
BBU	Indonesia	29.40%	29.40%
BHBA	Indonesia	29.40%	29.40%
BNP	Indonesia	29.40%	29.40%
TBBU	Indonesia	29.34%	29.34%
TKS	Indonesia	20.58%	20.58%
MAL**	Indonesia	-	29.40%
NIP**	Indonesia	-	29.40%
GEMSCR***	Indonesia	29.40%	-

* APFT was a subsidiary as at March 31, 2012 and has become a jointly controlled entity pursuant to infusion of capital by the minority shareholders during the year ended March 31, 2013.

** Disposed during the year

** *Incorporated during the year.

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 joint ventures) related to its interests in the joint ventures, as included in these consolidated financial statements of the Group are as follows:

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Non-current assets		
Fixed assets	1,557.08	1,468.72
Capital work-in-progress and Intangible assets under development	99.66	78.53
Non-current investments	0.04	-
Deferred tax asset (net)	6.48	3.56
Long term loans and advances	109.45	33.59
Trade receivables	-	0.97
Other non-current assets	56.54	3.61
Current assets		
Current investments	-	1.86
Inventories	67.42	70.46
Trade receivables	175.35	111.20
Cash, cash equivalents and other bank balances	208.57	491.07
Short term loans and advances	282.60	284.26
Other current assets	6.76	2.28
Non-current liabilities		
Long term borrowings	1,411.88	1,428.62
Trade payables	46.70	-
Deferred tax liabilities (net)	7.91	5.54
Other long term liabilities	111.89	130.95
Long term provisions	17.50	4.24
Current liabilities		
Short term borrowings	38.78	120.74
Trade payables	121.10	166.69
Other current liabilities	310.68	129.42
Short term provisions	26.40	25.51
Income		
Sales and operating income	1,824.14	1,105.74
Other income	39.01	14.18
Expenses		
Sub-contracting expenses	531.35	42.41
Raw materials consumed	7.10	16.24
Purchase of traded goods	523.93	504.05
(Increase) or Decrease in stock in trade	9.44	(3.58)

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Employee benefit expenses	120.92	93.72
Other expenses	337.09	204.86
Utilization fee	130.87	98.71
Finance cost	180.65	154.53
Depreciation and amortisation expenses	121.33	92.80
Tax expenses	27.84	15.04
Other matters		
Capital commitments	28.27	23.01
Contingent liabilities	31.35	-
Reserves as at April 1,	(105.86)	(7.00)
Add: Group's share of (loss) /profit for the year	(127.37)	(98.86)
Reserves as at March 31,	(233.23)	(105.86)

NOTE 42 SEGMENT REPORTING

i. The segment reporting of the Group has been prepared in accordance with AS 17 on Segment Reporting notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).

ii. For the purpose of reporting, business segments are primary segments and the geographical segment is a secondary segment.

iii. 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

iv. Geographical segment is categorised as 'India' and 'Outside India' and is based on the domicile of the customers.

v. Various business segments comprise of the following companies:

Power Segment	
GEL	CPL
GPCL	FCH
GVPGL	WIL
GBHPL	FCK
BHPL	MMPL
GMEL	GMAEL
GKEL	GBEPL
HHPPL	GUPEPL
GEML	GHOEL
GLEL	GGSPPL
GUKPL	KTCPL
GETL	MTCPL
GCSPL	GINELL
GCEPL	GINPCL
GBHHPL	GREEL
GLHPPL	ATSCL
GKEPL	MTSCL
RCMEPL	GEPML
GCHEPL	GESPL
GECL	GSSPL
GENBV	GISPL
PTDSU	GPIL

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

Others Segment	
GHRL	GEGL
WAISL	LGM

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Power Segment	
PTDSI	EDWPCPL
PTBSL	GCRPL
GREL	PTGEMS
SJK	RCI
PT	BIB
EMCO	KIM
HEGL	KCP
HEC	BBU
HMES	BHBA
HESW	BNP
HMEB	TBBU
HCM	TKS
NML	MAL
TMR	NIP
GEMSCR	

