GMR Infrastructure Limited

20th Annual Report 2015–16

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains statements about expected future events, financial and operating results of GMR Infrastructure Limited and its subsidiaries, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer which is qualified in its entirety by the assumptions and risk factors that are referred in the Management Discussion and Analysis Report of the GMR Infrastructure Limited Annual Report 2015-16.

INSIDE THE REPORT

GENERAL INFORMATION

Board of Directors

G.M. Rao
Executive Chairman

Grandhi Kiran Kumar
Managing Director

Srinivas Bommidala
Group Director

G.B.S. Raju
Group Director

B.V.N. Rao
Group Director

Jayesh Desai
Director

C.R. Muralidharan
Independent Director

Dr. Prakash G. Apte
Independent Director

N.C. Sarabeswaran
Independent Director

R.S.S.L.N. Bhaskarudu
Independent Director

S. Sandilya
Independent Director

S. Rajagopal
Independent Director

V. Santhanaraman
Independent Director

Vissa Siva Kameswari
Independent Director

Company Secretary & Compliance Officer

Adi Seshavataram Cherukupalli

Audit Committee

N.C. Sarabeswaran	- Chairman
R.S.S.L.N. Bhaskarudu	- Member
S. Rajagopal	- Member
Vissa Siva Kameswari	- Member

Stakeholders' Relationship Committee

R.S.S.L.N. Bhaskarudu	- Chairman
B.V.N. Rao	- Member
G.B.S. Raju	- Member

Nomination and Remuneration Committee

R.S.S.L.N. Bhaskarudu	- Chairman
B.V.N. Rao	- Member
Dr. Prakash G. Apte	- Member
N.C. Sarabeswaran	- Member

Corporate Social Responsibility Committee

R.S.S.L.N. Bhaskarudu	- Chairman
B.V.N. Rao	- Member
G.B.S. Raju	- Member

Statutory Auditors

M/s. S.R. Batliboi & Associates LLP,
Chartered Accountants

Bankers

Axis Bank Limited
Central Bank of India
ICICI Bank Limited
IDBI Bank Limited
United Bank of India
YES Bank Limited

Registered Office:

Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31
G Block, Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051, Maharashtra, India.
T +91 22 4202 8000 F +91 22 4202 8004 www.gmrgroup.in

Registrar and Share Transfer Agent:

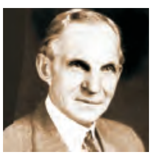
Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad - 500 032

OUR VISION

"GMR Group will be an institution in perpetuity that will build entrepreneurial organizations making a difference to society through creation of value."

Our commitment to building an institution for perpetuity is grounded on the following values and beliefs

Humility
We value intellectual modesty and detest false pride and arrogance



Entrepreneurship
We seek opportunities - they are everywhere

Teamwork and relationships
Going beyond the individual, encouraging boundaryless behaviour

Deliver the promise
We value a deep sense of responsibility and self discipline, to meet and surpass commitments made

Learning
Nurturing active curiosity - to question, share and improve

Social responsibility
Anticipating and meeting relevant and emerging needs of society

Respect for individual
We will treat others with dignity, sensitivity and honour

CHAIRMAN'S MESSAGE

Dear Fellow Stakeholder,

It gives me great pleasure to welcome you all to the 20th Annual General Meeting of your Company.

It's always a pleasure to speak with you to reflect on the performance of your Company in the year that went by and share with you our aspiration for the future as we complete shifting our registered office to Mumbai and the corporate office to New Delhi.

I would like to place on record my sincere gratitude to you, our valued shareholders for having given me this privilege. It has been a momentous journey in shaping one of India's most admired Infrastructure developer and operator group. Your unstinted support has made this voyage deeply fulfilling.

Global Economy

One thing happening with amazing certainty is that the World is increasingly becoming uncertain and volatile or to say so VUCA (Volatility, Uncertainty, Complexity, Ambiguity) is at its peak. Growth of the global economy has been revised down from 2.9% to 2.4%. China, the World's economic engine, is growing at the slowest pace with its GDP growth of last year falling to a quarter-century low of 6.9% and has kept declining in 2016.

Within global policy circles, it is widely recognised that the China needs a major structural change to its economy. Growth rates have precipitously collapsed, massive surplus capacity exists in the heavy industrial sector, non-performing loans are threatening to bankrupt many provincial State owned firms and domestic financial markets are dangerously volatile without repeated interventions from State Regulators.

Besides all these serious challenges in the Chinese economy, Eurozone has emerged as the biggest uncertainty for the world recently. The outlook for the Eurozone has taken the largest hit, following Britain's vote to leave the European Union (EU). Italy's banking system is particularly weak and is now looking even more fragile. And crisis threatens the Eurozone's governing of financial firms across the bloc which could end up in an increasingly fragmented or balkanised system. Balkanisation of EU finance comes at a time of financial fragility in the Eurozone banking system, which has added to the financial pressure on some of the largest European banks and the whole banking sector in Italy. As a consequence, growth in the Eurozone is revised down from 1.7 to 1.3 per cent in 2017. At the same time investors fear central banks don't have enough ammunition to tackle another financial crisis.

Japan has been another economic experiment. To save the Japanese economy from stagnating, they need to reflate it and reform it. However, Abenomics has fallen short of its targets and its overblown rhetoric. Russia since last year has been into recession and its economy has been contracting triggered by the low oil prices which pummelled public finances, prompting spending cutbacks by the government and forcing the central bank to allow the Ruble to trade freely. There is a cry for structural reforms and measures to improve the business climate to accelerate the Russian economy. Similarly, Turkey is under severe economic stress. The main economic driver of the country 'Tourism' has taken a severe beating because of so much uncertainty in the country.

Indian Economy

As of now, the only economy with some promise is India. India is the only safe haven for the world to put its money in. Globally across the market, trillions of dollars with near zero or negative yield and interest rates are languishing. Eventually, we hope this will flow to India through FDI or other ways of investments. Therefore, we should see more and more investments coming to India across the sectors. The platform for this has already been laid by the present Government and its initiatives for reviving the economy keeping in mind the inclusive growth. Over the past two years, the Government's economic agenda has had three pillars: infrastructure, ease of doing business and liberalisation through FDI.

The biggest positive is that policy focus has not been based on populism, or on boosting cyclical growth through fiscal and monetary stimuli, but rather on improving the trend growth by repairing the system and initiating structural reforms wherever possible.

I am very confident that India is well on its growth trajectory and is emerging as the most investor friendly country. Going ahead with further improvements in ease of doing business, India will be seen as a major investment destination for the global economy.

Infrastructure

However, for India to continue its robust growth with the foreign investments flowing in the Country, it has to aggressively work on developing the world class Infrastructure. India needs ₹ 31 trillion (USD 454.83 billion) to be spent on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments. Hence, opportunities for your Company are significant.

I am pleased to state that the Government of India is taking every possible initiative to boost the infrastructure sector. Few of the important initiatives taken are as follows:

- New hybrid-annuity model for allocating contracts under the Public Private Partnership (PPP) projects in Highways, which will help overcome the challenges faced by private developers in the Build-Operate-Transfer (BOT) - Toll and BOT-Annuity models.
- Government has plans to award Highway projects worth ₹ 100,000 Crore in FY'17.
- Budgetary allocation for Roads and Railways in the Union Budget 2016 has been increased to ₹ 218,000 Crore (USD 31.98 billion) with an aim to boost the private investment cycle.
- Steps to weed out the problems faced by projects stuck under PPP mode worth ₹ 4 lakh Crore (USD 58.69 billion) in the past few months.
- Launch of National Infrastructure Investment Fund (NIIF) with an initial corpus of atleast ₹ 40,000 Crore (USD 5.87 billion).
- New Civil Aviation Policy (NCAP 2016) launched recently is extremely pro development with focus on boosting regional connectivity. Indian airport system which is likely to be third largest aviation market is poised to handle 336 million domestic and 85 million international passengers by 2020 (current level of 137 million domestic and 50 million international) with projected investment of USD 120 billion.
- New Tariff policy for Energy sector provides clarity on CERC being tariff setting authority for multi-State sales. The policy also promotes renewable generation sources and hydroelectric power generation including pumped storage projects, efficiency in operations and improvement in quality and reliability of power supply.
- Renewable policy is targeting 20,000 MW of solar power installed capacity.
- On the other policy decisions taken by the Government, E-Auction of coal blocks and Regassified Liquified Natural Gas (RLNG) are noteworthy. The future coal supply scenario is also expected to improve over a period of time in view of the Union Government setting Coal India Limited (CIL) an ambitious target of One Billion Tonne (BTs) by 2019-20.
- The Government has also come out with Ujwal Discom Assurance Yojana (UDAY) scheme to address financial and operational issues of State Distribution Companies. GoI has allowed coal swaps from inefficient plants to efficient plants and from plants situated away from mines to pithead plants to minimize cost of coal transportation.

Infrastructure Financing

Your Company is a pioneer in infrastructure development and operations, with a proven record of success, it is well placed to leverage the growing home economy by participating in India's infrastructure development. However, for such ambitious infrastructure development of the Country, cost effective and long term financing is the lifeline. I am glad that the Government and RBI has been working to resolve financing issues of the infrastructure sector by launching various schemes and policies as follows:

- Strategic Debt Restructuring (SDR)
- Scheme for Sustainable Structuring of Stressed Assets (S4A)
- Investment Trust Guidelines by SEBI
- Masala Bonds
- Continuation of past schemes like JLR and 5/25
- Liberalized ECB approach

I believe that the Government and RBI are further formulating new mechanisms to raise long term cheaper finance in order to fuel the growth of infrastructure sector.

Group Performance

Your Company has done well in the last financial year in terms of business growth, operational performance, finance raising, cost optimization and institutionalizing processes and policies. The hard work of our employees is very visible in the financial improvement of the Company with EBITDA margin growing from 28% in FY'15 to 39% in FY'16.

I would like to mention some highlights of the each business sectors.

Airports Sector

Delhi International Airport Private Limited (DIAL)

Delhi Airport (DIAL) surpassed the 48 million passenger mark in FY 2015-16, witnessing a growth of 18% in traffic over previous year. Strong growth in domestic cargo segment propelled DIAL to retain its number one position in cargo traffic in India with a 4% overall growth in FY 2015-16 over the previous year.

The non-aeronautical revenues grew by 19% over last year led by growth in commercial non-aero sales. DIAL has initiated its second phase of land monetization last year and plans to complete this year which is one of the key value driver for the Airport.

DIAL has very successfully launched the dollar bond and raised USD 288 million at a very attractive coupon rate last year.

Existing solar power plant capacity of 2.14 MW is increased to 7.84 MW with commissioning of additional 5.70 MW capacity last year. The additional capacity is expected to generate 8.5 million units of electricity per annum leading to savings of ₹ 3.0 - ₹ 3.5 Crore per annum.

Some of the Awards and Accolades received in FY 2015-16:

- IGIA became No. 1 Airport as per Airports Council International (ACI), Airport Service Quality (ASQ) ranking for 2015 in the 25 to 40 million passenger category, second year in a Row.
- IGI Airport was awarded ACI Director General's Roll of Excellence 2015 for being ranked in top 5 airports in its category in the last five years.
- 'Best Airport Staff in India and Central Asia' in 2016 SKYTRAX World Airport Award for second year in a row.
- IGIA won 'International Safety Award' in Distinction Category from British Safety Council with an overall score of 60 (on 60 Point scale) for the year 2016.
- 'Golden Peacock Award for Sustainability' in the Aviation Sector for 2015.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL continued to record strong traffic growth in its 8th year of operation. Passenger traffic touched 12.5 million, registering a growth of 19% Y-o-Y. Similarly, Cargo also registered impressive growth to reach 113,000 MT, a growth of 10% Y-o-Y.

Adding another green milestone to GMR's clean energy journey, GHIAL has commissioned a 5 MW Solar Power Plant for its captive consumption to meet the Airport's peak power demand.

Some of the Awards and Accolades received in FY 2015-16:

- World's 3rd Best Airport 2015 in ASQ Rating by ACI in 5 to 15 million passenger category.
- Awarded the Best Regional Airport in India and Central Asia at the SKYTRAX World Airport Awards, a web based survey voted directly by passengers.
- Won the prestigious Emerging Cargo Airport of the Year, Region - India awarded by STAT Times International Award for the second time in a row.
- Won the prestigious CII Award for "Excellent Energy Efficient Unit" for a second year in a row.

GMR Megawide Cebu Airport Corporation (GMCAC)

GMCAC has experienced international traffic grow by 18.5% whereas domestic traffic has also grown at 9.6%. The construction of the new terminal is well under its way and shall be completed as per the timelines in year 2018.

Some of the Awards and Accolades received in FY 2015-16:

- Asia-Pacific Transport Deal of the Year.
- Best Project Finance deal award by Triple A Asia Infrastructure awards.

Energy Sector

- TANGEDCO PPA of your GWEL (Warora Power Plant) was fully operationalized during the year.
- For GKEL (Kamalanga power plant), from December 2015 onwards, supplies from ECL have been transferred to MCL leading to a cost savings of ₹ 80 Crore per year.
- GKEL received favourable order from CERC on GRIDCO tariff with claim of ₹ 234 Crore of arrears from FY'14-16 and for Change in Law petition against Haryana Discoms, with claim of ₹ 115 Crore of arrears from FY'14-16.
- GKEL successfully closed the flexible structuring of its existing loans along with the new facility of ₹ 400 Crore against the regulatory receivables.
- GCEL (Chhattisgarh power plant) both the units have been commissioned.
- Talabira coal block started production from August 2015 onwards and GCEL has been receiving coal for its operations.
- Gas based VPGL (Vemagiri power plant) and GREL (Rajamundry power plant) commenced operations on roster basis beginning August 2015 and November 2015 respectively, under E-RLNG scheme.
- Further, we have already completed the Strategic Debt Restructuring (SDR) for GREL.

Transportation and Urban Infrastructure Sector

- Design, mobilization and execution of DFCC (Dedicated Freight Corridor) ₹ 5080 Crore project is well under way.
- In June 2016, we also won 221 km DFCC project in partnership with Tata.
- Divested stakes in Ulunderpet Highway and Hungund Hospet Highway to create liquidity.
- Kishangarh Udaipur Ahmedabad (KUA) project has been surrendered to NHAI.
- In Kakinada Special Investment Region (SIR), the entire SEZ area spread in over 5000 acres was announced as operational SEZ; Pals Plush (a global toy manufacturer) commenced commercial operations; and the Rural BPO in association with TATA Business Support Solutions was operationalized.

- In Krishnagiri SIR, we are taking up development of Phase 1A of the project spread over 275 acres.

Corporate Finance

Your Company has been able to successfully achieve various finance raising and divestments under challenging economic and market conditions, following being a few:

- Raised USD 300 million (~ ₹ 2,000 Crore) through 60 years FCCB from Kuwait Investment Authority.
- Induction of Strategic Partner in GMR Energy: GMR has signed an agreement with Tenaga Nasional Berhad, Malaysia for investment of USD 300 million (~ ₹ 2,000 Crore) in GMR Energy Limited (GEL) for 30% equity stake in GEL.
- Divestment of Road project: Stake divestment in Hungund Hospet Highway reduced ₹ 1078 Crore of Debt at Group level and created liquidity of ₹ 85 Crore.
- SDR for Rajahmundry Gas Power Plant: Of the total outstanding debt (including overdue interest) of ₹ 3780 Crore, debt to the extent of ₹ 1414 Crore got converted into equity by which the consortium lenders would have 55% shareholding and balance 45% would be held by GMR.
- Divestment of Transmission Assets: Successfully divested 74% stake in Maru Transmission and 49% stake in Aravali Transmission. The total value realizable from the transactions would be ₹ 220 Crore.

Corporate Services and Institution Building

Your Company is well aware of the extremely volatile and complex socio-economic environment. To be ready for tomorrow's uncertainty we need to be very agile, create liquidity and robust systems. Hence, we have been focusing on the following:

Cash Conservativeness or Frugality – This year we completed shifting of our registered office to Mumbai and headquarters to Delhi. This has helped a great deal in consolidating the office spaces thus saving costs directly and indirectly.

Also, at a Group level we are creating the culture of Frugality, branded as 'Anushista'. We have launched Small Group Activities as a part of 'Anusishta' following cost consciousness, rationalisation and bringing in "Frugality" as a part of our work culture. Over the last 6 months, we have undertaken 105 projects across the Group involving about 440 employees with a savings of about ₹ 16 Crore. Employees are trained in various tools and techniques required to carry out these projects with the help of internal resources.

Agility – Your Company believes that agility and adaptability goes hand in hand. We decided to have an outsider's perspective and expert advisory to keep checks and balances for any course correction if required. We have formulated several advisory bodies as follows - Group Performance Advisory Council (GPAC), Information Technology Advisory Council and HR Advisory Council. All these councils consist of very eminent personalities from the corporate world bringing in fresh outside perspective on present business models, technology, operations, processes and policies. They continuously provide ideas and feedback to help us to proactively adapt ourselves to the changing socio-economic conditions.

Institutional Framework – Your Company guided by its Vision of creating an Institution in Perpetuity continues to focus on strengthening the four pillars of the institutional framework viz., People, Process, Technology and Governance.

On the People side, we strive to create robust leadership pipeline and young leadership talent programs. On the process side, we have a dedicated Business Excellence team at the corporate level and several business excellence teams at the asset level working on several process improvement projects. Just to share some numbers, during last year, 60 Continuous Improvement Projects were completed with in-house audited savings of more than ₹ 95 Crore. Another 95 projects are also at various stages of completion.

On the technology side, we have been proactively learning and implementing newer technologies whether it is Cloud, Data analytics or cyber threats.

Values and Beliefs – Your Company's formation has been on a very strong platform of seven values and beliefs. There are continuous training and renewal sessions for senior management and employees at regular intervals. The Board also keeps on re-visiting these values and beliefs.

Your Company believes in increasing the human consciousness and spirituality and pursues Inner Excellence. Several programs are conducted for our senior leadership team. We also have developed one of its kind 'Inner Excellence' mobile app which is available to all the employees of the Group.

GMR Varalakshmi Foundation (GMRVF)

Your Company has always believed in inclusive growth and takes responsibility of giving back to the society. GMR Varalakshmi Foundation, an associate of your Company, works with extraordinary commitment for the weaker sections of the society.

All the educational institutions under GMRVF have performed exceedingly well during the last year. GMRIT (GMR Institute of Technology) continues to earn good ranking among the engineering colleges in the country including being among the top 65 engineering colleges in the country and among the top five private engineering colleges in Andhra Pradesh. GMRIT also received Outstanding Engineering Institute-South Award, and Best College in Engineering in Andhra Pradesh Award.

GMR CARE Hospital continues to serve increasing number of people from under-served areas with high quality care including specializations like Neurosurgery and

Nephrology. Diabetology department has also started during this year.

GMRVF helped the Group companies and several JVs to fulfil their CSR obligations through grass root development initiatives around the GMR businesses. Three new vocational training centres were inaugurated this year, enabling GMRVF to contribute more to the national mission of Skilling India through training over 5000 unemployed youth per year. Several innovative courses such as Dry wall and False ceiling technicians, Facility Management and Quality checker were introduced. In the area of Health, Foundation has introduced more Mobile Medical Units to serve under-served communities. As part of Swachh Bharat, GMRVF built more community toilets, catering to about 3000 users per day, and also contributed towards building of Individual Sanitary facilities and school toilets.

As a recognition for its corporate social responsibility initiatives, GMRVF has received the following awards:

- PHD Chamber of Commerce Award for Outstanding Contribution to Social Welfare 2015-16
- Viswakarma Award for Social Impact and Development 2016 from Construction Industry Development Council

Opportunities Ahead

The only way for growth of India is to have a World class Infrastructure in place especially - Roads, Railways, Airports and Energy. Your Company over the time has built strong competencies and today is the leading player in all these sectors. Therefore, your Company has ample opportunities ahead.

Airports Sector

- Your Company is keenly scouting for new airport opportunities in Philippines and has qualified for the 5 regional airports in Philippines.
- Actively participating in the bid for development of the Greenfield Airport at Mopa, Goa as well as Navi Mumbai Airport. Nagpur Airport and Bhogapuram (AP State) Airport are also on the horizon.
- In line with our Asset light strategy, your Company is actively scouting for advisory services in the field of concession management and IT in the Middle East and South East Asia.

Transportation and Urban Infrastructure

- Government has plans to award Highway projects worth ₹ 100,000 Crore in FY'17. Most of these projects are expected to be awarded in EPC and Hybrid Annuity Model (HAM) modes. We will bid for the right projects in both EPC and HAM modes of bidding.
- Your Company has entered Railway business in FY'14 by winning 2 RVNL projects. We made a big leap into Railway projects in FY'15 when we were awarded 2 packages on the eastern DFCC in the State of Uttar Pradesh worth ₹ 5080 Crore. Government has announced 3 new Dedicated Freight Corridors during the current budget and we will actively pursue these opportunities.
- Apart from freight corridors, we are also pursuing railway station development projects which the Government has decided to take up on PPP mode.

Though there are opportunities galore, we need to be very cautious of the present volatile and uncertain environment and need to make very cautious decisions which adds value to all the stakeholders. To successfully sail through these VUCA times, your Company is trying to foster a culture of innovation, be agile and adaptable to technological changes, explore new business models, focus on collaboration and create right talent to lead.

Your Company is privileged to be able to pursue a path less travelled to create multiple drivers of growth supported by creating some of the world class national assets and an abiding vision to put Country before Corporation. It is our collective aspiration that your Company should be one such world class infrastructure developer and operator of the Nation.

Conclusion

Before I conclude, I would like to place on record my deepest appreciation of the tireless efforts of all my colleagues, past and present who have travelled with me in this journey, lending their shoulder to build this great organization. I draw solace that with such a world class team of professionals at the group at all levels, our shared aspiration is surely within reach. Here, I would like to express my special gratitude to all the employees who have shifted their locations from Bengaluru to New Delhi, Mumbai and Hyderabad. I am aware that living all the years at one place and that too in a city like Bengaluru, it is not easy to shift along with families. I am really thankful for their cooperation and support.

I would also like to thank the Members of the Group Performance Advisory Committee for their contribution and unwavering support over the years. I extend my sincere gratitude to the Members of the Board for the richness of their counsel, encouragement, due-diligence in supervision and commitment to the Values and Visions of the GMR Group. And finally, a special word of thanks to you, our valued shareholders, for your unstinted support and encouragement. I know team GMR can continue to look to you for your goodwill in the years ahead.

Thank You

G M Rao
Group Chairman, GMR Group

HIGHLIGHTS OF 2015–16

Consolidated Financial Performance

(₹ in Crore)

Year end	Revenue from operations	Revenue from operations (net)*	EBITDA**	PAT#	Cash profits##	Cash & cash equivalent^
FY 2016	13,358	10,945	4,264	(1,999)	211	6,769
FY 2015	11,088	9,023	2,555	(2,959)	(1,118)	7,390
FY 2014	10,653	8,710	2,781	108	1,513	5,872
FY 2013	9,975	8,305	2,608	135	1,249	7,109
FY 2012	8,473	7,642	1,758	(1,059)	(72)	5,172

* Revenue from operations (net) is after deducting revenue share paid/payable to concessionaire from revenue from operations.

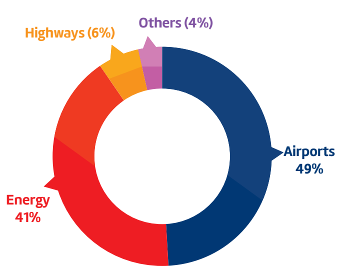
** EBITDA – Earnings before interest, other income, tax, depreciation, amortisation (including utilisation fees), exceptional items, minority interest and share of profit/(loss) of associates.

Profit after tax before minority interest and share of profit/(loss) of associates.

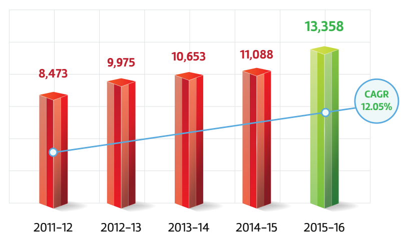
Profit after tax+Deferred tax+MAT credit+Depreciation (the group is continuously churning assets and accordingly loss/profit on sale of investments is considered part of cash profits).

^ Cash and Bank Balances + mutual funds + bonds + government securities + certificate of deposit + investments in quoted equity shares.

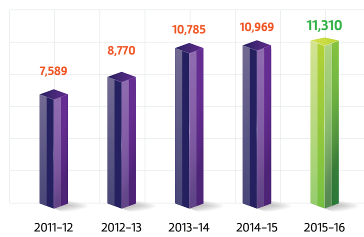
Sectorwise revenue from operations



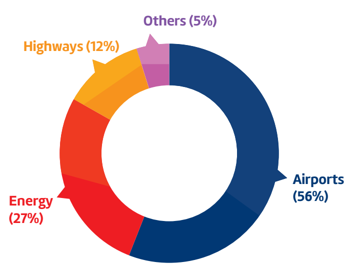
Consolidated revenue from operations (₹ in Crore)



Net worth (₹ in Crore)

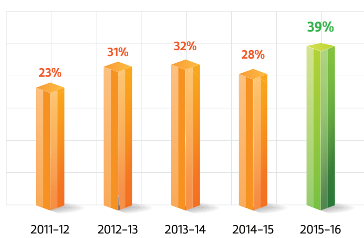


Sectorwise contribution in EBITDA

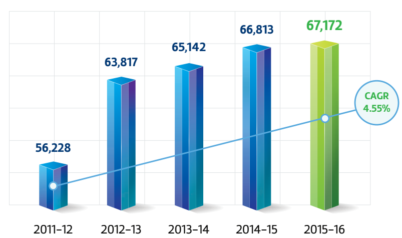


EBITDA Margin

*EBITDA margin is calculated on net revenue



Total Assets (₹ in Crore)



Board's Report

Dear Shareholders,

The Board of Directors present the 20th Annual Report together with the audited financial statements of the Company for the Financial Year (FY) ended March 31, 2016.

Financial Results and state of the Company's affairs

Your Company, as a holding company, operates in Airports, Energy, Transportation and Urban Infrastructure business sectors through various subsidiaries, associates and jointly controlled entities. The Company has Engineering, Procurement and Construction (EPC) business as a separate operating division to cater to the requirements of implementing the projects undertaken by the subsidiaries and others, including Railway projects.

Analysis of the Company's audited consolidated and standalone financial results are given below:

(₹ in Crore)

Particulars	Consolidated		Standalone	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue from operations	13,357.66	11,087.68	799.10	649.74
Revenue share paid / payable to concessionaire grantors	(2,412.29)	(2,064.86)	-	-
Operating and administrative expenditure	(6,700.73)	(6,468.18)	(210.91)	(200.03)
Other Income	454.27	327.46	15.07	19.48
Finance Costs	(4,057.69)	(3,571.86)	(514.88)	(537.29)
Depreciation and amortisation expenses	(2,266.16)	(1,812.53)	(15.77)	(20.03)
(Loss)/Profit before exceptional items, tax expenses, minority interest and share of (loss)/ profit of associates	**(1,624.94)**	**(2,502.29)**	**72.61**	**(88.13)**
Exceptional Items:				
Profit on sale of subsidiaries / jointly controlled entities	2.31	34.44	-	-
Loss on impairment of assets in subsidiaries	(164.30)	(115.74)	-	-
Reimbursement of expenses pertaining to earlier years received by a subsidiary	51.42	-	-	-
Loss on account of provision towards claims recoverable	-	(130.99)	-	-
Breakage cost of interest rate swap	-	(91.83)	-	-
Provision for diminution in value of investments / advances in subsidiaries / associates	(39.22)	-	(1,576.93)	(262.40)
(Loss)/Profit before tax expenses, minority interest and share of (loss)/ profit of associates	**(1,774.73)**	**(2,806.41)**	**(1,504.32)**	**(350.53)**
Tax expenses	(224.21)	(152.81)	(14.58)	(2.12)
(Loss)/Profit before minority interest and share of (loss)/ profit of associates	**(1,998.94)**	**(2,959.22)**	**(1,518.90)**	**(352.65)**
Share of (loss)/profit from associates	(5.52)	(12.98)		
Minority interest - share of profit/(loss)	(156.54)	238.91		
Net (Loss)/Profit after tax, minority interest and share of loss from associates	**(2,161.00)**	**(2,733.29)**	**(1,518.90)**	**(352.65)**
Net (deficit) / surplus in the statement of profit and loss - Balance as per last financial statements	(4,006.89)	(1,183.56)	62.81	429.37
Transfer from debenture redemption reserve	34.38	46.25	34.38	46.25
Surplus / (Deficit) available for appropriation	**(6,133.51)**	**(3,870.60)**	**(1,421.71)**	**122.97**
Appropriations	(63.78)	(136.29)	(38.50)	60.16
Net deficit in the statement of profit or loss	**(6,197.29)**	**(4,006.89)**	**(1,460.21)**	**62.81**
Earnings per equity share (₹) - Basic and diluted (per equity share of ₹ 1 each)	(3.82)	(6.46)	(2.68)	(0.83)

Consolidated financial results

Improved operating performance in Airport and Energy sectors and commissioning of GMR Chhattisgarh Energy Limited (GCHEPL) and GMR Rajahmundry Energy Limited (GREL) power plants resulted in consolidated revenue increasing from ₹ 11,087.68 Crore in the previous year to ₹ 13,357.66 Crore in the current year. Airport, Energy, Highways, EPC and other segments contributed ₹ 6,540.58 Crore (48.97%), ₹ 5,522.55 Crore (41.34%), ₹ 761.41 Crore (5.70%), ₹ 179.13 Crore (1.34%) and ₹ 354.04 Crore (2.65%) respectively to the consolidated revenue from operations.

Increase in operational cost, finance cost and depreciation charge was mainly on account of commissioning of GCHEPL and GREL power plants and operating GMR Vemagiri Power Generation Limited (GVPGL), GMR Warora Energy Limited (GWEL) and GMR Kamalanga Energy Limited (GKEL) power plants at higher capacity.

Inspite of the challenging economic conditions and difficult business environment, your Company was successful in raising additional funds of ₹ 1,401.83 Crore through rights issue and USD 30.00 Crore through issuance of Foreign Currency Convertible Bonds ("FCCB"). GCHEPL and GREL power plants were commissioned during the year.

Standalone financial results

During the year ended March 31, 2016, the revenue from operations of the Company on standalone basis has increased by 22.99% from ₹ 649.74 Crore to ₹ 799.10 Crore on account of increase in interest income of the Company.

During the year ended March 31, 2016, based on an internal assessment, the Company has made a provision of ₹ 1,576.93 Crore towards diminution in value of its investment in GMR Highways Limited (GMRHL), GMR Renewable Energy Limited (GREEL) and GMR Energy Limited (GEL), primarily on account of their accumulated losses and diminution in value of investments/advances in their subsidiaries. The same has been disclosed as an exceptional item in the financial statements.

Dividend / Appropriation to Reserves

Your Directors have not recommended any dividend on equity shares for the FY 2015-16. Preference dividend aggregating to ₹ 50,605 for the FY 2015-16 at the rate of 0.001% per annum on 1,13,66,704 Compulsorily Convertible Preference Shares (CCPS) of face value of ₹ 1,000/- each has been provided in the books.

Reserves

The net movement in the major reserves of the Company on standalone basis for FY 2015-16 and the previous year are as follows:

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
General Reserve	40.62	40.62
Securities Premium Account	9,971.55	7,658.71
Surplus in Statement of Profit and Loss	(1,460.21)	62.81
Debenture Redemption Reserve	125.44	121.33
Capital Reserve	141.75	-
Foreign currency monetary translation difference account	(0.89)	-
	8,818.26	**7,883.47**

Management Discussion and Analysis Report (MDA)

MDA Report for the year under review, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR"), is presented in a separate section forming part of the Annual Report.

The brief overview of the major developments of each of the Subsidiaries' business is presented below. Further, MDA, forming part of this Report, also brings out review of the business operations of various subsidiaries and jointly controlled entities.

Airport Sector

Your Company's airport business comprises of 3 operating airports viz., Delhi and Hyderabad International Airports in India and Mactan Cebu International Airport in Philippines. These Indian airports are owned by your Company's subsidiary GMR Airports Limited (GAL) while the 40% stake in GMR Megawide Cebu Airport Corporation (GMCAC) is held through GMR Infrastructure (Singapore) Pte. Limited, also your Company's subsidiary.

Your Company's aviation business comprises of GMR Aviation Private Limited, a 100% subsidiary of the Company which is operating in the general aviation space.

An overview of these assets during the year is briefly given below:

Delhi International Airport Private Limited (DIAL)

DIAL is a Joint Venture (JV) between GAL (64%), Airports Authority of India (AAI) (26%) and Fraport AG Frankfurt Airport Services Worldwide (Fraport) (10%). DIAL has entered into a long-term agreement to operate, manage and develop the Indira Gandhi International Airport (IGIA), Delhi. Malaysia Airports (Mauritius) Private Limited originally owned 10% stake in the Joint Venture which has been purchased by GAL in May 2015.

Highlights of FY 2015-16:

DIAL surpassed the 48 million passenger mark in FY 2015-16, witnessing a growth of 18% in traffic over previous year. Strong growth in domestic cargo segment propelled DIAL to retain its number one position in cargo traffic in India with a 4% overall growth in FY 2015-16 over the previous year. Due to delay in determination of tariff for the second control period, the tariffs of the first control period have continued.

The non-aeronautical revenues grew by 19% over last year led by growth in commercial non-aero sales and Land & Space rentals.

Air Asia India Ltd, Air Canada, Shandong Airlines, Bhutan Airlines and Air Asia X commenced their operations from IGIA. New destinations like Domodedvo - Moscow, San Francisco, Toronto and Kunming were added, which were earlier unserved from Delhi Airport.

Existing solar power plant capacity of 2.14 MW at IGIA increased to 7.84 MW with commissioning of additional 5.70 MW capacity in FY 2015-16. The additional capacity is expected to generate 8.5 million units of electricity per annum leading to savings of ₹ 3.0 to ₹ 3.5 Crore per annum.

Strong focus on developing organizational culture based on operational excellence and customer focused initiatives helped DIAL to retain the world number 1 airport rank in the 25-40 million passengers per annum (mppa) category by achieving a score of 4.96 on a scale of 5, in 2015.

Key Awards and Accolades received in FY 2015-16:

- Number 1 airport as per Airports Council International (ACI) Airport Service Quality (ASQ) ranking for 2015 in the 25 to 40 mn passenger category, second year in a row.
- ACI Director General's Roll of Excellence 2015 for being ranked in top 5 airports in its category in the last five years.
- 'Best Airport Staff in India and Central Asia' in 2016 SKYTRAX World Airport Awards for second year in a row.
- 'International Safety Award' in Distinction Category from British Safety Council with an overall score of 60 (on 60 Point scale) for the year 2016.
- 'Golden Peacock Award for Sustainability' in the Aviation Sector for 2015.
- India's smartest airport buildings at the Times of India-Honeywell Smart Building Awards, 2015.

- Best Emerging Airport - Asia at the Asian Freight, Logistics and Supply Chain (AFLAS) Awards.
- CII Business Excellence Star Awards: Leaders in Operations Management & Leaders in Customer Management 2015.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL is a JV between GAL (63%), AAI (13%), Government of Telangana (13%) and MAHB (Mauritius) Private Limited (11%) and has entered into a long-term agreement to operate, manage and develop the Rajiv Gandhi International Airport (RGIA), Hyderabad.

Highlights of FY 2015-16:

GHIAL continued to record strong traffic growth in its 8th year of operation. Passenger traffic touched 12.5 million, registering a growth of 19% year on year (Y-o-Y). Similarly, Cargo also registered impressive growth to reach 113,000 MT, a growth of 10% Y-o-Y. ATM (Air Traffic Movement) also had a strong growth of 12% Y-o-Y ending the year with 106,303. The year also showed remarkable progress towards GHIAL's Mission of being the Gateway of Choice and Preferred Logistics Hub for South and Central India region, marked by additions to the airline count on both passenger (1 international and 2 domestic) and cargo (1 domestic) fronts and additional frequencies from the existing airlines.

Towards ensuring a well-rounded and enjoyable experience to its passengers, the airport enhanced its retail and shopping experience by modifying the layout to unidirectional flow, which has yielded additional number of new stores and retail outlets at the passenger terminal. The Airport charges for GHIAL (User Development Fee (UDF) and Passenger Service Fee – Facilitation Component (PSF)) were successfully restored vide the Interim Order from the Hyderabad High Court which has enhanced the cash flow and the same was implemented with effect from November 05, 2015. GHIAL also signed an escrow account with Air India for collection of UDF and PSF, which is a mechanism that has aided GHIAL in securing the dues and strengthening the cash flows.

To enhance the passenger experience, GHIAL has operationalized an end-to-end E-Boarding process for domestic passengers, becoming the only airport in India to implement the same. It has improved the efficiency at each security check point and has started the journey of Indian Aviation along the path of "Digital India' as envisaged by the Hon. Prime Minister.

Adding another green milestone to GMR's clean energy journey, GHIAL has commissioned a 5 MW Solar Power Plant for its captive consumption to meet the airport's peak power demand. The airport also completely refurbished Hajj Terminal which enhanced the passengers' and meeters' & greeters' facilities. Despite challenges, GHIAL has always maintained its focus on service quality and passenger delight and this continued dedication saw the airport win accolades from passengers and industry associations for its excellence in service delivery with ACI ranking RGIA among the top 3 in the world for ASQ for the 7th year in a row.

Awards and Accolades received in FY 2015-16:

- World's Third Best Airport 2015 in ASQ Rating by ACI, in 5-15 mn passenger category.
- Best Regional Airport in India and Central Asia at the Skytrax World Airport Awards, a web based survey voted directly by passengers.
- Emerging Cargo Airport of the Year, Region – India awarded by STAT Times International Award for the second time in a row.
- ACI Asia-Pacific Silver Recognition for Human Resources Excellence.
- CII Award for "Excellent Energy Efficient Unit" for a second time in a row.
- Golden Peacock Environment Management Award for 2015.
- Best Landscape - Garden Festival 2016 (sixth time in a row).

Airport Cities

As more and more aviation-oriented businesses are being drawn to airport cities and transportation corridors radiating from them, a new urban form is emerging, the Aerotropolis, stretching upto 20 miles (30 kilometers) outward from some airports. This concept, developed by Dr. John Kasarda, has been adopted by GMR Group at its airports in Hyderabad and Delhi and GMR Group is working towards developing an ecosystem around the airports.

Both Delhi and Hyderabad have completed the master plan for their landside developments and are engaged in the development of physical infrastructure and discussions with potential tenants.

During the course of the year, DIAL witnessed 3 of its hotel assets coming on line. Delhi airport has also undertaken works to beautify the Aerocity area and the work is expected to be completed in 2016.

GMR Megawide Cebu Airport Corporation (GMCAC)

GMCAC, a JV between GMR group (40%) and Megawide Corporation (60%), in April 2014, entered into a concession agreement with Mactan Cebu International Airport Authority for development and operation of Mactan Cebu International Airport (Cebu airport) for a period of 25 years. GMCAC took operational responsibility of the airport in November 2014 and has now been operating the airport for 20 months.

Highlights of FY 2015-16:

GMCAC has laid great emphasis on boosting traffic at Cebu airport, both domestic and international.

In a bid to boost international tourism, GMCAC has been working with the tourism body of Cebu and Philippines, as well as with travel agents to boost tourist traffic from China, Japan and Australia. As a result, GMCAC has seen international traffic grow by 18.5% while the domestic traffic has also grown at 9.6%. In terms of international connectivity, GMCAC has also seen 3 new routes being added, viz., Cebu – Dubai, Cebu – Los Angeles and Cebu- Taipei.

On the operational front, GMCAC has brought about a significant transformation in the existing terminal facilities by:

a) Introduction of common security checks for passengers boarding Domestic and International flights. This resulted in doubling of the capacity of security x-ray lanes.
b) Installed New Flight Information Display Systems.
c) Introduced new check-in systems and increased the number of check-in counters.
d) Developed a new meeters' and greeters' area.
e) Introduced enhanced F&B and retail operations including launch of a completely overhauled Duty Free area.

GMCAC is also steadily working towards development of the new terminal. To mitigate the delay in handover of land which was under occupation of Philippines air force, GMCAC has started work on the land parcels made available to it in June 2015. The structural works for the new terminal building are underway and we are confident of completing the terminal within the timelines specified in the concession agreement.

Awards and Accolades received in FY 2015-16:

- Asia-Pacific Transport Deal of the Year.
- Best Project Finance deal award by Triple A Asia Infrastructure awards.

GMR Malé International Airport Private Limited (GMIAL)

GMR Group along with its partner Malaysia Airports are engaged in arbitration with Government of Maldives (GoM) and Maldives Airport Company Ltd. (MACL) after the latter repudiated the agreement in December 2012. In order to expedite the progress of the arbitration, both GMR Group and GoM have agreed to bifurcate the arbitration in 2 phases; first phase was to focus on questions of liability; while the second phase was to quantify the amount recoverable. In June 2014, the tribunal had ruled that the concession agreement was valid and binding and GoM had illegally terminated the concession agreement and is therefore liable to GMR/GMIAL for compensation. After subsequent hearings, the tribunal has ruled in February 2016 that the debt owed by GMIAL to Axis Bank will form part of the compensation payable by GoM to GMIAL. The hearing to determine the quantum of damages payable by Government of Maldives to GMIAL is scheduled in the month of August 2016.

GMR Aviation Private Limited (GAPL)

GAPL operates and owns one of the youngest fleets in the country and addresses the growing need for charter services. The operations are managed by professionals with robust processes and systems to ensure highest levels of efficiency and safety. In order to boost revenues and rationalize overhead costs, GAPL has entered into a 2 year management contract with Jet Set Go – a general aviation fleet aggregator. As per the agreement, Jet Set Go will take responsibility for operations and marketing of the aircrafts.

Energy Sector

The Energy Sector companies are operating around 4,600 MWs of Coal, Gas, Liquid fuel and Renewable power plants in India and around 2,200 MWs of power projects are under various stages of construction and development, besides a pipeline of other projects. The Energy Sector has a diversified portfolio of thermal and hydro projects with a mix of merchant and long term Power Purchase Agreements (PPA).