Roads Segment	
GTTEPL	GMRHL
GTAEPL	GHVEPL
GACEPL	GCORRPL
GJEPL	GOSEHHHPL
GPEPL	GHPPL
GUEPL	GKUAEL

Others Segment	
GAPL	GIOL
GKSEZ	GIL - Others Segment
APPL	PUPPL
AKPPL	SPPL
AMPPL	SRPPL
BPPL	GSPHPL
BOPPL	GCAPL
CPPL	DSPL
DPPL	KSPL
EPPL	PRPPL
GPL	RPPL
LPPPL	GBPSPL
HPPL	GIML
IPPL	GICL
KPPL	GIOSL
LAPPL	GIUL
NPPL	LPPL
PAPPL	GIGL
PPPL	AREPL

EPC Segment	
GADL	CJV
GADLIL	GIL - EPC Segment
GADLML	

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

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	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue																		
Revenue from customers	2,322.08	2,233.55	453.14	346.85	5,122.06	3,131.84	655.16	970.89	175.14	187.30	1,144.29	1,449.68	-	-	-	-	9,871.87	8,320.11
Other operating revenue	4.37	-	-	-	-	-	-	-	98.62	152.92	-	-	-	-	-	-	102.99	152.92
Inter segment revenue	-	-	-	-	22.84	24.09	798.56	263.67	267.58	236.80	-	-	(1,088.98)	(524.56)	-	-	-	-
Total revenue (a)	**2,326.45**	**2,233.55**	**453.14**	**346.85**	**5,144.90**	**3,155.93**	**1,453.72**	**1,234.56**	**541.34**	**577.02**	**1,144.29**	**1,449.68**	**(1,088.98)**	**(524.56)**	**-**	**-**	**9,974.86**	**8,473.03**
Other income (excluding interest income) (b)	5.67	48.94	3.95	4.80	70.96	34.10	6.90	1.43	44.90	23.85	14.09	14.79	(12.87)	(2.92)	-	-	133.60	124.99
Expenditure																		
Revenue share paid/ payable to concessionaire grantors	-	-	21.11	-	1,562.63	728.99	-	-	-	-	85.81	102.08	(0.07)	(0.10)	-	-	1,669.48	830.97
Consumption of fuel	1,020.40	1,434.45	-	-	-	-	-	-	14.06	16.13	-	-	(2.61)	(4.13)	-	-	1,031.85	1,446.45
Cost of materials consumed	-	-	-	-	7.71	9.02	289.25	334.62	10.82	11.37	-	-	(105.88)	(55.98)	-	-	201.90	299.03
Purchase of traded goods and increase/ decrease in stock in trade	235.36	92.98	-	-	548.49	512.70	-	-	-	-	467.65	694.34	-	-	-	-	1,251.50	1,300.02
Sub -contracting expenses	566.02	112.70	51.29	23.20	-	-	753.59	640.61	-	-	100.64	104.42	(508.39)	(158.29)	-	-	963.15	722.64
Employee benefits expenses	61.45	42.32	14.66	8.57	292.97	331.63	103.31	90.07	81.39	110.88	110.24	136.04	(52.09)	(31.68)	-	-	611.93	687.83
Other expenses	302.50	264.24	34.44	20.08	948.28	826.99	141.12	143.69	150.10	112.13	281.40	277.59	(220.83)	(216.86)	-	-	1,637.01	1,427.86
Utilisation fees	-	-	-	-	130.87	98.71	-	-	-	-	-	-	-	-	-	-	130.87	98.71
Depreciation/amortisation	178.59	136.92	130.33	77.10	647.14	643.22	8.65	6.91	40.87	40.76	40.50	37.36	(6.30)	(6.46)	-	-	1,039.78	935.81
Total expenditure (c)	**2,364.32**	**2,083.61**	**251.83**	**128.95**	**4,138.09**	**3,151.26**	**1,295.92**	**1,215.90**	**297.24**	**291.27**	**1,086.24**	**1,351.83**	**(896.17)**	**(473.50)**	**-**	**-**	**8,537.47**	**7,749.32**
Segment results (a)+(b)-(c)	**(32.20)**	**198.88**	**205.26**	**222.70**	**1,077.77**	**38.77**	**164.70**	**20.09**	**289.00**	**309.60**	**72.14**	**112.64**	**(205.68)**	**(53.98)**	**-**	**-**	**1,570.99**	**848.70**
Unallocated income/(expense)																		
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,099.00)	(1,653.13)	(2,099.00)	(1,653.13)
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	143.59	118.43	143.59	118.43
Interest expenses(net)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,955.41)**	**(1,534.70)**	**(1,955.41)**	**(1,534.70)**
Exceptional items					-						-	-		-	-	-		
a. Profit on sale of a subsidiary [refer note 30(c)]	-	-	-	-	-	-	-	-	-	-	(1,231.25)	-	-	-	-	-	(1,231.25)	-
b. Loss on impairment of assets in a subsidiary [refer note 30(b)]	-	-	-	-	-	-	-	-	-	-	251.37	-	-	-	-	-	251.37	-
c. Assets write off in a subsidiary [refer note 30(a)]	-	-	-	-	-	-	-	-	-	-	202.61	-	-	-	-	-	202.61	-
d. Interest on loans against development fee receipts [refer note 35(vii)(a)(ii)(b)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162.12	-	162.12
Segment result/profit/(loss) before tax expenses and minority interest	(32.20)	198.88	205.26	222.70	1,077.77	38.77	164.70	20.09	289.00	309.60	849.41	112.64	(205.68)	(53.98)	(1,955.41)	(1,696.82)	392.85	(848.12)
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	257.44	210.72	257.44	210.72
Segment result/profit/(loss) for the year before minority interest	**(32.20)**	**198.88**	**205.26**	**222.70**	**1,077.77**	**38.77**	**164.70**	**20.09**	**289.00**	**309.60**	**849.41**	**112.64**	**(205.68)**	**(53.98)**	**(2,212.85)**	**(1,907.54)**	**135.41**	**(1,058.84)**
Other information																		
Segment assets	32,427.03	23,521.48	7,917.59	6,432.07	17,667.22	17,695.36	933.30	1,223.11	13,567.55	10,710.69	1,994.80	4,163.24	(11,520.04)	(8,275.74)	-	-	62,987.45	55,470.21
Unallocated segment assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	829.54	758.00	829.54	758.00
Total Assets	**32,427.03**	**23,521.48**	**7,917.59**	**6,432.07**	**17,667.22**	**17,695.36**	**933.30**	**1,223.11**	**13,567.55**	**10,710.69**	**1,994.80**	**4,163.24**	**(11,520.04)**	**(8,275.74)**	**829.54**	**758.00**	**63,816.99**	**56,228.21**
Segment liabilities	7,969.83	5,458.45	1,520.18	1,064.03	2,884.24	2,548.99	780.65	967.55	1,508.25	412.00	159.91	302.25	(6,596.25)	(3,801.08)	-	-	8,226.81	6,952.19
Unallocated segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,620.90	37,966.39	44,620.90	37,966.39
Total Liabilities	**7,969.83**	**5,458.45**	**1,520.18**	**1,064.03**	**2,884.24**	**2,548.99**	**780.65**	**967.55**	**1,508.25**	**412.00**	**159.91**	**302.25**	**(6,596.25)**	**(3,801.08)**	**44,620.90**	**37,966.39**	**52,847.71**	**44,918.58**
Capital expenditure	6,649.50	10,174.73	1,740.77	1,809.13	453.15	(664.32)	8.85	27.19	158.99	75.15	2,183.78	2,075.96	-	-	-	-	11,195.04	13,497.84
Depreciation/amortisation	178.59	136.92	130.33	77.10	647.14	643.20	8.65	6.91	40.87	40.76	40.50	37.36	(6.30)	(6.44)	-	-	1,039.78	935.81
Other non cash expenses	130.05	20.68	1.49	-	48.56	22.35	-	-	6.21	6.68	515.07	16.42	-	-	-	-	701.38	66.13