Following are the major highlights of the Energy Sector:

A. Operational Assets:

I. Generation:

1. GMR Warora Energy Limited (Formerly EMCO Energy Limited) (GWEL) – 600 MW:

- The Plant consists of 2 x 300 MW coal fired Units with all associated auxiliaries and Balance of Plant Systems. GWEL has a Coal supply Agreement with South Eastern Coalfields Limited (SECL) for a total Annual Contracted Quantity (ACQ) of 2.6 Million Tonnes per annum.
- Tamil Nadu Generation and Distribution Corporation Limited (TAGENDCO) PPA was fully operationalized during the year, which was earlier pending due to non availability of transmission corridor and long-term open access.
- During the year, the Plant has achieved availability of 94.80% and Gross Plant Load Factor (PLF) of 75.95%.
- More than 90% ash utilization was achieved during the year.
- Weir construction for water availability by Maharashtra Industrial Development Corporation (MIDC) is under way and expected to be made ready in FY 2016-17.

2. GMR Kamalanga Energy Limited (GKEL) – 1,050 MW:

- GKEL in which GMR Energy Limited has 86% stake, with IIF & IDFC holding the balance stake, has developed 1,050 MW (3x 350) coal fired power plant at Kamalanga Village, Odisha.
- The plant is supplying power to Haryana through PTC India Limited, to Odisha through GRIDCO Limited and to Bihar through Bihar State Power Holding Company Limited.
- 85% of the capacity is tied-up in long term PPAs.
- GKEL has received Letter of Assurances from Mahanadi Coalfields Limited (MCL) for 1,050 MW, of which 500 MW is for firm linkage and 550 MW is for tapering linkage. GKEL has signed Fuel Supply Agreement (FSA) for firm linkage for 500 MW and tapering linkage for 200 MW with MCL and is getting coal supply accordingly. GKEL has also signed FSA with Eastern Coalfields Limited (ECL) for 350 MW tapering linkage and coal supply corresponding to tapering linkage for 204 MW had started earlier.
- During this year, Ministry of Coal has allowed continuation / extension of MoU coal (earlier tapering linkage) to GKEL beyond March 2016 till June 2016. Further, from December 2015 onwards, supplies from ECL have been transferred to MCL leading to a cost savings of ₹ 80 Crore per year.
- During this period, GKEL achieved availability of 91.5% and PLF of 67.6%.
- GKEL received favourable order from CERC on GRIDCO tariff, on the basis of which GKEL has raised supplementary bills of ₹ 233.82 Crore to GRIDCO for the period upto November 2015 and has also raised regular bills aggregating to ₹ 204.33 Crore for the period from December 2015 to March 2016.

- GKEL received favourable order from CERC on Change in Law petition against Haryana Discoms, with claim of ₹ 115.94 Crore of arrears from FY 2014 to FY 2016 period.
- GKEL successfully completed refinancing of the project debt under Flexible Structuring Scheme along with the new facility of ₹ 400 Crore against the regulatory receivables. Working capital limit was also enhanced with sanction of ₹ 745 Crore.

3. GMR Chhattisgarh Energy Limited (GCHEPL) – 1,370 MW:

- GCHEPL, a wholly owned subsidiary of GEL, has developed 1,370 MW (2 x 685 MW) pulverized coal-fired super critical technology based power project in Raikheda Village, Tilda Block, Raipur District, in the State of Chhattisgarh. GCHEPL has received all the necessary statutory and environmental clearances. The project has achieved COD of Unit – 1 and Unit – 2 on June 01, 2015 and March 31, 2016 respectively and started commercial operation of Unit – 1 from November 01, 2015. The project participated in the coal block auction last year, bid and won two coal blocks, namely Talabira and Ganeshpur.
- The Railway track for movement of rake to site has been completed and siding operations have commenced. Ganeshpur coal block (located in Latehar District, Jharkhand and earlier allotted to Tata Steel Limited and Adhunik Thermal Energy) has a reserve of about 92 MT and is expected to start its production by FY 18 and reach its peak production capacity by FY 21.
- Talabira coal block (located in Odisha and earlier allotted to HINDALCO) has a reserve of about 8.5 MT. This is an operating coal block and GCHEPL started production from August 2015 onwards and GCHEPL has been receiving coal for its operations.
- GCHEPL is actively pursuing to tie-up the entire capacity through various upcoming medium and long-term power procurement tenders.

4. GMR Vemagiri Power Generation Limited (GVPGL) - 370 MW:

- GVPGL, a wholly owned subsidiary of GEL operates a 370 MW natural gas-fired combined cycle power plant at Rajahmundry, Andhra Pradesh. During the FY 2016, the plant commenced operations on roster basis beginning August 2015, under e-bid RLNG scheme. In line with the scheme, the plant secured gas corresponding to 30% PLF for period June 2015 to September 2015, 50% PLF for the period October 2015 to March 2016 and 30% PLF for the period April 2016 to September 2016. GVPGL operated at an average PLF of 17.88% during the year.
- To benefit from the softened LNG prices world-wide, GVPGL is striving continuously to import LNG on short term basis to obtain higher PLF.

5. GMR Rajahmundry Energy Limited (GREL) – 768 MW:

- GREL, a wholly owned subsidiary of GEL is engaged in setting up of 768 MW (2 x 384 MW) combined cycle gas based power project.
- GREL achieved COD on October 22, 2015 and secured gas for operations through e-bid RLNG scheme at 50% PLF for the period October 2015 to March 2016 and 30% PLF for the period April 2016 to September 2016. The plant began commercial operations for the first time starting November 16, 2015 based on the roster decided by AP-Transco. GREL operated at an average PLF of 20.12% during the year.
- To benefit with the softened LNG prices world-wide, GREL is striving continuously to import LNG on short term basis and looking forward to tie up power by entering into the PPA opportunities available.
- Further, the lenders have invoked Strategic Debt Restructuring (SDR) for GREL resulting in conversion of outstanding debt amounting to ₹ 1,413.99 Crore (₹ 1,308.57 Crore of debt and ₹ 105.42 Crore of Interest accrued thereon) into equity in order to acquire 55% shareholding in GREL. Post the restructuring, the total outstanding debt of GREL would be ₹ 2,366 Crore.

6. Barge mounted Power Plant of GMR Energy Limited (GEL), Kakinada:

- GEL operates 220 MW combined cycle barge mounted power plant at Kakinada, Andhra Pradesh. There was no generation of power by the barge mounted power plant during the year ended March 31, 2016 on account of non-availability of gas.
- Plant is kept under preservation since March 2013. Preservation methods were adopted based on Original Equipment Manufacturers' (OEM) procedures.
- Efforts are being made to arrange gas from domestic sources and LNG market.

7. GMR Power Corporation Limited (GPCL), Chennai:

- GPCL, in which GEL holds 51% stake, operates a 200 MW diesel powered power plant and was selling power to Tamil Nadu Generation and Distribution Corporation Limited (TAGENDCO). There was no generation of power during the year and currently the plant is kept under preservation.
- TAGENDCO had extended the PPA from February 15, 2014 to February 14, 2015 with fresh tariff and new terms and conditions. GPCL requested TAGENDCO for extension of PPA from February 15, 2015 and is awaiting clearance for supplying power.

8. **GMR Gujarat Solar Power Private Limited (GGSPPL), Charanka Village, Gujarat:**

GGSPPL, a wholly owned subsidiary of GEL, operates 25 MW Solar power project at Charanka village, Patan district, Gujarat. GGSPPL has entered into 25 year PPA with Gujarat Urja Vikas Nigam Limited for supply of entire power generation. GGSPPL has achieved commercial operation on March 04, 2012 and received certificate of commissioning from M/s. Gujarat Energy Development Agency ("GEDA"). Indu Projects Limited has been awarded the contract for operation and maintenance of the plant for a period of 5 years. Plant has achieved a Gross DC PLF of 19.36% for FY 2015-16 and recorded revenue of ₹ 63.18 Crore for the FY. Significantly during the year, GGSPPL also received the following ISO Certifications from DNV GL of Norway (1) ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System).

9. **GMR Rajam Solar Power Private Limited (GRSPPL), Rajam:**

GRSPPL, a wholly owned subsidiary of GEL commissioned a 1 MW Solar power project in Rajam, Andhra Pradesh in February 2016. The Company has signed a 25 year PPA with both GMR Institute of Technology (700KW) and GMR Varalakshmi Care Hospital (300KW) for the sale of power generated.

II Transmission:

1. **Aravali Transmission Service Company Limited (ATSCL):**

- ATSCL, a wholly owned subsidiary of GEL, successfully implemented the project with 96 km line including 400 kV S/C Hindaun-Alwar transmission line and 2 × 315 MVA 400/220 kV Grid Substation at Alwar and other associated works in the State of Rajasthan with a total project cost of ₹ 146.20 Crore. This is the second public private partnership (PPP) project of its kind in Rajasthan, which is being executed on Build Own Operate Maintain (BOOM) basis for a concession period of 25 years from the date of Project Award.
- The 400 kV Hindaun-Alwar transmission line was successfully charged on July 25, 2014. Grid Substation was charged on July 31, 2014.
- COD was achieved on July 17, 2014 in line with the provisions of Transmission Service Agreement (TSA).
- Rajasthan Electricity Regulatory Commission (RERC) gave an unfavorable order in case of the Tariff Revision Petition filed before RERC seeking compensation in terms of either TSA period extension (to compensate ATSCL on account of delayed grant of transmission license, escalation in project cost due to change in law and COD consideration) or upfront loss compensation.
- Company has approached Appellate Tribunal for Electricity (APTEL) seeking relief against the order of RERC.
- The asset has performed at more than the target availability of 98%.

2. **Maru Transmission Service Company Limited (MTSCL):**

- MTSCL, a wholly owned subsidiary of GEL, successfully implemented the project with 269 km line including 400 kV S/C Bikaner-Deedwana Transmission Line, 400 kV S/C Ajmer-Deedwana Transmission Line, 220 kV D/C Sujangarh-Deedwana Transmission Line and 2x315 MVA 400/220 kV Grid sub-station at Deedwana and other associated works in the State of Rajasthan with a total project cost of ₹ 251.90 Crore. This is the first PPP project of its kind in Rajasthan, which is being executed on BOOM basis for a concession period of 25 years from the date of Project Award.
- COD was declared by Order of the RERC from December 16, 2013.
- Arrears have been received from Discoms as per the relief granted by RERC to pay all unpaid revenue from December 16, 2013.
- RERC gave an unfavorable order in case of the Tariff Revision Petition filed before RERC seeking compensation in terms of either TSA period extension (to compensate MTSCL on account of delayed grant of transmission license, escalation in project cost due to change in law) or upfront loss compensation.
- Company has approached APTEL seeking relief against the order of RERC.
- The asset has performed at more than the target availability of 98%.

Stake sale in the Transmission projects:

GEL has entered into definitive agreements with Adani Transmission Limited agreeing to transfer its interest in aforesaid ATSCL and MTSCL. The transaction shall be concluded subject to fulfillment of necessary conditions precedent.

B. Projects:

1. **GMR Bajoli Holi Hydropower Private Limited (GBHHPL) (180 MW):**

- GBHHPL, a wholly owned subsidiary of GEL, is implementing 180 MW hydro power plant on the river Ravi at Chamba District, Himachal Pradesh.
- GBHHPL achieved financial closure on April 25, 2013 and tied-up the debt requirement of ₹ 1,380 Crore and the necessary loan agreements were executed. All

clearances required for undertaking construction are in place and complete land as required for the project is in GBHHPL's possession.

- All the contracts for execution of civil works and Electro Mechanical works were awarded and civil works are going on with the completion of infrastructure works.
- GBHHPL had also executed the Connectivity Agreement with HP Power Transmission Corporation Limited and Long Term Access Agreement with Power Grid Corporation of India Limited (PGCIL) for evacuating power outside Himachal Pradesh.
- The construction works of the project are in full swing and River Diversion work is completed on schedule on October 01, 2015. Overall progress of 32% has been achieved till end of FY 2015-16.

2. GMR Upper Karnali Hydro Power Public Limited (GUKPL) – (900 MW):

- GUKPL, a subsidiary of GEL, is developing 900 MW Upper Karnali Hydroelectric project (HEP) located on river Karnali in Dailekh, Surkhet and Achham Districts of Nepal. During the year under review, post execution of Project Development Agreement (PDA), several key activities as per PDA compliance, Technical appraisal of the Project, Design and tendering works have been completed, despite a series of *Force Majeure* events like Earthquake, political upheaval etc. The Project land has been identified, joint verification for Government and Forest land has been completed and same is under review by concerned Ministry before seeking cabinet approval. Rehabilitation Action Plan (RAP), as per International Finance Corporation (IFC) Performance Standards and the Safeguard Policies has been prepared and private land acquisition process is currently underway. Similarly Environment and Social Impact Assessment (ESIA) studies as per IFC Performance Standards have also been prepared and are under finalisation with the lenders. The detailed technical appraisal by a seven member Panel of Experts (empanelled with IFC) has been completed and the Panel submitted its final report. The Hydraulic model studies as per the Panel's advice has also been completed and the technical design of the Project has been finalised. Tender engineering has been completed and the formal tender process is being launched shortly.
- For the Transmission Line, detailed survey has been completed and cadastral mapping is in advanced stage of completion. Post execution of the PTA between Government of India (GoI) and Government of Nepal (GoN) and the SAARC energy pact between SAARC nations, GoI is in advanced stage of finalisation of a Cross border policy. GoI and GoN have also agreed to build the cross border Transmission line (From Lamki in Nepal to Bareilly in UP) on bilateral route, matching with the commissioning schedule of the Upper Karnali HEP. Regarding power sale, a MoU has been executed with M/s NTPC Vidyut Vyapar Nigam Limited (NVVN) for tie-up of the entire saleable capacity of the Project in India and Bangladesh. NVVN is also nominated by GoI as the Nodal agency for sale of Power between India, Nepal, Bangladesh and Bhutan. Post this MoU, discussions are underway with select buyers in India and Bangladesh for tie-up of power on long term route. Joint Development Agreement (JDA) was executed with IFC for both Generation and Transmission projects on December 22, 2014 and as per the JDA, IFC proposes to invest as Co-developer for the Projects with 10% equity under 'Infra Ventures' route and also assume the role of lead lender and debt arranger. The Project has received LoIs in excess of USD 1.1 billion from Multilateral Development Banks (MDBs) across the globe and post this, the first all lenders site visit / lenders meeting was held at Kathmandu on April 05, 2016. The lenders are presently engaged in Project appraisal activities.

3. GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) - Badrinath - (300 MW):

- GBHPL, a subsidiary of GEL, is in the process of developing 300 MW hydroelectric power plant on Alaknanda river in the Chamoli District of Uttarakhand State. The project has received all major statutory clearances like Environmental and Techno economic concurrence from Central Electricity Authority (CEA). The project got registered in The United Nations Framework Convention on Climate Change (UNFCCC) and it is eligible for receiving the Clean Development Mechanism (CDM) benefits.
- Implementation Agreement has been executed with the Government of Uttarakhand on May 17, 2013. Financial Closure (FC) process is in the advanced stage. Project has received term loan sanction from Power Finance Corporation Limited. However, FC process has been held-up due to Hon'ble Supreme Court's stay order on 24 Hydro Electric Projects in Uttarakhand (Order dated May 07, 2014) issued while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited and the stay order is in effect till date.

4. Himtal Hydropower Company Private Limited (HHPPL) – (600 MW):

- HHPPL, a subsidiary of GEL, is developing 600 MW Upper Marsyangdi-2 Hydroelectric Power Project on the river Marsyangdi in Lamjung and Manang Districts of Nepal. During the year under review, significant progress was made in negotiations / finalisation of the PDA with Investment Board Nepal (IBN) and the same is in advanced stage. The land for the entire project has been identified and verified. The final verified land case has been submitted to GoN. MoU for sale of power with Government of Bangladesh has been finalised and is awaiting the execution pending the notification of the cross border policy, which is currently under formulation by GoI.

- For the Transmission Line, Detailed Route Survey and Cadastral Map Survey is in advanced stage of completion. JDA was executed with IFC for transmission line project on December 22, 2014 and JDA with IFC is already in place for Himtal (the Generation Company). IFC proposes to invest in the Project as Co-developer with 10% equity under 'Infra Ventures' route and also act as lead lender and lead arranger for the Project. Post PTA/SAARC Energy pact execution, GoI and GoN have also recently agreed to build the cross border Transmission line on bilateral route, matching with the commissioning schedule of the Upper Marsyangdi-2 Hydro Electric Project.

5. **GMR Londa Hydropower Private Limited (GLHPPL) - 225 MW:**

GMR Energy Limited owns the 100% stake of GLHPPL which is developing a 225 MW project in East Kameng district in Arunachal Pradesh. The Detailed Project Report ("DPR") has been prepared and has received techno-economic concurrence from the CEA. The Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change (MoEF & CC or MoEF) has recommended for Environmental Clearance and accordingly MoEF & CC had issued in-principle clearance to this project. However, formal Environmental Clearance shall be granted by MoEF & CC after obtaining the Forest- stage-I clearance. Defence clearance for setting up the project has been received from Ministry of Defence, GoI.

C. Mining Assets:

1. **PT Barasentosa Lestari (PTBSL):**

GEL had acquired 100% stake in PTBSL in September 2008 which has coal mine in South Sumatra Province with more than 650 MT Coal Resources in ~24,385 Hectares and total mineable reserves of about 280 Million Metric Ton (MMT). Trial coal production and sales have commenced in FY 2015, however the operations were suspended because of the limitations of transportation of coal due to lower water levels in Musi River. The coal production is expected to be gradually ramped up from 1 Million Ton Per Annum (MTPA) to 3 MTPA over a period. The coal is planned to be exported to India to cater to captive demand of power plants owned by the Group and also to trade the coal through in-house coal trading arm.

2. **PT Golden Energy Mines Tbk (PT GEMS):**

GEL through its overseas subsidiary, GMR Coal Resources Pte. Ltd., had acquired 30% stake in PT GEMS, a group company of Sinarmas Group, Indonesia. PT GEMS, a limited liability company, listed on the Indonesia Stock Exchange. PT GEMS is carrying out mining operations in Indonesia through its subsidiaries which own coal mining concessions in South Kalimantan, Central Kalimantan and Sumatra. PT GEMS is also involved in coal trading through its subsidiaries. Coal mines owned by PT GEMS and its subsidiaries have total resources of more than 2.0 billion tons and Joint Ore Reserves Committee (JORC) certified reserves of more than 620 MT of thermal coal. GMR Group has a Coal off take Agreement with PT GEMS which entitles GMR to off take coal for 25 years.

Transportation

Highways

GMR Highways Limited, a wholly owned subsidiary of your Company, is one of the leading highways developer in India with 9 operating highways assets (including two projects in which it holds minority interest). During the FY 2016, we have entered into definitive agreements to divest our balance 26% stake in Ulunderpet Expressways Private Limited and our entire stake in GMR OSE Hungund Hospet Highways Private Limited. The FY 2015-16 has seen a subdued growth in the highways sector due to various factors such as slowed economic situation, funding constraints, land acquisition issues etc. This has resulted in lower investment from private players in infrastructure in general including roads and highways sector. For Kishangarh-Udaipur-Ahmedabad project which had been terminated in December 2012, a dispute notice to NHAI was served, invoking arbitration to settle the dispute. The Arbitration Tribunal has been constituted and the matter will be taken up in hearings scheduled during FY 2016-17.

Urban Infrastructure

The Group is developing a 2,100 acre multi product Special Investment Region (SIR) at Krishnagiri, near Hosur in Tamil Nadu and 10,000 acre Port-based multi-product SIR at Kakinada, Andhra Pradesh.

Krishnagiri SIR

GMR Group, with an objective of building world class industrial infrastructure in India, is setting up a SIR at Hosur, Tamil Nadu just 45 km from Electronic City, Bengaluru. The location provides unique advantage of multi-modal connectivity with National and State Highways and a railway line running alongside. Krishnagiri SIR is planned to be developed as an integrated city spread across 2,100 acres in the influence area of proposed Chennai-Bangalore Industrial Corridor. Krishnagiri SIR is being planned to house the following manufacturing clusters:

- Automotive & Ancillary;
- Defense and Aerospace;
- Precision Engineering;
- Machine tools;
- Electronics Product Manufacturing.

Designed to encompass a complete ecosystem, Phase 1A of Krishnagiri SIR spread over 275 acres will contain all that are essential for a large industrial city center. Krishnagiri SIR has following key offerings to its esteemed clientele:

- Shovel ready developed plot with road, drainage, water supply, Water Treatment Plants (WTP), Sewage Treatment Plants (STP) and other similar facilities;
- Water – Potable water;
- Power –33 kV level dedicated sub-station with a Solar power plant.

The entire infrastructure is being developed and maintained by GMR Group underscoring its commitment to quality, service and timelines. The “integrated” design would endeavor to provide first world standard residential, social and commercial amenities making this zone a truly “self-contained”.

Kakinada SEZ/ SIR

GMR Group owns 51% in Kakinada SEZ Private Limited, which is developing Kakinada SEZ / SIR in the State of Andhra Pradesh in proximity to the cities of Vishakapatnam and Kakinada. With an area span of over 10,000 acres, Kakinada SEZ / SIR will be self-contained Port-based Industrial park with ideally designed core infrastructure, industrial common infrastructure, business facilitation infrastructure and social infrastructure across varied dedicated areas such as housing, lifestyle and high-end expat friendly zone. Kakinada SEZ / SIR is designed for balancing the sensitivity to culture and heritage of the region and also for integration with the native eco-system.

Project Progress:

- Pals Plush, a leading toy manufacturing company has already started its operations in an area of over 1,00,000 sq. ft. of space and has already recruited over 600 people. It has plans to recruit over 1200 people by FY 17.
- TATA Business Support Services has established a rural BPO and has already recruited over 30 people and training for the next batch of people is underway. Anticipated to recruit over 100 people in the near future.
- Received interests from various domestic and international companies to establish their factories in Kakinada SEZ / SIR and are in various phases of advanced discussions.
- Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) has executed and registered an Agreement for sale with the company for 1563.22 acres of land at Kona Village, Thondangi Mandal for the purpose of Company’s Port / Industrial Backup area / Industrial Park.
- Secured approvals to draw water up to 11 MGD from various sources for Industrial use.
- Laid down the power cables inside the industrial zone and provided industrial power supply for existing industries.
- Master Plan for Phase 1 development of around 916 acres has been completed.
- Internal black top roads and plots have been developed.

EPC

Pursuant to the strategic decision taken to pursue EPC opportunities outside GMR Group and consequent to the Group’s entry into Railway Projects during FY 2015-16, the Group has started construction of 2 Dedicated Freight Corridor Corporation (DFCC) projects in the state of Uttar Pradesh. Mobilization and design for the projects is substantially completed and construction is in full swing.

Your Company has also achieved substantial completion of 2 Rail Vikas Nigam Limited (RVNL) projects in the States of Andhra Pradesh and Uttar Pradesh that were awarded in FY 2013-14.

Raxa Security Services Limited (Raxa)

Raxa became a subsidiary of the Company during FY 2015-16 consequent to the Group acquiring 100% stake in Raxa. Raxa is engaged in the business of providing security manpower and technology services to industrial and business establishments.

Consolidated Financial Statement

In accordance with the Companies Act, 2013 and Accounting Standard (AS) - 21 on Consolidated Financial Statement read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

Subsidiaries, Joint Ventures and Associate Companies

As on March 31, 2016, the Company had 123 subsidiary companies apart from 26 joint ventures and 4 associate companies. During the year under review, companies listed below have become or ceased to be Company’s subsidiaries or associate companies. The Policy for determining material subsidiaries as approved may be accessed on the Company’s website at the link: http://investor.gmrgroup.in/investors/GIL-Policies.html. The complete list of subsidiary companies, joint ventures and associate companies as on March 31, 2016 is provided in **“Annexure A”** to this Report.

Raxa Security Services Limited (Raxa) and Indo Tausch Trading DMCC (ITTD) became subsidiaries during the FY 2015-16.

Homeland Energy Group Limited (HEGL) ceased to be subsidiary during the FY 2015-16. GMR Malé Retail Private Limited (GMRPL) and GMR Airports (Malta) Limited (GMRAML) were liquidated during the FY 2015-16 and accordingly ceased to be subsidiaries.

GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL), ceased to be a subsidiary company and became an associate company during the FY 2015-16.

Report on the highlights of performance of subsidiaries, associates and joint ventures and their contribution to the overall performance of the Company has been provided in **Form AOC-1**.

Directors’ Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in Note 2.1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively;

f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

The Company continues to follow the Business Excellence Framework, based on the Malcolm Baldrige Model, for continuous improvement in all spheres of its activities. Your Company works towards continuous improvement in governance practices and processes, in compliance with the statutory requirements.

The Report on Corporate Governance as stipulated under relevant provisions of SEBI LODR forms part of the Annual Report. The requisite Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is attached to this Report.

Business Responsibility Report

As stipulated under Regulation 34(2)(f) of SEBI LODR, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective is attached as part of the Annual Report.

Contracts and arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the FY 2016 with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions other than the transaction mentioned below:

- Loans extended by the Company to GEL to an extent of ₹ 1,288.26 Crore during the FY ended March 31, 2016.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website at the link: http://investor.gmrgroup.in/investors/GIL-Policies.html. Your Directors draw attention of the members to Note 32 to the standalone financial statements which sets out related party disclosures.

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which was approved by the Board. The CSR Policy may be accessed on the Company's website at the link: http://investor.gmrgroup.in/investors/GIL-Policies.html.

The Company has identified three focus areas towards the community service CSR activities, which are as under:

- Education
- Health, Hygiene & Sanitation
- Empowerment & Livelihoods

The Company, as per the approved policy, may undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013. During the year, the Company was not required to spend any amount on CSR as it did not have any profits. Accordingly, it has not spent any amount on CSR activities. The Annual Report on CSR activities is annexed as **"Annexure B"** to this Report.

The activities undertaken by GMR Varalakshmi Foundation (GMRVF), Corporate Social Responsibility arm of the GMR Group, have been highlighted in detail in the Management Discussion and Analysis Report.

Risk Management

With business opportunities significantly increasing in the current business environment, new risks that can impact your Company's businesses, are emerging. For these risks to be managed effectively, it is imperative to identify and address these risks in order to accomplish Company's objectives.

Your Company's Enterprise Risk Management (ERM) framework follows the current best practices and has been deployed to address the emerging challenges effectively.

Significant developments during the year under review are as follows:

- Risk assessment was carried out in detail at bid stage for the Railway EPC projects, Philippines airports projects. Independent views on key business assumptions made for these bids were presented during board reviews, enabling informed decision-making;
- The focus on decentralization of Risk Management function has continued throughout this year. This decentralization has been effectively translated into functioning ERM teams in the sectors, coupled with support from outsourced partners;
- Having successfully pilot-implemented the Project Risk Management (PRM) framework in the previous year, the same has been replicated in the ongoing Railway EPC projects. The deployment of PRM framework has enabled effective control over project costs;
- The Group has felt the need for a measurable approach to decide the amount of risks it can take in achieving its business objectives in the changed business environment over the past year. A draft Risk Appetite Framework for the Group is under development and review with an objective to establish thresholds for quantum of risks that the Group can accept;

- The Physical Risk Benchmarking framework developed earlier, is under implementation at Energy assets.

Updates on ERM activities are shared on a regular basis with Management Assurance Group (MAG). The ERM Team also presents to the Management and the Audit Committee of the Board, the risk assessment and minimization procedures adopted to assess the reliability of the risk management structure and efficiency of the process.

A detailed note on risks and concerns affecting the businesses of the Company is provided in MDA.

Risk Management Policy

The Company has in place the Risk Management Policy duly approved by the Board of Directors.

ERM Philosophy

The GMR Group's ERM philosophy is "To integrate the process for managing risk across GMR Group and throughout its businesses and lifecycle to enable protection and enhancement of stakeholder value."

ERM aims at balancing the dynamic growth strategy of the Group with robust institution building processes by ensuring that key decisions with regard to strategy and institution building are commensurate with the Group's risk appetite.

The Group endorses the following principles as adapted from ISO 31000:2009 (Risk Management - Principles and Guidelines):

- ERM Protects and enhances value
- ERM is an integral part of all organizational processes and is applicable across the Group
- ERM is an input to decision making
- ERM is systematic, structured and timely
- ERM is transparent, inclusive and consultative
- ERM is dynamic, iterative and responsive to changes
- ERM facilitates continual improvement

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. These controls were tested and no reportable material weaknesses were observed in the operations of the Company.

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. G. B. S. Raju, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment. Mr. G. B. S. Raju has offered himself for re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on November 13, 2015 appointed Mr. Jayesh Desai as an Additional Director of the Company with effect from November 13, 2015 to hold office upto the date of ensuing Annual General Meeting of the Company. The Company has also received notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing his candidature as Director of the Company at the ensuing Annual General Meeting.

Further, the Nomination and Remuneration Committee of the Board of Directors has also recommended the re-appointment of Mrs. Vissa Siva Kameswari, Mr. R.S.S.L.N. Bhaskarudu, Mr. N. C. Sarabeswaran, Mr. S. Sandilya, Mr. S. Rajagopal, and Mr. C. R. Muralidharan as Independent Directors of the Company for their second term for a period of five years or upto the conclusion of Twenty Fifth Annual General Meeting whichever is earlier. Subsequently, Board at its meeting held on August 06, 2016 has recommended the said re-appointment.

Dr. Prakash G. Apte and Mr. V. Santhanaraman have not opted for re-appointment as Independent Director for their second term.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member, along with the requisite deposit proposing the candidature of each of the said directors for the office of Independent Directors, who opted for re-appointment, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The brief resume and details of Directors who are to be appointed / re-appointed are furnished in the Notice to the Annual General Meeting.

The Company has received declarations from all the Independent Directors, who opted for re-appointment, confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI LODR.

During the year under review, Mr. Adi Seshavataram Cherukupalli was appointed as Company Secretary of the Company with effect from August 13, 2015 in place of Mr. C.P. Sounderarajan.

Annual evaluation of Board performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements under SEBI LODR has been carried out. The performance of the Board and its committees was evaluated based on the criteria like composition and structure, effectiveness of processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role. The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is annexed as **"Annexure C"** to the Board's Report.

Auditors and Auditors' Report

Statutory Auditors

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

Management's response on the Statutory Auditors' Qualification / Comments on the Company's standalone financial statements

1. Qualification pertaining to the dispute in GMIAL – On termination of the contract and on conservative basis, the Group wrote off assets worth ₹ 202.61 Crore during FY 2012-13, retaining only carry value of assets equivalent to Project Loan from Axis bank, taking into account the Direct Agreement entered in to by GoM / MACL with Axis bank. Tribunal's award dated June 18, 2014, declared that the Concession Agreement was not void ab initio, was valid and binding on the parties and also declared that the GoM and MACL are jointly and severally liable to GMIAL for loss caused by repudiation of the contract. Further on June 17, 2015, the tribunal in its decision in respect of the preliminary issue, stated that the limit of damages recoverable in the aforementioned award was intended to apply from the date of concession agreement has been repudiated and also the limit to recoverable damages identified in the aforementioned award means all damages recoverable by GMIAL and not only contractually contemplated damages. In its further order vide third part final award dated February 23, 2016, the Tribunal declared that the sums payable by GMIAL to Axis Bank are included in the sums which would have been payable by GoM / MACL to GMIAL. Based on the above favourable orders, the Management is confident that it is entitled for a compensation higher than the value of assets carried in the financial statements and the claims, if any, from GADLIL and other service providers for termination of their contracts. Accordingly, no further adjustments to financial statements is considered necessary.

2. Qualification pertaining to the investments in GKUAEL - The Company has already made a provision for diminution in the value of investments amounting to ₹ 137.47 Crore representing the entire expenses incurred on this project till date. Further, the project was delayed and subsequently terminated on account of delay by NHAI in fulfilling mandatory conditions precedent. Accordingly, Management is confident that amicable solution will be arrived at for the dispute with NHAI as well as on account of claims from sub-contractors. As it was not feasible on the date of adoption of financial statements to assess final outcome from these disputes and likely impact of the same on the financial statements, no further provision is made. These settlements will be taken into account and appropriate adjustments would be made in financial statements as and when assessment becomes feasible on settlement of disputes.

3. Qualification in the report on internal financial controls regarding assessment of carrying value of investments in GMIAL and GKUAEL – The Group has a robust system in place to assess the appropriateness of the carrying value of its investments, including testing for impairments. Management's view on the instant cases are explained in the paras 1 and 2 above.

Management's response on the Statutory Auditors' Qualification / Comments on the Company's consolidated financial statements

4. Qualification pertaining to the capitalization of indirect expenditure and borrowing costs in GREL - GREL has approached the Ministry of Corporate Affairs (MCA) seeking clarification / relaxation on applicability of MCA general circular 35/2014 dated August 27, 2014. In view of the same, no adjustment has been made to this effect in the financial statements.

5. Qualification pertaining to capitalization of Unit 1 on the date of declaration of commercial operation and also one of its mines in GCHEPL - Management is of view that the coal mine is integral part of power plant and Unit-1 is related to that coal mine. The said coal mine had started operation from the extraction from August 01, 2015, but coal extracted was not sufficient to run Unit 1. Post ramp-up of coal production, GCHEPL has started commercial operation from Unit-1 on November 01, 2015 and has declared COD of Unit 1 along with Mines with effect from October 31, 2015.

6. Qualifications pertaining to GMIAL and GKUAEL - Management responses are provided in paras 1 and 2 respectively.

7. Qualification in the report on internal financial controls regarding compliance with the applicable accounting standards in case of GREL and GCHEPL – The Group has proper systems and review mechanisms in place to ensure compliance with the accounting standards. Management's view on the instant cases are explained in the paras 4 and 5 above.

8. Qualification in the report on internal financial controls regarding assessment of carrying value of investments in GMIAL and GKUAEL – Management responses are provided in para 3 above.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its EPC business is required to be audited.

The Board, on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants as cost auditors for conducting the audit of cost records of the Company for the FY 2016-17.

Accordingly, a Resolution seeking Member's ratification for the remuneration to M/s. Rao, Murthy & Associates, Cost Accountants is included in the Notice convening the Annual General Meeting.

Secretarial Auditor

The Board has appointed M/s. V. Sreedharan & Associates, Company Secretaries, a firm of Company Secretaries in Practice, to conduct Secretarial Audit for the FY 2015-16. The Secretarial Audit Report for the FY ended March 31, 2016 is annexed herewith as **"Annexure D"** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Disclosures:

CSR Committee

The CSR Committee comprises of Mr. R.S.S.L.N. Bhaskarudu as Chairman, Mr. B.V.N. Rao and Mr. G.B.S. Raju as members.

Audit Committee

The Audit Committee comprises of Mr. N. C. Sarabeswaran as Chairman, Mr. S. Rajagopal, Mr. R. S. S. L. N. Bhaskarudu and Mrs. Vissa Siva Kameswari as members.

All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company has a vigil mechanism named Whistle Blower Policy, which provides a platform to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

Meetings of the Board

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, six (6) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is provided in **"Annexure E"**.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT. 9 is provided in **"Annexure F"**.

Particulars of Employees and related disclosures

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **"Annexure G"**.

The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure forming part of this Report. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure, other than the Executive Chairman and Managing Director, are related to any Director of the Company.

Developments in Human Resources and Organization Development

The Company has robust process of human resources development which is described in detail in MDA section under the heading "Developments in Human Resources and Organization Development at GMR Group".

Changes in Share capital

Rights Issue:

During the year, your Company had issued 934,553,010 equity shares of face value of ₹ 1 each for cash at a price of ₹ 15 per equity share (including a premium of ₹ 14 per equity share) for an amount aggregating to ₹ 1,401.83 Crore on rights basis to the eligible equity shareholders of your Company in the ratio of 3 equity shares for every 14 fully paid-up equity shares held by the eligible equity shareholders on the record date.

Conversion of CCPS into Equity Shares:

During the year, the Company converted CCPS Series A and B preference share of ₹ 568.33 Crore and ₹ 568.34 Crore respectively into equity shares. The preference share of Series A CCPS were converted into 359,478,241 equity shares of ₹ 1 each at conversion price of ₹ 15.81 per equity share (including premium of ₹ 14.81 per share) and Series B CCPS were converted into 380,666,645 equity shares of ₹ 1 each at conversion price of ₹ 14.93 per equity share (including premium of ₹ 13.93 per share). Accordingly, preference share capital had decreased by ₹ 1,136.67 Crore and equity share capital had increased by ₹ 74.01 Crore.

The total paid capital of the Company as on March 31, 2016 after the above issues is ₹ 603.59 Crore.

Forfeiture of money received against share warrant:

During the year, the Board of Directors of the Company had approved the forfeiture of ₹ 141.75 Crore advance received against share warrants, as the warrant holders did not exercise the option within the due date. The amount is transferred to Capital Reserve account.

Environmental Protection and Sustainability

Since inception, sustainability has remained at the core of our business strategy. Besides economic performance, safe operations, environment conservation and social well-being have always been at the core of our philosophy of sustainable business. In anticipation of upcoming regulations and requirements, the Company has invested substantially and allocated other resources to proactively adopt and implement manufacturing / business processes to increase its adherence to environmental standards and enhance its industry safety levels. At GMR Group, the challenges due to the Company's operations related to EHS aspects of the business, employees and society are mapped and mitigated through a series of systematic and disciplined sets of policies and procedures.

The Company continues to abide by regulations concerning the environment by allocating substantial investments and resources on a continuous basis to adopt and implement pollution control measures. Our continual endeavor to go beyond compliance and conserve natural resources helps to march towards attaining excellence in environmental management and efficient and sustainable operations as well. As the Company operates in an increasingly resource-constrained world, being environmentally conscious and efficient are key to our operations. The Company has a Corporate Environment, Health, Safety and Quality (EHSQ) Policy to articulate, guide, and adopt an integrated approach towards implementing EHSQ objectives and the Company remains committed towards the said policy. These established systems certified by reputed certifying agencies have helped to monitor and manage our operations systematically, safely and in environmental friendly manner. When such practices become institutionalized, they protect environment, life, assets and reduce costs.

The Company recognizes the challenge and understands the global thrusts for minimizing the effect of developmental projects towards global warming. The Company has developed various projects voluntarily and some of the projects are under development stage, which ultimately reduces GHG emissions into the atmosphere and thus, minimizing the global warming effect. The Company has evolved as Sustainability leader by registering 7 CDM Projects with UNFCCC.

As a responsible corporate citizen, the Company is striving to meet the expectations of neighboring communities around our plants and other locations through GMR Varalakshmi Foundation. The foundation works closely with them and strives to impact the lives of millions of farmers, youth, women and children through numerous programs for their benefit.

Energy Sector

GMR Energy Sector has continuously ventured to promote cleaner fuel operations and renewable energy. A super critical technology power plant was developed at Chhattisgarh. The 25 MW capacities Solar Photo-Voltaic based power generation and 2.1 MW and 1.25 MW wind turbine generators in the State(s) of Gujarat and Tamil Nadu respectively, with the total capacity of the wind turbine generator being 3.35 MW are fully operational, with commitment towards sustainability in terms of clean and renewable energy resource. Further, GRSPPL, a wholly owned subsidiary of GEL has also commissioned a 1 MW Solar power project in Rajam, Andhra Pradesh in February 2016.

GMR Energy sector has aligned its energy business with its comprehensive "EHS Framework", adopting best manufacturing practices, optimizing energy, natural resources and technology, best available practices, go beyond compliance, etc.

All the operating units have all necessary statutory clearances in place and are in compliance with environmental regulations. The Company has adopted state-of-the-art systems and measures to control emissions and effluent in design stage itself. Hazardous wastes management and disposal has been in accordance with Central Pollution Control Board (CPCB) guidelines. Continuous Stack Emission Monitoring System (CEMS) and Continuous Ambient Air Quality Monitoring Systems (CAAQMS) at power plants have been set for monitoring of vital pollution parameters on real time basis. Also, each of the operating units has dedicated Effluent Treatment Plant to treat waste water from the units and utilize or discharge in accordance with Pollution Control Board Norms. All parameters like stack emissions, ambient air quality, water quality, noise level etc., are maintained well within the stipulated norms. The monitoring reports are submitted periodically to statutory authorities. Internal audits and surveillance audits as per the requirements of ISO certifications are conducted and any observation or non-conformance is dealt with utmost seriousness. The system is managed by dedicated EHS team and steered frequently at Apex level for quick actions.

Various employee engagement campaigns are conducted at plant by celebrating World Environment Day, National Safety Week, National Fire Service Week, National Cleanliness Day, Road Safety Awareness Week, Energy Conservation Week, Earth Day etc., to create awareness and generate ideas for implementation. Regular mass plantation is organized with involvement of employees, their families and nearby villagers. Dense green belt is developed at many sites and is under progress at few project sites. Fruit bearing tree species are also being planted. Its survival is ensured with proper care.

Systems and processes as per Global Reporting Initiative (GRI-G4) are being implemented across all the power plants. Energy Sector is publishing its Sustainability Report every year since FY 2013-14 as per GRI-G4 guidelines, which are made available to all its relevant stakeholders. Sustainability reports are also available on Company website. Further, Energy Sector initiated and adopted GRI-G4 based Sustainability & EHS Management software E-tool titled 'SoFi' for capturing online sustainability data of all operating assets and projects – first in the power sector in India.

GWEL has been certified for ISO 9001:QMS, ISO 14001:EMS and OHSAS 18001 by M/s BVCI. In the year 2015 GWEL implemented and certified for ISO 50001: Energy Management System from M/s BVCI. Under the "Sampoorna Swachhata" initiative 5S implementation programmes were carried out and GWEL is certified for deploying '5S' practices at plant in January 2016 by National Productivity Council (NPC). GWEL also implemented waste management initiative by installing "Mechanized bio- composter" for converting food wastes into manure. 89% of fly ash generated during FY 2015 – 16 was utilized for cement making, bricks making, etc. To manage the wellness at work place, series of programmes under "Nirmal Jivan" initiatives like Navchetna Shibir for employees, fun 'Saturday' for stress management, counseling of all employees with dietician, health awareness, Yoga Shibir and motivational programs for employees and their family members were organized. GWEL successfully conducted series of EHS awareness programs, Earth day, World Environment day, National Safety week and observing National Fire Service week, various training programs on Permit to Work (PTW) system, emergency response plan, fire - fighting, electrical safety, chemical handling, gas cylinder handling conducted to employees and contractual employees. Mock drills on scenarios such as fire in warehouse, hydrogen leakage from generator, fire in coal crusher, ash leakage from ash silo were conducted. During FY 2015-16, GWEL planted 6000 fruit bearing and 14000 forest tree species under "Sustainable farming based greenbelt development" initiative. Testimonial to all such initiatives are receiving SHRUSHTI's Good Green Governance Award-2015, Golden Peacock Occupational Health and Safety Awards - 2015, Greentech

Occupational Health and Safety Awards – 2015, MEDA Award 2016 for Energy Management from Government of Maharashtra in FY 2015-16.