The Group has two geographical segments: India and outside India

Geographical segments

(₹ incrore)

Particulars	Revenue		Assets		Capital expenditure	
	2013	2012	2013	2012	2013	2012
Continuing Operations:						
India	7,245.67	6,240.29	52,728.71	45,981.70	8,748.53	9,199.93
Outside India	1,584.90	783.06	9,078.58	6,022.32	237.63	2,221.67
Discontinuing Operations:						
India	67.60	64.41	510.06	496.71	25.10	0.28
Outside India	1,076.69	1,385.27	1,499.64	3,727.48	2,183.78	2,075.96
Total	**9,974.86**	**8,473.03**	**63,816.99**	**56,228.21**	**11,195.04**	**13,497.84**

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		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Total revenue	103.04	141.44	64.23	58.79	977.02	1,249.45	1,144.29	1,449.68
Other income (excluding interest income)	7.88	7.28	1.92	1.06	4.29	6.45	14.09	14.79
Total expenditure	218.23	251.51	27.28	15.55	840.73	1,084.77	1,086.24	1,351.83
Segment results	(107.31)	(102.79)	38.87	44.30	140.58	171.13	72.14	112.64
Segment assets	190.08	2,453.77	510.06	496.71	1,294.66	1,212.76	1,994.80	4,163.24
Segment liabilities	43.46	62.05	23.43	1.55	93.02	238.65	159.91	302.25