GKEL is fully compliant with the statutory norms required for operation of the plant. Besides various environmental protection initiatives, audio visual safety trainings, Behavior Based Safety (BBS) trainings, work permit system with Lock Out and Tag Out (LOTO), House Keeping drive with "5S", Hazard Identification & Risk assessment (HIRA) were also implemented to inculcate positive safety culture amongst workforce. Following Surveillance Audit of Integrated Management System (IMS), GKEL received ISO 14001: EMS, OHSAS 18001 and ISO 9001: QMS, certificates. Various campaigns viz., World Earth Day, World Environment Day, Road Safety Awareness Week, National Safety Day / Week, Pollution Prevention Day were observed to create environment awareness among the employees and contract workforce. 47% of the total ash generated in the FY 2015-16 (1387671.71 MT) has been utilized for brick manufacturing and land development. In existing green area, around 50,157 saplings were planted covering additional area of about 64.5 acres during FY 2015-16.

GCHEPL has valid factory License from Inspectorate of Factories, Hazardous waste authorization and Bio medical waste authorization from Chhattisgarh Environment Conservation Board. GCHEPL has also obtained the amendment for usage of domestic coal from MoEF. In FY 2015-16, total 70,172 saplings were planted over approximately 74.32 acres within plant premises. GCHEPL received ISO 14001: EMS & OHSAS 18001 certificates for implementing Integrated Management System (IMS). Workforce at GCHEPL enthusiastically participated in various campaigns viz., World Water Day, World Environment Day, Road Safety Awareness Week, National Safety Day / Week & Fire service day. No major incident was reported in FY 2015-16. For all operational activities and maintenance, SAP based PTW system and other work permits are followed. Compliance with Personal Protective equipment is ensured while working. EHS training is imparted to all new and existing employees every year.

GVPGL and GREL units are gas based power plants. Both units are certified for ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 by M/s. GL-DNV. EHS practices are deployed to achieve the highest level of performance. For assessment of EHS practices, external safety audit was conducted at GVPGL, all observations were suitably addressed with action plan. EHS training is imparted regularly like 'First Aid' through M/s. St. John Ambulance. Mock drills for each plant were conducted on different emergency scenarios. EHS initiatives like celebration of Road Safety Week, National Safety Week Fire Service Week, World Earth Day and World Environment Day are done at plant sites to enhance the EHS awareness level. On day of 'Karthika Vanamahotsavam', 100 tree saplings were planted.

GMR Energy Limited (GEL), Kakinada has established efficient EHS procedure and practices and has achieved zero Lost Time Injury Frequency Rate (LTIFR) with nil reportable accidents in FY 2015-16. Plant is compliant with all statutory norms and procedures. GEL celebrated World Environmental Day, Safety Week, Road Safety Week, Fire Service Week, Earth day and Karthika Vanamahostavam. Swachh Bharat campaign is in progress. Periodical surveillance audit of ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 has been done by M/s. GL-DNV. GEL successfully implemented 2 environmental management programmes on energy conservation and minimization of water consumption. To make the area green, plantations were done by employees in Plant premises as well as nearby schools.

GMR Bajoli Holi Hydro Power Project is being constructed with compliance to all applicable EHS rules, regulations and best practices. There was NIL reportable major incident at site and project achieved 54,18,369 safe man hours in FY 2015-16. First Surveillance audit for Integrated management system (IMS) covering ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 certificates was conducted by M/s TUV India. Periodical medical check-ups were conducted for employees and contract workers. Regular medical camps are also organized for workforce and community. Safety tool box talk, safety training and site inspections are conducted on daily basis. 100% contract employees were covered under EHS awareness on utilization of PPE at site. All critical air quality parameters inside tunnels are displayed near portal of adits. First aid medical assistance set up has been created at site which is managed by a qualified doctor and paramedic staff with ambulance. Various EHS reviews are conducted every month at site. In FY 2015-16, approximately 2,800 saplings were planted at project and colony sites.

Airport Sector

Airport Sector embraces the concept of sustainability by managing activities in environment friendly manner, minimizing natural resource utilization and maintaining collaborative relationships with the community and stakeholders. Our strategy for long-term stability and continual improvement is focused on cost-effective operation, social responsibility, environment and ecology oriented business approach and practices, which are governed and managed by latest technological processes, improved infrastructure, efficient operational measures, continuous learning and education, effective change management and communication with all possible stakeholders' support.

Environment Sustainability Management is an integral part of our business strategy which helps in achieving social credibility and business sustainability by efficient integration of policy, system, procedures, infrastructure and community support. The Company adopted all possible proactive sustainable approach for the airports to develop an environment friendly posture that accommodates the community's concerns while still meeting all regulatory requirements. Our key environmental and social elements which have direct/indirect impact on society are aircraft noise, emission, air quality, water and waste water, solid waste and conservation of natural resources. A dedicated team of professionals is deployed to deal with all areas of environmental and social concerns. All the impacts associated with its business aspect are being effectively resolved by working closely with the communities around the airports by proper knowledge sharing forums, media communications, communication to stakeholders and stakeholders' meeting, further with the support of regulatory and government agencies.

Air and Water management is ensured by regular monitoring, analysis and following government regulations and guidance. Solid and Hazardous wastes are handled as per the applicable rules. Sewage Treatment Plant is operational to treat the waste water. Entire treated water is being reused appropriately for flushing and irrigation purposes.

DIAL

Environment Sustainability Management is an integral part of your company's business strategy. It focusses highly on natural resource conservation, pollution preventions and skill developments on the part of business sustainability at Delhi Airport by efficient integration of policy, system, procedures, infrastructures and community supports.

DIAL is committed to conduct its business in an environment and social friendly manner by adopting all possible operational and technological measures to minimize the impact of its activities on the environment and society.

DIAL has adopted all possible proactive sustainable approach for the airport to develop an environment friendly posture that accommodates the community's concerns, while still meeting all regulatory requirements.

Some of the achievements of DIAL during this FY are:

- Green Company Gold Level Award on June 25, 2015.
- CII - Green Company Best Practices Award in Renewable Energy and GHG Mitigation, June 25, 2015.
- National Award for Excellence in Energy Management by CII, October, 2015.
- Golden Peacock Sustainability Award 2015 in October 2015.
- DIAL CEO represented International Aviation community along with ICAO President Dr. Aliu at Conference of Parties (COP 21) in Paris on December 03, 2015.
- Release of knowledge sharing document on "Aviation Best Practices: Climate Change and Emission Reduction", on August 25, 2015.
- Successfully completed ISO 14001 – Environment Management System sustenance audit by M/s. DNV (Sustaining from 2009).
- Sustain "Optimization Level" accreditation by Airport Council International (ACI) for Carbon Management implemented at IGI Airport since 2012.
- Achieved a Carbon intensity of 2.32 kgCO_2/ Pax during the year 2015-16.
- Sixth ACI Asia-Pacific Regional Environment Committee (REC) seminar was organized at Delhi Airport on March 10-11, 2016.
- DIAL is also Energy Security Steering Committee Member of TERI Business Council for Sustainable Development.
- Regular Training on Environmental Management and Sustainability Management.
- Environment Day celebration and Tree plantation on every World Environment Day event on 5th June.

GHIAL

GHIAL operates the Rajiv Gandhi International Airport (RGIA) at Hyderabad. GHIAL considers EHS as an integral part of business and is committed to conducting business in an environment-friendly and sustainable manner, in line with Group's Vision, Mission, Values, Beliefs and Corporate Policies. GHIAL believes in the concept of 3R principles (Reduce-Reuse-Recycle) and actively promotes the same among all its stakeholders. During the year, the organisation has focused on actively promoting safety culture and sustainable operating environment through optimal use of all resources. All the initiatives were successfully implemented with the active cooperation by all the internal and external stakeholders.

GHIAL is committed to develop, nurture and proactively promote EHS culture with the philosophy of 'Safety first.'

As part of its continual improvement of EHS performance, GHIAL has initiated many safety awareness programmes, trainings, audit and inspections on a continual basis. During the year, there was no incident involving fatality. The 'Safety Management System' (SMS) at GHIAL is robust and is currently in Phase-4 in terms of its maturity and meticulous implementation which is in line with DGCA guidelines. The Aerodrome License has been renewed and is valid till March 03, 2018. Further, GHIAL has been re-certified by BVQ for IMS, (OHSAS 18001) for the period from January 01, 2016 to December 31, 2018.

As a continual improvement of EHS initiatives, the organization has identified the 'Human factors' in safety occurrences as a primary concern and engages the stakeholders through various forums to enhance awareness on this crucial factor. In addition to this regular safety alerts, notifications are sent across as a proactive safety measure. The Safety Management System at GHIAL has been comprehensive with the combination of DGCA mandates, British Safety Council guidelines and OHSAS-18001 framework which makes it a unique feature.

Safety assurance is closely monitored through various safety oversight activities which include annual safety audits and inspections of all key stakeholders and service providers encompassing safety process, personnel competencies and process audits. Additionally, 'Management of Change' is a critical requirement to ensure continued safety practices which is exercised through carrying out Safety Assessment of all major changes within the airport and meticulously maintained risk register. Various safety concerns are deliberated and adequately addressed in various safety committees including Runway Safety Committee, Apron Safety Committees, Works Coordination Committee etc.

To maintain ecological balance at RGIA, green belt has been developed in an area of 273 hectares with various plant species and 971 hectares of natural greenery has been left undisturbed. RGIA has won the best landscape award at the Garden festival for the sixth consecutive year in 2016 from the Commissioner Horticulture, Dept. of Horticulture, Govt. of Telangana.

RGIA has achieved energy saving of 3.397 million kWh (kilowatt hour) in the last five years from various energy conservation practices. It has reduced its carbon footprint by 5578 tonnes in 2015 over base year 2009. RGIA received "Certificate of Merit" in National Energy Conservation Awards 2011 from Bureau of Energy Efficiency, Government of India for its achievements.

It has also received the Confederation of Indian Industries (CII) Award for "Excellent Energy Efficient Unit" during the 16th National Award for Excellence in Energy Management 2015.

The RGIA Passenger Terminal Building has 'Leadership in Energy and Environmental Design' (LEED) certification for its unique design, which allows maximum natural lighting, and other features that enable optimal use of energy and water.

Waste-water is being treated in STP at site and being reused for flushing and plantation. Sludge from STP is being used as manure.

At RGIA, the rainwater net recharge is estimated at 1.729 million cubic metre per annum. Surface water use and several water saving measures contribute to water conservation.

Food waste generated from the airport is converted as compost on the site. Compost is used as manure in place of Chemical Fertilizers. Paper and plastic waste are handed over to recyclers for reprocess and reuse.

RGIA very actively promotes environmental awareness to the airport community and to the passengers by observing various days like World Environment Day, World Forestry Day, Ozone Layer Protection Day, Earth Day, etc.

Further the other details with respect to Environmental Protection and Sustainability have been explained in the MDA Report.

Events subsequent to the date of financial statements

There are no material changes and commitments affecting financial position of the company between March 31, 2016 and Board's Report dated August 06, 2016.

Change in the nature of business, if any

There is no change in the nature of business of the Company.

Significant and Material Orders passed by the Regulators

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

Deposits

During the year under review, the Company has not accepted any deposits from the public.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed off during the FY ending March 31, 2016:

Number of complaints received	:	NIL
Number of complaints disposed off	:	NIL

Acknowledgements

Your Directors thank the lenders, banks, financial institutions, business associates, customers, Government of India, State Governments in India, regulatory and statutory authorities, shareholders and the society at large for their valuable support and co-operation. Your Directors also thank the employees of the Company and its subsidiaries for their continued contribution, commitment and dedication.

For and on behalf of the Board

Sd/-

Place: New Delhi — G. M. Rao

Date: August 06, 2016 — Executive Chairman

ANNEXURE 'A' TO THE BOARD'S REPORT

A. List of Subsidiary Companies, Joint Ventures and Associate Companies

As on March 31, 2016

Sl. No.	Name of the Subsidiary Companies, Joint Ventures and Associate Companies#	Subsidiary/ Joint Venture/ Associate
1.	GMR Energy Limited (GEL)	Subsidiary
2.	GMR Power Corporation Limited (GPCL)	Subsidiary
3.	GMR Vemagiri Power Generation Limited (GVPGL)	Subsidiary
4.	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	Subsidiary
5.	GMR Mining & Energy Private Limited (GMEL)	Subsidiary
6.	GMR Kamalanga Energy Limited (GKEL)	Subsidiary
7.	Himtal Hydro Power Company Private Limited (HHPPL)	Subsidiary
8.	GMR Energy (Mauritius) Limited (GEML)	Subsidiary
9.	GMR Lion Energy Limited (GLEL)	Subsidiary
10.	GMR Upper Karnali Hydropower Limited (GUKPL)	Subsidiary
11.	GMR Energy Trading Limited (GETL)	Subsidiary
12.	GMR Consulting Services Limited (GCSL)	Subsidiary
13.	GMR Coastal Energy Private Limited (GCEPL)	Subsidiary
14.	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Subsidiary
15.	GMR Londa Hydropower Private Limited (GLHPPL)	Subsidiary
16.	GMR Kakinada Energy Private Limited (GKEPL)	Subsidiary
17.	GMR Chhattisgarh Energy Limited (GCHEPL)	Subsidiary
18.	GMR Energy (Cyprus) Limited (GECL)	Subsidiary
19.	GMR Energy (Netherlands) B.V. (GENBV)	Subsidiary
20.	PT Dwikarya Sejati Utma (PTDSU)	Subsidiary
21.	PT Duta Sarana Internusa (PTDSI)	Subsidiary
22.	PT Barasentosa Lestari (PTBSL)	Subsidiary
23.	GMR Rajahmundry Energy Limited (GREL)	Subsidiary
24.	SJK Powergen Limited (SJK)	Subsidiary
25.	PT Unsoco (PT)	Subsidiary
26.	GMR Warora Energy Limited (Formerly EMCO Energy Limited) (GWEL)	Subsidiary
27.	GMR Maharashtra Energy Limited (GMAEL)	Subsidiary
28.	GMR Bundelkhand Energy Private Limited (GBEPL)	Subsidiary
29.	GMR Rajam Solar Power Private Limited (formerly GMR Uttar Pradesh Energy Private Limited) (GRSPPL)	Subsidiary
30.	GMR Hosur Energy Limited (GHOEL)	Subsidiary
31.	GMR Gujarat Solar Power Private Limited (GGSPPL)	Subsidiary
32.	Karnali Transmission Company Private Limited (KTCPL)	Subsidiary
33.	Marsyangdi Transmission Company Private Limited (MTCPL)	Subsidiary
34.	GMR Indo-Nepal Energy Links Limited (GINELL)	Subsidiary
35.	GMR Indo-Nepal Power Corridors Limited (GINPCL)	Subsidiary
36.	GMR Renewable Energy Limited (GREEL)	Subsidiary
37.	Aravali Transmission Service Company Limited (ATSCL)	Subsidiary
38.	Maru Transmission Service Company Limited (MTSCL)	Subsidiary
39.	GMR Energy Projects (Mauritius) Limited (GEPML)	Subsidiary
40.	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Subsidiary
41.	GMR Coal Resources Pte Limited (GCRPL)	Subsidiary
42.	GMR Power Infra Limited (GPIL)	Subsidiary
43.	GMR Highways Limited (GMRHL)	Subsidiary
44.	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	Subsidiary
45.	GMR Tuni Anakapalli Expressways Limited (GTAEPL)	Subsidiary
46.	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	Subsidiary
47.	GMR Pochanpalli Expressways Limited (GPEPL)	Subsidiary
48.	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	Subsidiary
49.	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	Subsidiary
50.	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	Subsidiary
51.	GMR Highways Projects Private Limited (GHPPL)	Subsidiary

Sl. No.	Name of the Subsidiary Companies, Joint Ventures and Associate Companies#	Subsidiary/ Joint Venture/ Associate
52.	GMR Hyderabad International Airport Limited (GHIAL)	Subsidiary
53.	Gateways for India Airports Private Limited (GFIAL)	Subsidiary
54.	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	Subsidiary
55.	Hyderabad Airport Security Services Limited (HASSL)	Subsidiary
56.	GMR Hyderabad Airport Resource Management Limited (GHARML)	Subsidiary
57.	GMR Hyderabad Aerotropolis Limited (HAPL)	Subsidiary
58.	GMR Hyderabad Aviation SEZ Limited (GHASL)	Subsidiary
59.	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	Subsidiary
60.	GMR Aerospace Engineering Limited (formerly known as MAS GMR Aerospace Engineering Company Limited) (GAEL)	Subsidiary
61.	GMR Aero Technic Limited (formerly known as MAS GMR Aero Technic Limited) (GATL)	Subsidiary
62.	Hyderabad Duty Free Retail Limited (HDFRL)	Subsidiary
63.	GMR Airport Developers Limited (GADL)	Subsidiary
64.	GMR Airport Handling Services Company Limited (GAHSCL)	Subsidiary
65.	GADL International Limited (GADLIL)	Subsidiary
66.	GADL (Mauritius) Limited (GADLML)	Subsidiary
67.	GMR Hotels and Resorts Limited (GHRL)	Subsidiary
68.	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	Subsidiary
69.	Delhi International Airport Private Limited (DIAL)	Subsidiary
70.	Delhi Aerotropolis Private Limited (DAPL)	Subsidiary
71.	Delhi Duty Free Services Private Limited (DDFS)	Subsidiary
72.	Delhi Airport Parking Services Private Limited (DAPSL)	Subsidiary
73.	GMR Airports Limited (GAL)	Subsidiary
74.	GMR Malé International Airport Private Limited (GMIAL)	Subsidiary
75.	GMR Airport Global Limited (GAGL)	Subsidiary
76.	GMR Airports (Mauritius) Limited (GALM)	Subsidiary
77.	GMR Aviation Private Limited (GAPL)	Subsidiary
78.	GMR Krishnagiri SEZ Limited (GKSEZ)	Subsidiary
79.	Advika Properties Private Limited (APPL)	Subsidiary
80.	Aklima Properties Private Limited (AKPPL)	Subsidiary
81.	Amartya Properties Private Limited (AMPPL)	Subsidiary
82.	Baruni Properties Private Limited (BPPL)	Subsidiary
83.	Bougainvillea Properties Private Limited (BOPPL)	Subsidiary
84.	Camelia Properties Private Limited (CPPL)	Subsidiary
85.	Deepesh Properties Private Limited (DPPL)	Subsidiary
86.	Eila Properties Private Limited (EPPL)	Subsidiary
87.	Gerbera Properties Private Limited (GPL)	Subsidiary
88.	Lakshmi Priya Properties Private Limited (LPPPL)	Subsidiary
89.	Honeysuckle Properties Private Limited (HPPL)	Subsidiary
90.	Idika Properties Private Limited (IPPL)	Subsidiary
91.	Krishnapriya Properties Private Limited (KPPL)	Subsidiary
92.	Larkspur Properties Private Limited (LAPPL)	Subsidiary
93.	Nadira Properties Private Limited (NPPL)	Subsidiary
94.	Padmapriya Properties Private Limited (PAPPL)	Subsidiary
95.	Prakalpa Properties Private Limited (PPPL)	Subsidiary
96.	Purnachandra Properties Private Limited (PUPPL)	Subsidiary
97.	Shreyadita Properties Private Limited (SPPL)	Subsidiary
98.	Pranesh Properties Private Limited (PRPPL)	Subsidiary
99.	Sreepa Properties Private Limited (SRPPL)	Subsidiary
100.	Radhapriya Properties Private Limited (RPPL)	Subsidiary
101.	Asteria Real Estates Private Limited (AREPL)	Subsidiary
102.	GMR Hosur Industrial City Private Limited (GHICL)	Subsidiary
103.	Namitha Real Estates Private Limited (NREPL)	Subsidiary
104.	Honey Flower Estates Private Limited (HFEPL)	Subsidiary
105.	GMR Hosur EMC Limited (GHEMCL)	Subsidiary

Sl. No.	Name of the Subsidiary Companies, Joint Ventures and Associate Companies#	Subsidiary/ Joint Venture/ Associate
106.	GMR SEZ and Port Holdings Private Limited (GSPHPL)	Subsidiary
107.	East Godavari Power Distribution Company Private Limited (EGPDCPL)	Subsidiary
108.	Suzone Properties Private Limited (SUPPL)	Subsidiary
109.	GMR Utilities Private Limited (GUPL)	Subsidiary
110.	Lilliam Properties Private Limited (LPPL)	Subsidiary
111.	GMR Corporate Affairs Private Limited (GCAPL)	Subsidiary
112.	Dhruvi Securities Private Limited (DSPL)	Subsidiary
113.	Kakinada SEZ Private Limited (KSPL)	Subsidiary
114.	GMR Business Process and Services Private Limited (GBPSPL)	Subsidiary
115.	GMR Infrastructure (Mauritius) Limited (GIML)	Subsidiary
116.	GMR Infrastructure (Cyprus) Limited (GICL)	Subsidiary
117.	GMR Infrastructure Overseas Limited (GIOSL)	Subsidiary
118.	GMR Infrastructure (UK) Limited (GIUL)	Subsidiary
119.	GMR Infrastructure (Global) Limited (GIGL)	Subsidiary
120.	GMR Energy (Global) Limited (GEGL)	Subsidiary
121.	GMR Infrastructure Overseas Limited (GIOL)	Subsidiary
122.	Raxa Security Services Limited (Raxa)	Subsidiary
123.	Indo Tausch Trading DMCC (ITTD)	Subsidiary
124.	Jadcherla Expressways Private Limited (JEPL)	Associate
125.	Ulundurpet Expressways Private Limited (Formerly GMR Ulundurpet Expressways Private Limited) (UEPL)	Associate
126.	East Delhi Waste Processing Company Private Limited (EDWPCPL)	Associate
127.	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	Associate
128.	Rampia Coal Mine and Energy Private Limited (RCMEPL)	Jointly controlled entity
129.	PT Golden Energy Mines Tbk (PTGEMS)	Jointly controlled entity
130.	PT Roundhill Capital Indonesia (RCI)	Jointly controlled entity
131.	PT Borneo Indobara (BIB)	Jointly controlled entity
132.	PT Kuansing Inti Makmur (KIM)	Jointly controlled entity
133.	PT Karya Cemerlang Persada (KCP)	Jointly controlled entity
134.	PT Bungo Bara Utama (BBU)	Jointly controlled entity
135.	PT Bara Harmonis Batang Asam (BHBA)	Jointly controlled entity
136.	PT Berkat Nusantara Permai (BNP)	Jointly controlled entity
137.	PT Tanjung Belit Bara Utama (TBBU)	Jointly controlled entity
138.	PT Trisula Kencana Sakti (TKS)	Jointly controlled entity
139.	GEMS Trading Resources Pte Limited (GEMSCR)	Jointly controlled entity
140.	PT Bumi Anugerah Semesta (BAS)	Jointly controlled entity
141.	Asia Pacific Flight Training Academy Limited (APFT)	Jointly controlled entity
142.	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	Jointly controlled entity
143.	Delhi Aviation Services Private Limited (DASPL)	Jointly controlled entity
144.	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	Jointly controlled entity
145.	Delhi Aviation Fuel Facility Private Limited (DAFF)	Jointly controlled entity
146.	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	Jointly controlled entity
147.	Wipro Airport IT Services Limited (WAISL)	Jointly controlled entity
148.	TIM Delhi Airport Advertising Private Limited (TIM)	Jointly controlled entity
149.	GMR Megawide Cebu Airport Corporation (GMCAC)	Jointly controlled entity
150.	Limak GMR Construction JV (CJV)	Jointly controlled entity
151.	PT Gems Energy Indonesia (Gems Energy)	Jointly controlled entity
152.	Shanghai Jingguang Energy Co. Ltd (SJECL)	Jointly controlled entity
153.	Megawide - GISPL Construction Joint Venture (MGCJV)	Jointly controlled entity

The Company limited by Guarantee is not included.