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 43 DISCLOSURE IN TERMS OF ACCOUNTING STANDARDS 7 - CONSTRUCTION CONTRACTS

Sl. No.	Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
1	Contract revenue recognised during the year	655.16	970.89
2	Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	1,993.40	1,347.17
3	Amount of customer advances outstanding for contracts in progress	265.27	167.63
4	Retention money due from customers for contracts in progress	131.71	79.54
5	Gross amount due from customers for contract works as an asset	132.19	87.55
6	Gross amount due to customers for contract works as a liability	1.67	144.96

NOTE 44 ACQUISITIONS AND DISPOSALS DURING THE YEAR

a. The Group has the acquired following subsidiaries / joint venture during the year ended March 31, 2013:

o LPPL	o AREPL

b. The Group had acquired following subsidiaries / joint ventures during the year ended March 31, 2012:

o GAGL	o KCP
o Laqshya	o BBU
o PTGEMS	o BHBA
o GIOL	o BNP
o PRPPL	o TBBU
o RCI	o TKS
o BIB	o MAL
o KIM	o NIP
o RPPL	

c. The effect of the acquisition of subsidiaries / joint ventures on the financial position for the respective years at the reporting date and the results for the reporting period.

Particulars	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Reserves and surplus	(0.01)	4.13
Long term borrowings	-	14.68
Short term borrowings	-	3.54
Other long term liabilities	-	1.23
Long term provisions	-	18.95
Short term provisions	-	0.00
Trade payables	0.01	24.90
Other current liabilities	0.32	18.17
Goodwill on consolidation	-	2,142.15
Tangible assets	6.88	42.72
Intangible assets	-	48.97
Capital work-in-progress	0.69	51.33
Non-current investments	-	0.22
Deferred tax asset (net)	-	2.34
Long term loans and advances	3.33	17.57
Inventories	-	16.58
Trade receivables - current	-	45.11
Cash and cash equivalents	5.03	339.73
Short term loans and advances	0.19	6.39
Other current assets	0.11	44.73
Sales and operating income	-	69.67
Other income	-	4.12
Other expenses	0.01	60.56
Employee benefit expenses	-	5.39
Finance cost	-	2.37
Depreciation of tangible assets	-	1.36
Profit / (loss) before tax	(0.01)	4.11
Provision for taxation	-	(0.02)
Profit / (loss) after tax	(0.01)	4.13

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

d. The Group has sold its entire equity shareholding of GESPL and its subsidiary GECPL during the year ended March 31, 2013. The financial position as at the date of sale of GESPL and its subsidiary GECPL and the results for the reporting period from April 1, 2012 to March 28, 2013 were as follows:

Particulars	March 31, 2013 (₹ in crore)
Long term borrowings	3,675.46
Other current liabilities	76.76
Minority interest	173.78
Total	**3,926.00**
Capital work-in-progress	3,865.55
Goodwill on consolidation	44.62
Unamortised Finance charges	182.15
Inventories	23.57
Cash and cash equivalents	201.51
Other current assets	41.79
Total	**4,359.19**
Sales and operating income	-
Other income	7.73
Other expenses	0.50
Profit/(loss) before tax	7.23
Provision for taxation	1.08
Profit/(loss) after tax	6.15

NOTE 45 EMPLOYEE STOCK OPTIONS:

HEGL, an overseas subsidiary of the Group has provided various share-based payment schemes to its employees as well as non-employees. During the period ended December 31, 2012, the following Stock option scheme was in operation:

Particulars	Scheme 1	Scheme 2
Date of grant	February 10, 2009	December 16, 2009
Number of options granted	3,500,000	5,545,000
Method of Settlement (Equity/Cash)	Equity	Equity
Vesting Period	5 Years	5 Years
Exercise Period	5 Years	5 Years
Vesting Conditions	Terminates after 90 days from cessation of employment	Terminates after 90 days from cessation of employment

The details of activity under stock options have been summarised below:

Particulars	December 31, 2012		December 31, 2011	
	Number of options	Weighted average exercise price (CAD)	Number of options	Weighted average exercise price (CAD)
Outstanding at the beginning of the period	3,600,000	0.13	4,250,000	0.13
Forfeited during the period	-	-	650,000	0.13
Outstanding at the end of the period	3,600,000	0.13	3,600,000	0.13
Exercisable at the end of the period	3,600,000	0.13	3,600,000	0.13

Weighted average fair value of options granted on the date of grant is CAD 0.06.

The details of exercise price for stock options outstanding at the end of the period ended December 31, 2012

Exercise price per share	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (CAD)
0.20	640,000	1 year and 2 months	0.12
(0.20)	(640,000)	(2 years and 2 months)	(0.12)
0.12	2,960,000	1 year and 11 months	0.05
(0.12)	(2,960,000)	(2 years and 11 months)	(0.05)

Previous year numbers are in bracket.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Stock options granted

The weighted average fair value of stock options granted during the period was CAD Nil (December 31, 2011: CAD Nil). The BlackScholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	December 31, 2012	December 31, 2011
Weighted average share price (in CAD)	0.07	0.07
Exercise price (in CAD)	0.13	0.13
Expected volatility (%)	133%	133%
Expected life	1	2
Average risk-free interest rate (%)	0.97%	0.97%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the HEGL life; HEGL expects the volatility of its share price to reduce as it matures. To allow for the effects of early exercise, it was assumed that the employees will exercise the options one and half year after the vesting date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 46 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 / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures	AAI
		African Spirit Trading 307 (Propriatary) Limited
		Arcelormittal India Limited (AIL)
		Asia Pacific Flight Training Sdn Bhd (APFTSB)
		Bharat Petroleum Corporation Limited (BPCL)
		Brindaban Man Pradhang
		BWWFSIPL
		CAPL
		Cargo Service Center India Private Limited (CSCIPL)
		CELEBI GHDPL
		CHSAS
		Classic Number Trading 87 (Pty) Limited (CNTL)
		DIL
		FAG
		GoAP
		Greenwich Investments Limited (GRIL)
		Homeland Energy Management Limited
		IDFS Trading Private Limited (IDFSTPL)
		IEISL
		IL & FS Financials Services limited (IL&FS)
		IL & FS Renewable Energy Limited (ILFS Renw)
		IL&FS Urban Infrastructure Services Limited (IUISL)
		India Development Fund (IDF)
		India Infrastructure Fund (IIF)
		Indian Oil Corporation Limited (IOCL)
		Infrastructure Development Finance Company Limited (IDFC)
		Kakinada Infrastructure Holdings Private Limited (KIHPL)
		Kakinada Refinery& Petrochemicals Private Limited (KRPPL)
		Lanco Group Limited (LGL)
		LGM Guvenik (LGMG)
		Limak Insaat San.Ve Tic. A.S. (LISVT)
		Limak Yatrim (LY)
		LMPL
		M/S G.S.Atwal & Co.
		MAHB
		Malaysia Airports (Mauritius) Private Limited (MAMPL)
		Malaysian Aerospace Engineering Sdn. Bhd. (MAE)
		Malaysian Airline System Bhd. (MAS)
		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)
		NAPC Limited (NAPC)
		Navabharat Power Private Limited (NBPPL)
		Nepal Electricity Authority (NEA)
		Odean Limited (OL)
		Oriental Tollways Private Limited (OTPL)
		OSEPL

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

Sl. No.	Relationship	Name of the parties
		Petronas International Corporation Limited (PICL)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		Reliance Infrstructure Limited (RIL)
		Riverside Park Trading 164 (Pty) Limited (RPTL)
		Rushil Construction (India) Private Limited (RCIPL)
		Somerset India Fund (SIF)
		SSP Catering India Private Limited (SSPCIPL)
		Sterlite Energy Limited (SEL)
		Tenega Parking Services (India) Private Limited (TPSIPL)
		Times Innovative Media Limited (TIML)
		Tottenham Finance Limited (TFL)
		Track India Private Limited (TIPL)
		Travel Foods Services (Delhi) Private Limited (TFSDPL)
		TVS Communications Solutions Limited (TVSCSL)
		TVS Logistics Services Limited (TVSLSL)
		UEDIPL
		Veda Infra-Holdings (India) Private Limited (VIHIPL)
		Wipro Limited (WL)
		Yalorvin Limited (YL)
(iii)	Enterprises where key management personnel and their relatives exercise significant influence (where transactions have taken place)	CISL
		GFFT
		GMR Enterprises Private Limited (GEPL)
		GMR Infra Ventures LLP (GIVLLP)
		GMR Varalakshmi Foundation (GVF)
		GREPL
		GWT
		Rajam Enterprises Private Limited (REPL)
(iv)	Fellow subsidiary companies (where transactions have taken place)	GBPPL
		CIL
		Delhi Golf Link Properties Private Limited (DGLPPL)
		GHML
		GHTPL
		GMR Holdings (Overseas) Limited (GHOL)
		GMR Infrastructure Malta Limited (GIMTL)
		GMR International FZE (GIFZE)
		GPPL
		GSPL
		RSSL
(v)	Key management personnel and their relatives	Mr. G.M.Rao (Chairman)
		Mrs. G.Varalakshmi
		Mr. G.B.S.Raju (Director)
		Mr. Kiran Kumar Grandhi (Director)
		Mr. Srinivas Bommidala (Director) (Resigned as Managing Director w.e.f. October 1, 2011)
		Mr. B.V.Nageswara Rao (Managing Director) (Managing Director w.e.f. October 1, 2011)
		Mr. O Bangaru Raju (Director)