B. Form No. AOC - 1

"(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)"

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(₹ in crore)

S. No.	Name of ths Subsidiary	Reporting period	Date since when subsidiary was acquired	Reporting currency	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover (Revenue from Operations)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding	Turnover net of eliminations (Revenue from Operations)	% performance of the company to total revenue
1	GMR Krishnagiri SEZ Limited #	April 01, 2015 - March 31, 2016	28.09.2007	INR	117.50	(7.02)	477.66	367.18	1.60	-	(0.41)	-	(0.41)	-	100.00%	-	0.00%
2	GMR Aviation Private Limited	April 01, 2015 - March 31, 2016	28.05.2007	INR	86.44	(107.83)	204.59	225.98	-	38.36	(35.04)	-	(35.04)	-	100.00%	25.04	0.19%
3	GMR SEZ & Port Holdings Private Limited #	April 01, 2015 - March 31, 2016	31.03.2008	INR	47.99	(27.26)	699.56	678.83	101.2	2.05	(12.55)	0.02	(12.57)	-	100.00%	2.05	0.02%
4	Advika Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.05)	7.01	6.06	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
5	Aklima Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.06)	4.16	3.22	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
6	Amartya Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	0.11	7.53	6.42	-	-	(0.00)	0.03	(0.03)	-	100.00%	-	0.00%
7	Baruni Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.05)	6.10	5.15	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
8	Bougainvillea Properties Private Limited #	April 01, 2015 - March 31, 2016	07.07.2009	INR	1.00	0.76	5.89	4.13	-	-	(0.01)	(0.01)	0.00	-	100.00%	-	0.00%
9	Camelia Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.52)	5.98	5.50	-	-	0.01	0.00	0.00	-	100.00%	-	0.00%
10	Deepesh Properties Private Limited #	April 01, 2015 - March 31, 2016	11.06.2010	INR	1.00	1.78	10.96	8.18	-	-	(0.01)	(0.01)	0.00	-	100.00%	-	0.00%
11	Eila Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.06)	8.46	7.52	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
12	Gerbera Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.35)	6.61	5.96	-	-	0.01	0.00	0.01	-	100.00%	-	0.00%
13	Lakshmi Priya Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.06)	7.00	6.05	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
14	Larkspur Properties Private Limited #	April 01, 2015 - March 31, 2016	01.02.2011	INR	1.00	0.50	6.43	4.93	-	-	(0.02)	0.00	(0.02)	-	100.00%	-	0.00%
15	Honeysuckle Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	0.27	9.39	8.12	-	-	(0.00)	(0.00)	(0.00)	-	100.00%	-	0.00%
16	Idika Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.05)	6.35	5.40	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
17	Krishnapriya Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.10)	6.30	5.40	-	-	0.01	0.00	0.00	-	100.00%	-	0.00%
18	Nadira Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.11)	6.48	5.59	-	-	0.00	0.02	(0.02)	-	100.00%	-	0.00%
19	Prakalpa Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.23)	6.78	6.01	-	-	0.00	0.00	0.00	-	100.00%	-	0.00%
20	Purnachandra Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.15)	6.82	5.97	-	-	(0.01)	0.00	(0.01)	-	100.00%	-	0.00%
21	Padmapriya Properties Private Limited #	April 01, 2015 - March 31, 2016	11.06.2010	INR	1.00	0.40	36.70	35.30	-	0.76	(0.77)	0.01	(0.78)	-	100.00%	0.76	0.01%
22	Pranesh Properties Private Limited #	April 01, 2015 - March 31, 2016	27.06.2011	INR	1.00	(0.08)	7.12	6.20	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
23	Radhapriya Properties Private Limited #	April 01, 2015 - March 31, 2016	01.11.2011	INR	1.00	(0.05)	14.03	13.08	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
24	Shreyadita Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	(0.08)	5.88	4.96	0.11	-	0.00	(0.00)	0.01	-	100.00%	-	0.00%
25	Sreepa Properties Private Limited #	April 01, 2015 - March 31, 2016	31.03.2009	INR	1.00	0.03	5.35	4.32	-	-	(0.00)	0.02	(0.02)	-	100.00%	-	0.00%
26	Asteria Real Estates Private Limited #	April 01, 2015 - March 31, 2016	28.04.2012	INR	0.03	(0.05)	4.07	4.09	0.06	-	0.00	0.00	0.00	-	100.00%	-	0.00%
27	GMR Hosur Industrial City Private Limited #	April 01, 2015 - March 31, 2016	28.08.2012	INR	0.01	(0.04)	9.72	9.75	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
28	Namitha Real Estates Private Limited #	April 01, 2015 - March 31, 2016	27.03.2014	INR	0.01	(1.13)	11.02	12.13	-	-	(0.04)	-	(0.04)	-	100.00%	-	0.00%
29	Honeyflower Estates Private Limited #	April 01, 2015 - March 31, 2016	27.03.2014	INR	4.76	27.30	43.45	11.39	-	2.01	(0.22)	-	(0.22)		100.00%	2.01	0.02%
30	GMR Hosur EMC Limited #	April 01, 2015 - March 31, 2016	05.03.2014	INR	0.45	(0.05)	5.95	5.56	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
31	East Godavari Power Distribution Company Private Limited #	April 01, 2015 - March 31, 2016	15.07.2014	INR	0.01	(0.01)	0.00	0.00	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
32	Suzone Properties Private Limited #	April 01, 2015 - March 31, 2016	15.07.2014	INR	0.01	(0.04)	7.64	7.67	-	-	(0.02)	-	(0.02)	-	100.00%	-	0.00%
33	Lilliam Properties Private Limited #	April 01, 2015 - March 31, 2016	15.07.2014	INR	0.01	(0.01)	4.10	4.10	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
34	GMR Utilities Private Limited #	April 01, 2015 - March 31, 2016	08.12.2014	INR	0.01	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)		100.00%	-	0.00%
35	GMR Corporate Affairs Private Limited	April 01, 2015 - March 31, 2016	22.12.2006	INR	20.00	0.12	100.24	80.12	39.35	1.43	0.26	0.51	(0.25)	-	100.00%	-	0.00%
36	GMR Hotels and Resorts Limited	April 01, 2015 - March 31, 2016	08.09.2008	INR	109.66	(145.83)	158.86	195.03	-	56.87	(16.63)	-	(16.63)	-	100.00%	55.96	0.42%
37	Kakinada SEZ Private Limited #	April 01, 2015 - March 31, 2016	15.01.2011	INR	93.99	(3.45)	1,829.84	1,739.30	-	-	(0.62)	-	(0.62)	-	51.00%	-	0.00%
38	Dhruvi Securities Private Limited	April 01, 2015 - March 31, 2016	23.02.2010	INR	210.06	149.51	673.19	313.62	5.54	55.06	6.07	0.18	5.88	-	100.00%	31.95	0.24%

(₹ in crore)

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39	GMR Business Process and Services Private Limited	April 01, 2015 - March 31, 2016	19.08.2011	INR	0.01	(1.03)	19.36	20.38	16.06	0.27	(0.21)	-	(0.21)	-	100.00%	-	0.00%
40	GMR Airport Developers Limited	April 01, 2015 - March 31, 2016	22.01.2011	INR	5.10	42.41	151.85	104.35	26.50	64.26	15.70	5.40	10.30	-	100.00%	9.22	0.07%
41	Raxa Security Services Limited	April 01, 2015 - March 31, 2016	20.10.2015	INR	17.98	5.40	99.24	75.85	-	125.53	(11.46)	(0.52)	(10.94)	-	100.00%	87.30	0.65%
42	GMR Hyderabad International Airport Limited	April 01, 2015 - March 31, 2016	29.10.2003	INR	378.00	(21.72)	2,859.42	2,503.14	196.57	615.49	1.16	(39.11)	40.27	-	63.00%	554.74	4.15%
43	Hyderabad Airport Security Services Limited #	April 01, 2015 - March 31, 2016	20.07.2007	INR	12.50	0.69	25.61	12.42	-	-	0.22	0.04	0.18	-	100.00%	-	0.00%
44	GMR Hyderabad Airport Resource Management Limited #	April 01, 2015 - March 31, 2016	18.07.2007	INR	0.05	(0.06)	0.02	0.03	-	-	0.00	0.00	0.00	-	100.00%	-	0.00%
45	GMR Hyderabad Aerotropolis Limited	April 01, 2015 - March 31, 2016	18.07.2007	INR	33.63	(3.27)	30.96	0.60	2.15	0.76	(2.28)	(0.02)	(2.26)	-	100.00%	0.76	0.01%
46	Hyderabad Menzies Air Cargo Private Limited	April 01, 2015 - March 31, 2016	07.02.2007	INR	19.04	47.54	87.99	21.41	10.00	83.81	31.00	6.69	24.31	2.24	51.00%	83.81	0.63%
47	GMR Hyderabad Multi Product SEZ Limited #	April 01, 2015 - March 31, 2016	04.12.2007	INR	0.05	(0.04)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
48	GMR Hyderabad Aviation SEZ Limited	April 01, 2015 - March 31, 2016	04.12.2007	INR	51.60	12.91	129.76	65.25	2.45	15.68	2.24	(0.16)	2.39	-	100.00%	5.50	0.04%
49	Gateways for India Airports Private Limited	April 01, 2015 - March 31, 2016	12.01.2005	INR	0.01	2.20	2.85	0.64	2.50	-	0.15	0.05	0.10	-	86.49%	-	0.00%
50	Delhi International Airport Private Limited	April 01, 2015 - March 31, 2016	19.04.2006	INR	2,450.00	(233.09)	11,242.96	9,026.05	949.23	4,861.63	668.14	159.28	508.86	-	64.00%	4,363.19	32.66%
51	Delhi Aerotropolis Private Limited #	April 01, 2015 - March 31, 2016	22.05.2007	INR	0.10	(0.15)	0.09	0.15	-	-	-	-	-	-	100.00%	-	0.00%
52	Delhi Duty Free Services Private Limited	April 01, 2015 - March 31, 2016	07.06.2013	INR	80.00	70.01	450.90	300.89	-	939.23	136.36	48.78	87.58	11.20	66.93%	939.23	7.03%
53	Delhi Airport Parking Services Private Limited	April 01, 2015 - March 31, 2016	03.03.2010	INR	81.44	1.41	237.84	154.99	26.54	76.33	8.74	3.18	5.55	4.07	90.00%	76.07	0.57%
54	Hyderabad Duty Free Retail Limited	April 01, 2015 - March 31, 2016	18.06.2010	INR	16.95	5.48	39.28	16.85	12.40	80.79	11.51	4.25	7.26	4.24	100.00%	80.79	0.60%
55	GMR Airport Handling Services Company Limited #	April 01, 2015 - March 31, 2016	30.11.2010	INR	0.05	(0.03)	0.03	0.00	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
56	GMR Hyderabad Airport Power Distribution Limited #	April 01, 2015 - March 31, 2016	18.09.2012	INR	0.05	(0.02)	0.03	0.00	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
57	GMR Aero Technic Limited	April 01, 2015 - March 31, 2016	12.12.2014	INR	25.00	(351.04)	70.80	396.84	-	75.23	(55.91)	-	(55.91)	-	100.00%	75.10	0.56%
58	GMR Aerospace Engineering Limited	April 01, 2015 - March 31, 2016	12.12.2014	INR	243.90	(28.08)	515.65	299.82	-	30.40	(10.45)	-	(10.45)	-	100.00%	0.14	0.00%
59	GMR Airports Limited	April 01, 2015 - March 31, 2016	31.03.2009	INR	1,828.67	223.40	2,524.64	472.57	27.73	120.21	46.35	14.72	31.63	0.00	97.15%	102.43	0.77%
60	GMR Energy Limited	April 01, 2015 - March 31, 2016	01.11.2002	INR	2,988.06	(981.35)	10,243.28	8,236.56	4.59	98.26	(1,448.14)	(59.71)	(1,388.42)	-	92.60%	98.26	0.74%
61	GMR Vemagiri Power Generation Limited	April 01, 2015 - March 31, 2016	19.11.2001	INR	774.50	(278.03)	678.36	181.89	-	390.10	(31.85)	-	(31.85)	-	100.00%	390.10	2.92%
62	GMR Power Corporation Limited	April 01, 2015 - March 31, 2016	30.03.2004	INR	247.50	670.20	1,510.52	592.82	-	-	3.14	6.70	(3.57)	-	51.00%	-	0.00%
63	GMR (Badrinath) Hydro Power Generation Private Limited #	April 01, 2015 - March 31, 2016	25.04.2006	INR	5.00	(111.19)	473.29	579.48	-	-	(45.15)	-	(45.15)	-	100.00%	-	0.00%
64	GMR Maharashtra Energy Limited #	April 01, 2015 - March 31, 2016	26.05.2010	INR	0.05	(0.08)	7.17	7.20	-	-	(0.03)	-	(0.03)	-	100.00%	-	0.00%
65	GMR Kamalanga Energy Limited	April 01, 2015 - March 31, 2016	28.12.2007	INR	2,148.73	(1,613.03)	7,691.13	7,155.42	-	1,960.84	(269.67)	-	(269.67)	-	85.99%	1,507.05	11.28%
66	GMR Energy Trading Limited	April 01, 2015 - March 31, 2016	09.03.2010	INR	74.00	(14.84)	386.76	327.60	-	1,302.25	0.84	0.17	0.67	-	100.00%	1,235.55	9.25%
67	GMR Consulting Services Limited	April 01, 2015 - March 31, 2016	28.02.2008	INR	0.05	2.14	7.65	5.46	-	14.97	2.00	2.63	(0.63)	-	99.00%	-	0.00%
68	GMR Coastal Energy Private Limited #	April 01, 2015 - March 31, 2016	24.07.2008	INR	0.01	(0.11)	3.08	3.18	-	-	(0.02)	-	(0.02)	-	100.00%	-	0.00%
69	GMR Bajoli Holi Hydro Power Private Limited #	April 01, 2015 - March 31, 2016	01.10.2008	INR	182.54	(3.91)	896.30	717.67	0.00	-	(1.34)	-	(1.34)	-	100.00%	-	0.00%
70	GMR Londa Hydro Power Private Limited #	April 01, 2015 - March 31, 2016	11.11.2008	INR	0.01	(0.47)	56.63	57.09	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
71	GMR Kakinada Energy Private Limited #	April 01, 2015 - March 31, 2016	02.06.2010	INR	0.01	(0.06)	0.79	0.83	-	-	(0.02)	-	(0.02)	-	100.00%	-	0.00%
72	GMR Chhattisgarh Energy Limited	April 01, 2015 - March 31, 2016	29.09.2010	INR	2,693.99	(494.84)	11,426.06	9,226.91	2.44	125.74	(454.50)	-	(454.50)	-	100.00%	(0.00)	0.00%
73	GMR Rajahmundry Energy Limited	April 01, 2015 - March 31, 2016	27.09.2009	INR	1,157.00	(239.36)	5,041.64	4,124.00	-	342.68	(234.24)	-	(234.24)	-	100.00%	342.68	2.57%
74	SJK Powergen Limited #	April 01, 2015 - March 31, 2016	14.12.2009	INR	0.50	(24.41)	529.35	553.26	-	-	(11.40)	-	(11.40)	-	70.00%	-	0.00%

(₹ in crore)