Notes:

a) The Company has provided securities by way of pledge of investments for loans taken by certain companies.

b) 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.

c) 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

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows:

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
Purchase of investments		
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GEPL	0.03	-
Sale of investments in equity shares		
- **Enterprises where key management personnel and their relatives exercise significant influence**		
REPL	0.39	-
Allotment of equity shares		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
BWWFSIPL	-	2.08
CAPL	-	2.08
CELBI GHDPL	-	2.08
DIL	1.27	-
GRIL	0.60	-
ILFS Renw	-	30.48
LMPL	-	4.99
MAE	20.85	8.95
TIML	-	4.99
TPSIPL	0.15	-
Redemption of investments in preference shares		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
RCIPL	46.73	-
Refund of share application money received		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
TIML	0.80	0.57
Share application money received		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
TVSLSL	-	0.50
TPSIPL	0.15	-
DIL	-	1.27
MAE	0.01	8.95
Loans/ advances repaid by		
- **Fellow Subsidiary companies**		
GHML	26.91	26.12
GPPL	1.25	-
- **Enterprises where key management personnel and their relatives exercise significant influence**		
REPL	14.00	-
Loans/ advances given to		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
IEISL	-	29.93
GPPL	1.25	-
AAI	-	1.33
- **Enterprises where key management personnel and their relatives exercise significant influence**		
REPL	14.00	-
GVF	15.62	12.89