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75	GMR Warora Energy Limited (formerly EMCO Energy Limited)	April 01, 2015 - March 31, 2016	24.07.2009	INR	945.00	(1,084.16)	4,134.77	4,273.93	-	1,382.59	(158.05)	-	(158.05)	-	100.00%	1,096.86	8.21%
76	GMR Mining & Energy Private Limited #	April 01, 2015 - March 31, 2016	10.11.2010	INR	0.05	(1.09)	0.00	1.04	-	-	(0.14)	-	(0.14)	-	100.00%	-	0.00%
77	GMR Bundelkhand Energy Private Limited #	April 01, 2015 - March 31, 2016	18.06.2010	INR	0.01	(2.00)	45.51	47.51	-	-	(1.38)	-	(1.38)	-	100.00%	-	0.00%
78	GMR Rajam Solar Power Private Limited (Formerly GMR Uttar Pradesh Energy Pvt. Ltd.)	April 01, 2015 - March 31, 2016	02.07.2010	INR	0.01	0.08	6.30	6.20	-	0.10	0.06	-	0.06	-	100.00%	0.10	0.00%
79	GMR Hosur Energy Limited #	April 01, 2015 - March 31, 2016	22.07.2010	INR	0.05	(0.81)	21.53	22.28	-	-	0.11	-	0.11	-	100.00%	-	0.00%
80	GMR Gujarat Solar Power Private Limited	April 01, 2015 - March 31, 2016	28.11.2009	INR	73.60	10.56	375.10	290.94	0.00	63.18	9.34	16.49	(7.16)	-	100.00%	63.18	0.47%
81	GMR Indo-Nepal Energy Links Limited #	April 01, 2015 - March 31, 2016	11.11.2010	INR	0.05	(0.03)	0.20	0.18	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
82	GMR Indo-Nepal Power Corridors Limited #	April 01, 2015 - March 31, 2016	12.11.2010	INR	0.05	(0.03)	0.34	0.32	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
83	GMR Renewable Energy Limited	April 01, 2015 - March 31, 2016	03.12.2010	INR	2,614.01	(0.84)	2,636.90	23.72	-	1.55	(0.93)	0.09	(1.02)	-	100.00%	1.19	0.01%
84	GMR Power Infra Limited	April 01, 2015 - March 31, 2016	25.02.2011	INR	1.70	(2.42)	15.46	16.19	-	0.48	(1.67)	-	(1.67)	-	100.00%	0.36	0.00%
85	GMR Tambaram Tindivanam Expressways Private Limited	April 01, 2015 - March 31, 2016	16.05.2002	INR	1.00	199.39	504.07	303.67	-	81.75	17.71	3.88	13.82	-	100.00%	81.75	0.61%
86	GMR Tuni Anakapalli Expressways Private Limited	April 01, 2015 - March 31, 2016	16.05.2002	INR	1.00	111.14	309.16	197.02	-	59.01	12.88	2.78	10.10	-	100.00%	59.01	0.44%
87	GMR Ambala Chandigarh Expressways Private Limited	April 01, 2015 - March 31, 2016	09.09.2005	INR	244.70	(209.55)	510.81	475.67	-	40.75	(28.53)	-	(28.53)	-	100.00%	40.75	0.31%
88	GMR Pochanpalli Expressways Limited	April 01, 2015 - March 31, 2016	18.11.2005	INR	182.50	(0.91)	705.09	523.50	56.41	108.36	4.19	-	4.19	-	100.00%	108.36	0.81%
89	GMR Highways Limited	April 01, 2015 - March 31, 2016	08.01.2009	INR	1,063.54	(449.04)	2,072.78	1,458.29	0.56	66.08	(158.11)	1.14	(159.25)	-	100.00%	45.12	0.34%
90	GMR Hyderabad Vijayawada Expressways Private Limited	April 01, 2015 - March 31, 2016	31.07.2009	INR	302.53	(319.57)	2,196.06	2,213.10	-	233.84	(109.52)	-	(109.52)	-	90.00%	233.84	1.75%
91	GMR Chennai Outer Ring Road Private Limited	April 01, 2015 - March 31, 2016	26.03.2010	INR	150.00	(58.17)	828.52	736.68	43.48	118.29	(18.68)	-	(18.68)	-	90.00%	118.29	0.89%
92	GMR Highways Projects Private Limited	April 01, 2015 - March 31, 2016	27.10.2011	INR	0.02	(0.02)	0.01	0.01	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%
93	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	April 01, 2015 - March 31, 2016	24.11.2011	INR	700.00	(2.10)	742.08	44.19	-	-	0.24	0.07	0.17	-	100.00%	-	0.00%
94	GMR Infrastructure (Global) Limited (b)	April 01, 2015 - March 31, 2016	28.05.2008	USD	914.30	62.94	978.16	0.92	-	-	(0.21)	-	(0.21)	-	100.00%	-	0.00%
95	GMR Infrastructure (Cyprus) Limited (b)	April 01, 2015 - March 31, 2016	19.11.2007	USD	0.05	883.62	1,373.64	489.97	-	-	7.77	2.33	5.44	-	100.00%	-	0.00%
96	GMR Energy (Global) Limited (b)	April 01, 2015 - March 31, 2016	27.05.2008	USD	977.86	(977.68)	0.22	0.04	-	-	(0.18)	-	(0.18)	-	100.00%	-	0.00%
97	GMR Infrastructure Overseas Limited, Malta (d)	April 01, 2015 - March 31, 2016	27.03.2013	EURO	0.02	684.24	693.58	9.31	-	-	(1.09)	-	(1.09)	-	100.00%	-	0.00%
98	GMR Infrastructure (Mauritius) Limited (b)	April 01, 2015 - March 31, 2016	18.12.2007	USD	2,140.31	(227.35)	3,316.38	1,403.42	200.31	22.76	(51.57)	-	(51.57)	-	100.00%	22.76	0.17%
99	GMR Infrastructure (UK) Limited (e)	April 01, 2015 - March 31, 2016	03.03.2008	GBP	47.83	(142.49)	8.51	103.17	-	-	(22.70)	-	(22.70)	-	100.00%	-	0.00%
100	GADL (Mauritius) Limited (b)	April 01, 2015 - March 31, 2016	22.01.2011	USD	1.10	(0.67)	0.53	0.10	-	-	(0.22)	-	(0.22)	-	100.00%	-	0.00%
101	GADL International Limited (b)	April 01, 2015 - March 31, 2016	22.01.2011	USD	0.17	(25.64)	294.49	319.97	33.85	-	0.14	-	0.14	-	100.00%	-	0.00%
102	GMR Infrastructure (Overseas) Limited (b)	April 01, 2015 - March 31, 2016	23.06.2010	USD	0.00	(2.79)	1.50	4.29	-	-	(2.65)	-	(2.65)	-	100.00%	-	0.00%
103	GMR Malé International Airport Private Limited (b)	April 01, 2015 - March 31, 2016	09.08.2010	USD	200.64	(48.33)	1,594.68	1,442.37	-	-	(45.16)	-	(45.16)	-	77.00%	-	0.00%
104	GMR Airport Global Limited (b)	April 01, 2015 - March 31, 2016	30.12.2011	USD	0.67	16.91	28.15	10.57	-	0.89	(14.46)	-	(14.46)	-	100.00%	-	0.00%
105	GMR Energy (Mauritius) Limited (b)	April 01, 2015 - March 31, 2016	03.03.2008	USD	568.09	(16.68)	764.53	213.12	-	-	0.13	-	0.13	-	100.00%	-	0.00%
106	GMR Lion Energy Limited (b)	April 01, 2015 - March 31, 2016	05.05.2008	USD	19.64	(3.18)	60.39	43.93	-	-	(0.90)	-	(0.90)	-	100.00%	-	0.00%
107	GMR Energy(Cyprus) Limited (b)	April 01, 2015 - March 31, 2016	26.08.2008	USD	0.03	2.90	362.64	359.72	-	-	(0.26)	-	(0.26)	-	100.00%	-	0.00%
108	GMR Energy (Netherlands) B.V. (b)	April 01, 2015 - March 31, 2016	27.10.2008	USD	0.16	269.37	591.47	321.94	-	-	2.48	-	2.48	-	100.00%	-	0.00%
109	PT Unsoco ('c)	April 01, 2015 - March 31, 2016	04.08.2009	IDR	0.50	0.08	0.58	-	-	-	0.00	-	0.00	-	100.00%	-	0.00%

(₹ in crore)

S. No.	Name of ths Subsidiary	Reporting period	Date since when subsidiary was acquired	Reporting currency	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover (Revenue from Operations)	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding	Turnover net of eliminations (Revenue from Operations)	% performance of the company to total revenue
110	PT Dwikarya Sejati Utama (b) #	April 01, 2015 - March 31, 2016	24.02.2009	USD	42.65	(0.33)	-	(42.32)	-	-	-	-	-	-	100.00%	-	0.00%
111	PT Duta Sarana Internusa (b) #	April 01, 2015 - March 31, 2016	24.02.2009	USD	(6.44)	(7.51)	3.50	17.45	-	-	2.40	-	2.40	-	100.00%	-	0.00%
112	PT Barasentosa Lestari (b) #	April 01, 2015 - March 31, 2016	24.02.2009	USD	(35.48)	(22.83)	520.22	578.54	-	-	(1.66)	0.04	(1.70)	-	100.00%	-	0.00%
113	GMR Infrastructure (Singapore) Pte Limited (b)	April 01, 2015 - March 31, 2016	10-02-2009	USD	367.16	1,563.83	3,464.02	1,533.02	0.02	167.58	1.12	0.44	0.68	-	100.00%	41.40	0.31%
114	GMR Energy Projects (Mauritius) Limited (b)	April 01, 2015 - March 31, 2016	23.12.2010	USD	0.07	(19.77)	1,667.35	1,687.05	-	-	(18.58)	-	(18.58)	-	100.00%	-	0.00%
115	GMR Coal resources Pte Ltd (b)	April 01, 2015 - March 31, 2016	04.06.2010	USD	171.40	(631.43)	3,407.85	3,867.87	-	148.24	(156.92)	0.05	(156.97)	-	100.00%	44.00	0.33%
116	Himtal Hydro Power Co. (P) Limited (a) #	April 01, 2015 - March 31, 2016	02.01.2008	NPR	12.50	(1.17)	34.16	22.83	-	-	(0.04)	0.00	(0.04)	-	82.00%	-	0.00%
117	GMR Upper Karnali Hydro Power Limited (a) #	April 01, 2015 - March 31, 2016	02.03.2009	NPR	0.94	(3.84)	82.27	85.17	-	-	(2.01)	0.00	(2.02)	-	73.00%	-	0.00%
118	Karnali Transmission Company Private Limited (a) #	April 01, 2015 - March 31, 2016	03.02.2011	NPR	0.21	0.06	2.78	2.52	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
119	Marsyangdi Transmission Co. Pvt. Limited (a) #	April 01, 2015 - March 31, 2016	03.02.2011	NPR	0.21	(0.05)	2.81	2.66	-	-	(0.01)	-	(0.01)	-	100.00%	-	0.00%
120	Aravali Transmission Service Company Limited	April 01, 2015 - March 31, 2016	19.01.2011	INR	5.23	(5.84)	274.92	275.53	-	24.75	(2.19)	-	(2.19)	-	100.00%	24.75	0.19%
121	Maru Transmission Service Company Limited	April 01, 2015 - March 31, 2016	15.02.2011	INR	8.94	4.65	373.76	360.17	-	45.04	6.76	1.35	5.41	-	100.00%	45.04	0.34%
122	GMR Airports (Mauritius) Limited (b)	April 01, 2015 - March 31, 2016	21.01.2013	USD	1.00	(5.92)	5.27	10.19	-	-	45.54	-	45.54	-	100.00%	-	0.00%
123	Indo Tausch Trading DMCC (b) #	April 01, 2015 - March 31, 2016	20.03.2016	USD	1.84	(0.00)	1.83	0.00	-	-	(0.00)	-	(0.00)	-	100.00%	-	0.00%

Notes:

1. The annual accounts of the Subsidiary Companies and the related detailed information will be made available to the members of the Company and the subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any member in the registered office and that of the subsidiary companies concerned.
2 * Investments except investment in Subsidiaries.
3. Details of reporting currency and the rate used in the preparation of consolidated financial statements.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in ₹)	Closing Rate (in ₹)
a	NPR	1.60	1.60
b	USD	65.77	66.77
c	IDR	0.0048	0.0050
d	Euro	71.72	75.40
e	GBP	98.32	95.47
f	SGD	47.06	49.27
g	CAD	49.87	51.23
h	PHP	1.42	1.44

4. # indicates the names of subsidiaries which are yet to commence operations
5. Names of subsidiaries which have been liquidated or sold during the year:
   Homeland Energy Group Limited (g)
   GMR OSE Hungund Hospet Highways Private Limited
   GMR Airports (Malta) Limited (b)
   GMR Malé Retail Private Limited (b)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and JointVentures

Name of Associates/Joint Ventures	Latest audited Balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year (₹ in crore)		Turnover net of eliminations (Revenue from Operations)	% performance of the company to total revenue
			Number in crore	Amount of Investment in Associates/ Joint Venture (₹ in crore)	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation		
Associates												
Jadcherla Expressways Private Limited	March 31, 2016	23.04.2013	4.91	49.12	26.00%	Company holds investment which by share ownership is deemed to be an associate company	NA	NA	(0.95)	-	-	-
Ulundurpet Expressways Private Limited	March 31, 2016	17.09.2013	6.88	88.82	26.00%		NA	NA	(4.56)	-	-	-
GMR OSE Hungund Hospet Highways Private Limited	March 31, 2016	23.03.2016	8.28	82.82	36.01%		NA	NA	-	-	-	-
East Delhi Waste Processing Company Private Limited	March 31, 2016	23.10.2013	0.00	0.01	48.99%		NA	NA	(0.01)	-	-	-
JointVentures												
Delhi Aviation Services Private Limited	March 31, 2016	30.07.2010	1.25	12.50	50.00%	NA	NA	19.07	2.81	-	24.29	0.18%
Travel Food Services (Delhi T3) Private Limited	March 31, 2016	23.06.2010	0.32	3.20	40.00%	NA	NA	0.94	1.67	-	20.24	0.15%
Delhi Aviation Fuel Facility Private Limited	March 31, 2016	08.01.2010	4.26	42.64	26.00%	NA	NA	52.92	9.77	-	28.82	0.22%
Celebi Delhi Cargo Terminal Management India Private Limited	March 31, 2016	24.08.2009	2.91	29.12	26.00%	NA	NA	58.70	3.89	-	79.52	0.60%
TIM Delhi Airport Advertisement Private Limited	March 31, 2016	09.07.2010	0.92	9.22	49.90%	NA	NA	29.44	12.47	-	106.61	0.80%
Wipro Airport IT Services Limited	March 31, 2016	29.01.2010	0.13	1.30	26.00%	NA	NA	2.55	0.16	-	-	0.00%
Asia Pacific Flight Training Academy Limited	March 31, 2016	18.02.2011	0.35	3.53	40.00%	NA	NA	(0.84)	(0.55)	-	2.16	0.02%
Laqshya Hyderabad Airport Media Private Limited	March 31, 2016	14.05.2011	0.98	9.80	49.00%	NA	NA	0.15	4.25	-	20.99	0.16%
GMR Megawide Cebu Airport Corporation	December 31, 2015	13.01.2014	202.70	304.15	40.00%	NA	NA	316.12	28.19	-	81.62	0.61%
Megawide - GISPL Construction JV*	December 31, 2015	14.09.2014	-	6.69	50.00%	NA	NA	4.16	4.15	-	7.35	0.06%
Limak GMR Construction JV	March 31, 2016	25.03.2008	0.00	0.12	50.00%	NA	NA	(0.70)	(0.27)	-	-	0.00%
Rampia Coal Mine and Energy Private Limited	March 31, 2016	19.02.2008	2.43	2.44	17.39%	NA	NA	2.25	0.00	-	-	0.00%
PT Golden Energy Mines Tbk	December 31, 2015	17.11.2011	176.47	3,384.71	30.00%	NA	NA	492.00	5.01	-	631.78	4.73%
PT Roundhill Capital Indonesia		17.11.2011			29.70%							
PT Borneo Indobara		17.11.2011			29.43%							
PT Kuansing Inti Makmur		17.11.2011			30.00%							
PT Karya Cemerlang Persada		17.11.2011			30.00%							
PT Bungo Bara Utama		17.11.2011			30.00%							
PT Bara Harmonis Batang Asam		17.11.2011			30.00%							
PT Berkat Nusantara Permai		17.11.2011			30.00%							
PT Tanjung Belit Bara Utama		17.11.2011			30.00%							
PT Trisula Kencana Sakti		17.11.2011			21.00%							
PT Gems Energy Indonesia		19.03.2015			30.00%							
GEMS Trading Resources Pte Limited		13.07.2012			30.00%							
Shanghai Jingguang Energy Co. Ltd		09.04.2015			30.00%							
PT Bumi Anugerah Semesta		24.07.2013			30.00%							

Notes:

Names of associates or joint ventures which are yet to commence operations - Nil

Names of associates or joint ventures which have been liquidated or sold during the year - Nil

* An unincorporated joint venture

ANNEXURE 'B' TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

   CSR Policy is stated herein below.

   Weblink: http://investor.gmrgroup.in/investors/GIL-Policies.html

2. **The Composition of the CSR Committee:**

Mr. R. S. S. L. N. Bhaskarudu	-	Chairman (Independent Director)
Mr. B. V. N. Rao	-	Member (Group Director)
Mr. G. B. S. Raju	-	Member (Group Director)

   Mr. G. B. S. Raju has been inducted, with effect from September 23, 2016, in place of Mr. O. B. Raju.

3. **Average net profit/loss of the Company for last three financial years:**

   Average net loss : ₹ 77.66 Crore

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

   Not applicable in view of losses.

5. **Details of CSR spent during the financial year:**

   (a) Total amount spent for the financial year:

   Nil

   (b) Amount unspent, if any:

   N.A.

   (c) Manner in which the amount spent during the financial year is detailed below:

   Nil

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report:**

   Due to non-availability of profits the Company was not required to spend any amount on CSR activities during the financial year 2015-16.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company :**

   The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-	Sd/-
R.S.S.L.N. Bhaskarudu	Grandhi Kiran Kumar
Chairman CSR Committee	Managing Director

Corporate Social Responsibility (CSR)

(Approved by the Board of Directors on August 13, 2014)

CSR Policy

GMR Infrastructure Limited **(the Company)**, a part of GMR Group has adopted the CSR Policy of GMR Group. GMR Group (the Group) recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Company intends to support corporate social responsibility initiatives across the country through GMR Varalakshmi Foundation **(implementing partner)**. The initiatives will be in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

CSR Policy for GMR Infrastructure Limited

In continuance to the community development initiatives being undertaken by the Company and in pursuance of the requirements of the Companies Act, 2013, the Company as part of its CSR initiatives proposes to engage and work on the following areas (with a special focus to geographical locations in India where GMR Infrastructure Limited has presence), herein after referred to as the **CSR Policy:**

i) Education:

- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged;
- Education for girl child and the under-privileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) Health, Hygiene and Sanitation:

- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of preventive health care and sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health;

iii) Empowerment & Livelihoods:

- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently-abled, and livelihood enhancement projects;
- promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Assist in skill development by providing direction and technical expertise for empowerment;

iv) Community Development:

- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc.

v) Environmental sustainability:

- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water.

vi) Heritage and Culture:

- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.

vii) Measures for the benefit of armed forces veterans, war widows and their dependents.

viii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.

ix) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.

x) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

xi) Other rural development projects.

xii) Slum area development.

xiii) Such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

It may be noted that the above activities are indicative and are activities that the company may at any point of time engage but all such activities may not be taken up by the Company during the year.

The expenditure incurred for the following activities shall not be treated as CSR activity by the Company:

- Activities undertaken in pursuance of the normal course of business;
- Activities undertaken outside India;
- Activities that benefit exclusively the employees of the company or their family members;
- One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc;
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.)

Further, the surplus arising out of the CSR activity shall not form part of business profits of the Company.

ANNEXURE 'C' TO BOARD'S REPORT

Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management

1. INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute a Nomination and Remuneration Committee. The Company has constituted a Nomination and Remuneration Committee as required by the Listing Agreement entered into with the Stock Exchanges and the Companies Act, 2013.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

1.1. Purpose of the Policy

The Key Objectives of the Committee are:

(a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

(b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.

(c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The Policy ensures that:

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and

(c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

1.2. Definitions

1.2.1. "Board" means the Board of Directors of the Company.

1.2.2. "Company" means "GMR Infrastructure Limited."

1.2.3. "Employees' Stock Option" means the option given to the directors, officers or employees of a Company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

1.2.4. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

1.2.5. "Key Managerial Personnel" or "KMP" means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.

(As per Section 203 of the Companies Act, 2013, the following are whole-time Key Managerial Personnel:

(i) Managing Director or Chief Executive Officer or the Manager and in their absence a whole-time Director;

(ii) Company Secretary; and

(iii) Chief Financial Officer.

1.2.6. "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

1.2.7. "Policy or This Policy" means, "Nomination and Remuneration Policy."

1.2.8. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

1.2.9. "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

1.3. Interpretation

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following acts, listing agreement, regulations, rules:

(i) The Companies Act, 2013 or the rules framed thereon;

(ii) Listing Agreement with the Stock Exchanges;

(iii) Securities Contracts (Regulation) Act, 1956;

(iv) Securities and Exchange Board of India Act, 1992;

(v) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;

(vi) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

2. NOMINATION AND REMUNERATION COMMITTEE

2.1. Role of the Committee

(a) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

(b) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

(c) Formulating the criteria for evaluation of Independent Directors and the Board;

(d) Devising a policy on Board diversity;

(e) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;

(f) All information about the Directors / Managing Directors / Whole time Directors / Key Managerial Personnel i.e. background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to the shareholders, where required;

(g) The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole-time Directors;

(h) While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;

(i) The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders.

2.2. Composition of the Committee

(a) The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent;

(b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement;

(c) Minimum two (2) members shall constitute a quorum for the Committee meeting;

(d) Membership of the Committee shall be disclosed in the Annual Report;

(e) Term of the Committee shall be continued unless terminated by the Board of Directors.

2.3. Chairman of the Committee

(a) Chairman of the Committee shall be an Independent Director;

(b) Chairman of the Company may be appointed as a member of the Committee but shall not Chair the Committee;

(c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;

(d) Chairman of the Nomination and Remuneration Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

2.4. Frequency of the Meetings of the Committee

The meeting of the Committee shall be held at such regular intervals as may be required.

2.5. Committee Member's Interest

(a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

(b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

2.6. Voting at the Meeting

(a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

(b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

2.7. Minutes of the Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

3. APPLICABILITY

This Policy is Applicable to:

(a) Directors (Executive, Non-Executive and Independent);

(b) Key Managerial Personnel;

(c) Senior Management Personnel;

(d) Other employees as may be decided by the Nomination and Remuneration Committee.

4. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

4.1. Appointment criteria and qualifications

(a) Subject to the applicable provisions of the Companies Act, 2013, the Listing Agreement, other applicable laws, if any and GMR Group HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;

(b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position;

(c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

4.2. Term / Tenure

4.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

4.2.2. Independent Director

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report;

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director:

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

(c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company;

(d) The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

4.3. Familiarization Programme for Independent Directors

The company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

4.4. Evaluation

Subject to Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Committee shall carry out the evaluation of Directors periodically.

4.5. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

4.6. Retirement

The Director, KMP and Personnel of Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Personnel of Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

5. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL

5.1. General

(a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required;

(b) The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force;

(c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel;

(d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

5.2. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees

5.2.1. Fixed Pay

Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

5.2.2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

5.2.3. Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

5.2.4. The remuneration to Personnel of Senior Management shall be governed by the GMR Group HR Policy.

5.2.5. The remuneration to other employees shall be governed by the GMR Group HR Policy.

5.3. Remuneration to Non-Executive / Independent Director

5.3.1. Remuneration / Commission

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

5.3.2. Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof:

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

5.3.3. Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

5.3.4. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

6. DISCLOSURES

The Company shall disclose the Policy on Nomination and Remuneration on its website and the web-link shall be provided in the Annual Report.

7. AMENDMENT

Any amendment or modification in the Listing Agreement and any other applicable regulation relating to Nomination and Remuneration Committee shall automatically be applicable to the Company.

ANNEXURE 'D' TO THE BOARD'S REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED: 31.03.2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GMR Infrastructure Limited
Naman Centre, 7th Floor, Opp. Dena Bank,
Plot No. C-31, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GMR Infrastructure Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives and during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2016 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2016 according to the provisions of:

(i) The Companies Act, 1956 to the extent applicable and the Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

(vi) Other laws applicable specifically to the Company, namely:

- (a) Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- (b) Building and other Construction Workers' Welfare Cess Act, 1996;
- (c) Contract Labor (Regulation and Abolition) Act, 1970 and the Rules thereunder; and
- (d) Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards(SS-1) on meetings of the Board of Directors and Secretarial Standards(SS-2) on General Meetings issued by the Institute of Company Secretaries of India.