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
- **Fellow Subsidiary companies**		
RSSL	0.10	-
GHML	153.98	26.12
Loans taken from		
- **Holding company**		
GHPL	12.77	
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
IL&FS	24.44	64.55
DIL	-	0.56
CHSAS	5.66	-
ILFS Renw	19.50	-
CSCIPL	5.10	-
- **Fellow Subsidiary companies**		
GPPL	92.80	95.00
Loans repaid		
- **Holding company**		
GHPL	7.37	-
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
MAIPL	0.10	0.10
- **Fellow Subsidiary companies**		
GPPL	187.80	-
Investment in cumulative convertible debentures (CCDs)		
- **Fellow Subsidiary companies**		
GHML	-	0.22
Redemption of Investments in CCDs		
- **Fellow Subsidiary companies**		
GHML	99.12	875.52
Purchase of fixed assets		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
BPCL	-	0.42
DIL	0.46	-
APFTSB	0.15	-
WL	1.71	1.64
- **Fellow Subsidiary companies**		
RSSL	0.23	0.06
GPPL	-	4.19
Repayment of Subordinate Debt		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
UEDIPL	26.00	-
Deposits given		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
APFTSB	0.59	-
- **Fellow Subsidiary companies**		
RSSL (₹ 5,000 (March 31, 2012: ₹ 4.95 crore))	0.00	4.95
GHTPL	-	-
GPPL	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	0.98	28.57
Deposit refund received		
- Fellow Subsidiary companies		
DGLPPL	-	1.00
GBPPL	-	19.59
- Key management personnel		
Mr. B.V. Nageswara Rao	-	0.01
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. Kiran Kumar Grandhi	0.01	-
Mr. Srinivas Bommidala (₹ 45,166, March 31, 2012: ₹ Nil)	0.00	-
Equity dividend declared by subsidiaries / jointly controlled entities		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities		
IDFSTPL	1.09	-
YL	2.11	-
MACHL	5.75	2.50
Preference dividend declared by subsidiaries		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities		
MACHL	2.15	2.15
Revenue		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities		
LGMG	0.11	0.43
MAHB	0.65	-
LMPL	0.96	0.66
TIML	0.36	0.43
Income from management and other services		
- Fellow Subsidiary companies		
GSPL	0.03	0.49
Income from Operations		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities		
AAI	2.70	2.70
Fees received for services rendered		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	-	0.11
GFFT	-	0.08
LISVT	2.41	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
CELEBI GHDPL	2.95	-
BWWFSIPL	2.94	-
GMRIT [Amounting to ₹ 45,000 (March 31, 2012 : ₹ Nil)]	0.00	-
TVSLSL	0.02	-
CAPL	7.16	5.24
- **Fellow Subsidiary companies**		
GSPL	-	0.21
Fee paid for services received		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
WL	9.71	8.06
TVSCSL	3.87	5.01
TVSLSL	0.09	0.30
AAI	0.10	0.28
CELBI GHDPL	0.19	0.82
BWWFSIPL	-	2.27
APFTSB	0.02	
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GFFT	0.17	-
GEPL	-	0.01
Interest income		
- **Enterprises where key management personnel and their relatives exercise significant influence**		
REPL	0.02	-
- **Fellow Subsidiary companies**		
GHML	1.15	0.10
CIL	0.85	-
GPPL	0.60	0.60
Airport operator fees		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
FAG	45.92	38.29
Intangible assets under development - Reversal of success fees		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
MAHB	-	13.45
Provision for doubtful loans and advances		
- **Fellow Subsidiary companies**		
CIL	49.32	-
Loans and advances / receviables write off		
- **Fellow Subsidiary companies**		
GHOL	0.55	-
GIMTL	0.01	-
Sub-contracting expenses		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
UEDIPL	1.95	14.95
Advance paid towards sub-contracting expenses		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
UEDIPL	-	1.91
Revenue share paid/payable to concessionaire grantors		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	1,533.16	704.08
Rent Paid		
- **Fellow Subsidiary companies**		
GBPPL	-	12.51
DGLPPL	-	0.22
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GVF	0.01	-
GFFT	19.97	5.77
Managerial remuneration to		
- **Key management personnel and their relatives**		
Mr. G.M. Rao	4.33	7.53
Mr. G.B.S.Raju	4.91	-
Mr. Srinivas Bommidala	3.48	4.17
Mr. B.V. Nageswara Rao	2.20	2.31
Mr. Kiran Kumar Grandhi	1.56	3.15
Mr. O Bangaru Raju	2.20	0.83
Logo fee paid/payable to		
- **Fellow Subsidiary companies**		
GHPL	14.76	14.63
Technical and consultancy fee		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	0.42	0.04
FAG	9.81	10.80
LY	4.61	0.98
DIL	0.21	0.08
MAHB	5.30	2.98
TIML	-	1.32
MAPUK	4.76	4.77
- **Fellow Subsidiary**		
RSSL	0.22	1.19
GPPL	0.13	1.72
Other expenses - others		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	-	0.09
TPSIPL	1.01	0.40
LISVT	1.80	0.03
MAHB	1.16	0.58
BPCL	0.01	0.02
DIL	0.50	0.32
CSCIPL	-	0.26
IOCL [Amounting to ₹ 26,520 (March 31, 2012: ₹ 15,600)]	0.00	0.00
LMPL	0.43	0.40
LGMG	3.85	15.04
BWWFSIPL	0.65	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
- **Fellow Subsidiary**		
RSSL	63.13	45.02
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GREPL	-	0.75
Reimbursement of expenses incurred on behalf of the Group		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
MAS	-	0.16
MAE	-	0.18
CHSAS	0.11	0.55
CSCIPL	0.26	1.52
LMPL	0.03	0.08
YL	0.82	0.76
IDFSTPL	-	0.01
CELBI GHDPL (₹ 40,634 (March 31, 2012: ₹ 0.04 crore))	0.00	0.04
TFSDPL	-	-
APFTSB	0.01	-
- **Fellow Subsidiary**		
GSPL	0.93	-
RSSL	0.18	0.01
GPPL [Amounting to ₹ 16,253 (March 31, 2012: ₹ Nil)]	0.00	
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GFFT	-	0.09
GVF	0.80	0.87
Expenses incurred by the Group on behalf of		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	11.32	1.72
CELBI GHDPL	0.09	0.28
TIML	0.19	0.06
KRPPL	1.69	-
CHSAS	0.02	-
WL	0.01	-
- **Fellow Subsidiary companies**		
RSSL	0.05	0.01
GSPL	-	0.01
GBPPL	0.37	-
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GEPL	0.01	-
Donations		
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GVF	8.88	6.35
Voluntary retirement compensation scheme		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	-	37.94
Personnel Expenses		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	4.33	10.73

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
DIL	0.05	0.07
Rent received		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	0.42	-
CELBI GHDPL	0.12	0.12
IOCL [Amounting to ₹ 27,060 (March 31, 2012: ₹ Nil)]	0.00	-
BPCL	0.02	-
Ground handling commission paid		
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
CELBI GHDPL	0.32	0.06
BWWFSIPL	0.21	0.13
CAPL	-	0.28
Construction cost paid to (including advances)		
- **Fellow Subsidiary companies**		
GPPL	474.10	140.00
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
OSEPL	263.28	378.79
IEISL	-	42.86
IL&FS	-	0.70
IUISL	-	0.14
ILFS Renw	1.21	-
Interest paid		
- **Holding Company**		
GHPL	0.04	-
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	18.62	0.68
UEDIPL	0.10	0.26
BPCL	-	0.29
CHSAS	0.18	-
LY	0.44	-
- **Fellow Subsidiary companies**		
GPPL	1.08	0.06
Balance Payable/ (Receivable)		
- **Holding Company**		
GHPL	15.52	3.46
- **Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and jointly controlled entities**		
AAI	364.56	158.10
FAG	41.36	28.85
APFTSB	(0.61)	-
MAE	2.16	1.92
LGMG	-	0.97
LISVT	(3.13)	-
MAHB	2.74	0.23
MAS	-	3.20
IOCL [Amounting to ₹ 1,560 (March 31, 2012: ₹ 14,020)]	0.00	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

b. Summary of transactions with the above related parties are as follows: (Contd.)

Nature of Transaction	March 31, 2013 (₹ in crore)	March 31, 2012 (₹ in crore)
BPCL	-	0.66
UEDIPL	0.01	37.41
DIL	0.09	0.73
TIML	(0.07)	1.88
TIPL	-	(0.10)
IEISL	-	(15.53)
IUISL	-	0.01
CSCIPL	5.09	1.62
WL	5.50	3.52
LMPL	14.09	14.06
OSEPL	28.37	24.25
MAIPL	1.10	1.20
MAPUK	0.45	0.95
GoAP	315.05	315.05
CHSAS	6.67	(0.19)
TPSIPL	0.21	0.10
TFSDPL	-	-
CELBI GHDPL	(0.57)	(0.28)
BWWFSIPL	(1.21)	(1.96)
CAPL	(3.60)	(2.99)
YL	0.45	0.77
IDFSTPL [Amounting to ₹ 5,440 (March 31, 2012: ₹ 0.10 crore)]	0.00	0.10
LY	6.61	0.46
TVSLSL	0.04	0.48
TVSCSL	0.27	-
GMRIT	(0.01)	-
ILFS Renw	20.71	-
IL&FS	54.44	30.52
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	(30.07)	(27.94)
GVF	(27.73)	(13.07)
CISL	(8.59)	(8.59)
GWT	(115.00)	(115.00)
- Fellow Subsidiary companies		
GPPL	(679.43)	(134.10)
CIL	(14.64)	(59.33)
GSPL	0.15	0.04
RSSL	3.57	(0.34)
GHTPL	(135.00)	(135.00)
GBPPL	(1.12)	(1.50)
GHML	(127.01)	(99.16)
- Key management personnel and their relatives		
Mr. G.M. Rao	4.00	1.86
Mr. Srinivas Bommidala	-	0.96

Notes to the Consolidated Financial Statements for the year ended March 31, 2013

NOTE 47

The Board of Directors of the Company have recommended a dividend of ₹ 0.10 per equity share of ₹ 1 each for the year ended March 31, 2013.

NOTE 48

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 49

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

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership No.: 35141

Place: Bengaluru
Date : May 30, 2013

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

G. M. Rao	B. V. N. Rao	Madhva Bhimacharya Terdal	C. P. Sounderarajan
Executive Chairman	Managing Director	Group CFO	Company Secretary

Place: Bengaluru
Date : May 30, 2013