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (upto November 30, 2015) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(effective December 01, 2015)

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditors and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the statutory compliance certificates furnished by the Managing Director/ Company Secretary and taken on record at various board meetings of the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has undertaken the following actions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

(i) Allotment under Rights Issue of 93,45,53,010 Equity Shares for cash at a price of ₹ 15/- per equity share.

(ii) Allotment (Series "A") of 35,94,78,241 equity shares to various allottees on conversion of 56,83,351 Compulsorily Convertible Preference Shares of Face Value of ₹ 1,000/- each and allotment (Series "B") of 38,06,66,645 equity shares to various allottees on conversion of 56,83,353 Compulsorily Convertible Preference Shares of ₹ 1,000/- each.

(iii) Issue and allotment of foreign currency convertible bonds to an extent of USD 300 million under Sec. 62 of the Act.

(iv) Shifting of registered office of the Company from the State of Karnataka to the State of Maharashtra.

For **V. SREEDHARAN & ASSOCIATES**

Sd/-
V. Sreedharan
Partner
FCS 2347; C.P. No. 833

Bengaluru
Date : July 15, 2016

ANNEXURE 'E' TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of energy:

(i) the steps taken or impact on conservation of energy:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(ii) the steps taken by the company for utilising alternate sources of energy:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(iii) the capital investment on energy conservation equipments:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(B) Technology absorption:

(i) the efforts made towards technology absorption:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a) the details of technology imported:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(b) the year of import:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(c) whether the technology been fully absorbed:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(iv) the expenditure incurred on Research and Development:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

(C) Foreign exchange earnings and Outgo during the year :

(i) The Foreign Exchange earned in terms of actual inflows :-

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Interest / Miscellaneous income	Nil	5.23
Profit on sale of Investment	Nil	-
Income from Management and other services / Management Consulting Services	Nil	22.12

(ii) Foreign Exchange outgo in terms of actual outflows:

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Expenses	33.46	13.86

ANNEXURE 'F' TO THE BOARD'S REPORT
EXTRACT OF ANNUAL RETURN

As on Financial Year ended 31.03.2016

FORM NO. MGT-9

[Pursuant to Section 92(3) of The Companies Act, 2013 and Rule 12(1) of The Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

i)	CIN	L45203MH1996PLC281138
ii)	Registration Date	May 10, 1996
iii)	Name of the Company	GMR Infrastructure Limited
iv)	Category / Sub-category of the Company	Public Company Limited by Shares/ Non-Government Company
v)	Address of the Registered office and contact details	Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra. Phone: +91 22 4202 8000 Fax: +91 22 4202 8004 E-mail: Gil.Cosecy@gmrgroup.in Website: www.gmrgroup.in
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Unit: GMR Infrastructure Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Phone : +91 40 6716 1500 Fax : +91 40 2300 1153, Email ID : einward.ris@karvy.com Contact Person: Mr. S. V. Raju, Deputy General Manager, Tel: +91 040 6716 1569, Email: raju.sv@karvy.com

II. Principal Business Activities of the Company:

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
Engineering, Procurement and Construction (EPC) [Handling of engineering, procurement and construction solutions in Infrastructure Sectors]	43900	22.28%
Others [Investment Activity and corporate support to various infrastructure SPVs]	66309	77.72%

III. Particulars of holding, subsidiary and associate companies:

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	GMR Holdings Private Limited (GHPL)##	Unit No.1B, First floor, Riaz Garden, Old No. 12, New No. 29, Kodambakkam High Road, Chennai-600034	U67120TN1993PTC102145	Holding	47.25	Section 2(46)
2.	GMR Energy Limited (GEL)	701, 7th Floor, Naman Centre, Plot No. C-31, Bandra Kurla Complex, Bandra East, Mumbai Bandra Suburban MH 400051	U85110MH1996PLC274875	Subsidiary	92.60	Section 2(87)
3.	GMR Power Corporation Limited (GPCL)	No. 25/1, Skip House, Museum Road, Bangalore-560 025 Karnataka	U40105KA1995PLC016942	Subsidiary	51.00	Section 2(87)
4.	GMR Vemagiri Power Generation Limited (GVPGL)	No. 25/1, Skip House, Museum Road, Bangalore-560 025 Karnataka	U23201KA1997PLC032964	Subsidiary	100.00	Section 2(87)
5.	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	House Property No. 9, Ganesh Vatika, GMS-ITBP Road, Dehradun, Uttarakhand-248001	U40101UR2006PTC031381	Subsidiary	100.00	Section 2(87)
6.	GMR Mining & Energy Private Limited (GMEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U13100KA2005PTC037308	Subsidiary	100.00	Section 2(87)
7.	GMR Kamalanga Energy Limited (GKEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40101KA2007PLC044809	Subsidiary	85.99	Section 2(87)
8.	Himtal Hydro Power Company Private Limited (HHPPL)	Lalitpur District, Lalitpur Sub-metropolitan City, Ward No. 10, Chakupat, Nepal	-	Subsidiary	82.00	Section 2(87)
9.	GMR Energy (Mauritius) Limited (GEML)	Abax Management Services Limited, 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius	-	Subsidiary	100.00	Section 2(87)

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
10.	GMR Lion Energy Limited (GLEL)	Rogers House, 5, President John Kennedy Street, Port Louis, Mauritius	-	Subsidiary	100.00	Section 2(87)
11.	GMR Upper Karnali Hydropower Limited (GUKPL)	Lalitpur District, Lalitpur, Sub-Metropolitan City, Ward No. 10, Chakupat, Nepal	-	Subsidiary	73.00	Section 2(87)
12.	GMR Energy Trading Limited (GETL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U31200KA2008PLC045104	Subsidiary	100.00	Section 2(87)
13.	GMR Consulting Services Limited (GCSL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U74200KA2008PLC045448	Subsidiary	99.00	Section 2(87)
14.	GMR Coastal Energy Private Limited (GCEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40101KA2008PTC047277	Subsidiary	100.00	Section 2(87)
15.	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	Rattan Chand Building, VPO – Kuleth, Sub Tehsil – Holi, Tehsil - Bharmour, Distt Chamba, – 176236, Himachal Pradesh	U40101HP2008PTC030971	Subsidiary	100.00	Section 2(87)
16.	GMR Londa Hydropower Private Limited (GLHPPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40101KA2008PTC048190	Subsidiary	100.00	Section 2(87)
17.	GMR Kakinada Energy Private Limited (GKEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40101KA2009PTC048996	Subsidiary	100.00	Section 2(87)
18.	GMR Chhattisgarh Energy Limited (GCHEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40108KA2008PLC047974	Subsidiary	100.00	Section 2(87)
19.	GMR Energy (Cyprus) Limited (GECL)	3, Themistocles Dervis Street, Julia House, CY - 1066, Nicosia, Cyprus	-	Subsidiary	100.00	Section 2(87)
20.	GMR Energy (Netherlands) B.V. (GENBV)	1043 DP Amsterdam, Orlyplein 10 – floor 24 Netherlands	-	Subsidiary	100.00	Section 2(87)
21.	PT Dwikarya Sejati Utma (PTDSU)	Prudential Tower, 16th Floor, JI.Jend Sudirman Kav. 79 - Jakarta 12910, Indonesia	-	Subsidiary	100.00	Section 2(87)
22.	PT Duta Sarana Internusa (PTDSI)	Prudential Tower, 16th Floor, JI.Jend Sudirman Kav. 79 Jakarta 12910, Indonesia	-	Subsidiary	100.00	Section 2(87)
23.	PT Barasentosa Lestari (PTBSL)	Prudential Tower, 16th Floor, JI.Jend Sudirman Kav. 79 Jakarta 12910, Indonesia	-	Subsidiary	100.00	Section 2(87)
24.	GMR Rajahmundry Energy Limited (GREL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40107KA2009PLC051643	Subsidiary	100.00	Section 2(87)
25.	SJK Powergen Limited (SJK)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40109KA1998PLC052000	Subsidiary	70.00	Section 2(87)
26.	PT Unsoco (PT)	Prudential Tower, 16th Floor, JI.Jend Sudirman Kav. 79 , Jakarta 12910, Indonesia	-	Subsidiary	100.00	Section 2(87)
27.	GMR Warora Energy Limited (EMCO Energy Limited)	701/704, 7th Floor, BKC (Bandra Kurla Complex) Bandra, Mumbai - 400 051, Maharashtra	U40100MH2005PLC155140	Subsidiary	100.00	Section 2(87)
28.	GMR Maharashtra Energy Limited (GMAEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40107KA2010PLC053789	Subsidiary	100.00	Section 2(87)
29.	GMR Bundelkhand Energy Private Limited (GBEPL)	No. 25/1, Skip House, Museum Road, Bangalore, Karnataka	U40101KA2010PTC054124	Subsidiary	100.00	Section 2(87)
30.	GMR Rajam Solar Power Private Limited (formerly GMR Uttar Pradesh Energy Private Limited)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40107KA2010PTC054125	Subsidiary	100.00	Section 2(87)
31.	GMR Hosur Energy Limited (GHOEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40109KA2010PLC054554	Subsidiary	100.00	Section 2(87)
32.	GMR Gujarat Solar Power Private Limited (GGSPPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40100KA2008PTC045783	Subsidiary	100.00	Section 2(87)
33.	Karnali Transmission Company Private Limited (KTCPL)	Lalitpur District, Lalitpur Sub Metropolitan City Ward No. 10, Chukupat, P. Box 148, Lalitpur Nepal	-	Subsidiary	100.00	Section 2(87)
34.	Marsyangdi Transmission Company Private Limited (MTCPL)	Lalitpur District, Lalitpur Sub Metropolitan City Ward No. 10, Chukupat, P. Box 148, Lalitpur Nepal	-	Subsidiary	100.00	Section 2(87)
35.	GMR Indo-Nepal Energy Links Limited (GINELL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40107KA2010PLC055826	Subsidiary	100.00	Section 2(87)
36.	GMR Indo-Nepal Power Corridors Limited (GINPCL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40107KA2010PLC055843	Subsidiary	100.00	Section 2(87)
37.	GMR Renewable Energy Limited (GREEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40104KA2010PLC056122	Subsidiary	100.00	Section 2(87)
38.	Aravali Transmission Service Company Limited (ATSCL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40109KA2009PLC060589	Subsidiary	100.00	Section 2(87)

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
39.	Maru Transmission Service Company Limited (MTSCL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40109KA2009PLC059547	Subsidiary	100.00	Section 2(87)
40.	GMR Energy Projects (Mauritius) Limited (GEPML)	Abax Corporate Services Limited 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius	-	Subsidiary	100.00	Section 2(87)
41.	GMR Infrastructure (Singapore) Pte Limited (GISPL)	33A Chander Road, Singapore 219 539	-	Subsidiary	100.00	Section 2(87)
42.	GMR Coal Resources Pte Limited (GCRPL)	33A Chander Road, Singapore 219539	-	Subsidiary	100.00	Section 2(87)
43.	GMR Power Infra Limited (GPIL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U40102KA2011PLC057272	Subsidiary	100.00	Section 2(87)
44.	GMR Highways Limited (GMRHL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2006PLC038379	Subsidiary	100.00	Section 2(87)
45.	GMR Tambaram Tindivanam Expressways Limited (GTTEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2001PLC049329	Subsidiary	100.00	Section 2(87)
46.	GMR Tuni Anakapalli Expressways Limited (GTAEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2001PLC049328	Subsidiary	100.00	Section 2(87)
47.	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2005PTC036773	Subsidiary	100.00	Section 2(87)
48.	GMR Pochanpalli Expressways Limited (GPEL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45200KA2005PLC049327	Subsidiary	100.00	Section 2(87)
49.	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45201KA2009PTC050109	Subsidiary	90.00	Section 2(87)
50.	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2009PTC050441	Subsidiary	90.00	Section 2(87)
51.	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	Room No. 110, G+5 Building 101, T1, IGI Airport New Delhi-110 037	U45200DL2011PLC227902	Subsidiary	100.00	Section 2(87)
52.	GMR Highways Projects Private Limited (GHPPL)	4th Floor, Birla Tower, 25, Barakhamba Road, New Delhi – 110 001	U45203DL2011PTC225560	Subsidiary	100.00	Section 2(87)
53.	GMR Hyderabad International Airport Limited (GHIAL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409, Telangana	U62100TG2002PLC040118	Subsidiary	63.00	Section 2(87)
54.	Gateways for India Airports Private Limited (GFIAL)	6-3-866/1/G3, Greenlands, Begumpet, Hyderabad – 500016 Telangana	U62100TG2005PTC045123	Subsidiary	86.49	Section 2(87)
55.	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	Air Cargo Terminal, Rajiv Gandhi International Airport, Shamshabad, Hyderabad 500 409, Telangana	U62100TG2006PTC049243	Subsidiary	51.00	Section 2(87)
56.	Hyderabad Airport Security Services Limited (HASSL)	GMR HIAL Airport Office Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U74920TG2007PLC054862	Subsidiary	100.00	Section 2(87)
57.	GMR Hyderabad Airport Resource Management Limited (GHARML)	GMR HIAL Airport Office Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U74900TG2007PLC054821	Subsidiary	100.00	Section 2(87)
58.	GMR Hyderabad Aerotropolis Limited (HAPL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U45400TG2007PLC054827	Subsidiary	100.00	Section 2(87)
59.	GMR Hyderabad Aviation SEZ Limited (GHASL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U45209TG2007PLC056527	Subsidiary	100.00	Section 2(87)
60.	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U45209TG2007PLC056516	Subsidiary	100.00	Section 2(87)
61.	GMR Aerospace Engineering Limited (formerly known as MAS GMR Aerospace Engineering Company Limited) (GAECL)	Plot No. 1, C/o GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U45201TG2008PLC067141	Subsidiary	100.00	Section 2(87)

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
62.	GMR Aero Technic Limited (formerly known as MAS GMR Aero Technic Limited) (GATL)	Plot No.1, C/o GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U35122TG2010PLC070489	Subsidiary	100.00	Section 2(87)
63.	Hyderabad Duty Free Retail Limited (HDFRL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U52390TG2010PLC068442	Subsidiary	100.00	Section 2(87)
64.	GMR Airport Developers Limited (GADL)	GMR HIAL Airport Office Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U62200TG2008PLC059646	Subsidiary	100.00	Section 2(87)
65.	GMR Airport Handling Services Company Limited (GAHSCL)	GMR Aero Towers Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U63013TG2010PLC071453	Subsidiary	100.00	Section 2(87)
66.	GADL International Limited (GADLIL)	33-37, Athol Street, Douglas, Isle of Man, IM1, 1LB	-	Subsidiary	100.00	Section 2(87)
67.	GADL (Mauritius) Limited (GADLML)	Abax Corporate Services Ltd 6th Floor, Tower A,1 cyber city, Ebene, Mauritius	-	Subsidiary	100.00	Section 2(87)
68.	GMR Hotels and Resorts Limited (GHRL)	Novotel Hyderabad Airport, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U55101TG2008PLC060866	Subsidiary	100.00	Section 2(87)
69.	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	4th Floor, GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U40108TG2012PLC083190	Subsidiary	100.00	Section 2(87)
70.	Delhi International Airport Private Limited (DIAL)	New Udaan Bhawan, Opp.Terminal-3 Indira Gandhi International Airport New Delhi – 110 037	U63033DL2006PTC146936	Subsidiary	64.00	Section 2(87)
71.	Delhi Aerotropolis Private Limited (DAPL)	New Udaan Bhawan, Opp.Terminal-3 Indira Gandhi International Airport New Delhi – 110 037	U45400DL2007PTC163751	Subsidiary	100.00	Section 2(87)
72.	Delhi Duty Free Services Private Limited (DDFS)	Building No. 301, Ground Floor, Opp. Terminal 3, IGI Airport, New Delhi-110 037	U52599DL2009PTC191963	Subsidiary	66.93	Section 2(87)
73.	Delhi Airport Parking Services Private Limited (DAPSL)	6th Floor, Multi Level Car Parking, Terminal 3, Indira Gandhi International Airport, New Delhi-110 037	U63030DL2010PTC198985	Subsidiary	90.00	Section 2(87)
74.	GMR Airports Limited (GAL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U65999KA1992PLC037455	Subsidiary	97.15	Section 2(87)
75.	GMR Malé International Airport Private Limited (GMIAL)	H.Hulhugali, 1st Floor, Kalhuhuraa Magu, K. Malé, Maldives	-	Subsidiary	77.00	Section 2(87)
76.	GMR Airport Global Limited (GAGL)	33 37 Athol Street, Douglas, Isle of Man, 1M1 1LB	-	Subsidiary	100.00	Section 2(87)
77.	GMR Airports (Mauritius) Limited (GALM)	Abax Corporate Services Ltd, 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius	-	Subsidiary	100.00	Section 2(87)
78.	GMR Aviation Private Limited (GAPL)	25/1, Skip House Museum Road Bangalore-560025	U62200KA2006PTC041278	Subsidiary	100.00	Section 2(87)
79.	GMR Krishnagiri SEZ Limited (GKSEZ)	Riaz Garden, Old No. 12, New No 29, Kodambakkam High Road, Chennai, Tamil Nadu , 600034	U45209TN2007PLC064863	Subsidiary	100.00	Section 2(87)
80.	Advika Properties Private Limited (APPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur – 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2008PTC021691	Subsidiary	100.00	Section 2(87)
81.	Aklima Properties Private Limited (AKPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur – 635 109, Krishnagiri District, Tamil Nadu	U70101TZ2008PTC022217	Subsidiary	100.00	Section 2(87)
82.	Amartya Properties Private Limited (AMPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur – 635 109, Krishnagiri District, Tamil Nadu	U70101TZ2008PTC022242	Subsidiary	100.00	Section 2(87)
83.	Baruni Properties Private Limited (BPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur – 635 109, Krishnagiri District, Tamil Nadu	U45206TZ2008PTC021787	Subsidiary	100.00	Section 2(87)
84.	Bougainvillea Properties Private Limited (BOPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur – 635 109, Krishnagiri District, Tamil Nadu	U45201TZ2008PTC021770	Subsidiary	100.00	Section 2(87)

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
85.	Camelia Properties Private Limited (CPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2008PTC021850	Subsidiary	100.00	Section 2(87)
86.	Deepesh Properties Private Limited (DPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2010PTC021792	Subsidiary	100.00	Section 2(87)
87.	Eila Properties Private Limited (EPPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2008PTC045947	Subsidiary	100.00	Section 2(87)
88.	Gerbera Properties Private Limited (GPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70101TZ2008PTC021802	Subsidiary	100.00	Section 2(87)
89.	Lakshmi Priya Properties Private Limited (LPPPL)	Ground Floor, Skip House, 25/1, Museum Road, Bangalore- 560025	U45200KA2008PTC045823	Subsidiary	100.00	Section 2(87)
90.	Honeysuckle Properties Private Limited (HPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U45201TZ2008PTC021847	Subsidiary	100.00	Section 2(87)
91.	Idika Properties Private Limited (IPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70101TZ2008PTC022222	Subsidiary	100.00	Section 2(87)
92.	Krishnapriya Properties Private Limited (KPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2007PTC021855	Subsidiary	100.00	Section 2(87)
93.	Larkspur Properties Private Limited (LAPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U45200TZ2008PTC021848	Subsidiary	100.00	Section 2(87)
94.	Nadira Properties Private Limited (NPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70109TZ2008PTC022221	Subsidiary	100.00	Section 2(87)
95.	Padmapriya Properties Private Limited(PAPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70101TZ2010PTC021798	Subsidiary	100.00	Section 2(87)
96.	Prakalpa Properties Private Limited (PPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70109TZ2008PTC022241	Subsidiary	100.00	Section 2(87)
97.	Purnachandra Properties Private Limited (PUPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2007PTC021856	Subsidiary	100.00	Section 2(87)
98.	Shreyadita Properties Private Limited (SPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70109TZ2008PTC021853	Subsidiary	100.00	Section 2(87)
99.	Pranesh Properties Private Limited (PRPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2011PTC021849	Subsidiary	100.00	Section 2(87)
100.	Sreepa Properties Private Limited (SRPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2007PTC021852	Subsidiary	100.00	Section 2(87)
101.	Radhapriya Properties Private Limited (RPPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U70102TZ2011PTC021854	Subsidiary	100.00	Section 2(87)
102.	Asteria Real Estates Private Limited (AREPL)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U45200TZ2008PTC021712	Subsidiary	100.00	Section 2(87)
103.	GMR Hosur Industrial City Private Limited (Erstwhile Lantana Properties Pvt Ltd)	Plot No. 59, VG Towers, Near EB Office, Rayakottai Main Road, Hosur - 635 109, Krishnagiri District, Tamil Nadu	U74120TZ2012PTC021851	Subsidiary	100.00	Section 2(87)
104.	Namitha Real Estates Private Limited (NREPL)	Ground Floor, SKIP House, No. 25/1, Museum Road Bangalore- 560025	U70102KA2008PTC047823	Subsidiary	100.00	Section 2(87)
105.	Honey Flower Estates Private Limited (HFEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U70100KA2003PTC032917	Subsidiary	100.00	Section 2(87)

Sl. No.	Name#	Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
106.	GMR Hosur EMC Limited (GHEMC)	Riaz Garden, Old No. 12, New No 29, Kodambakkam High Road, Chennai, Tamil Nadu 600034	U74900TN2013PLC092846.	Subsidiary	100.00	Section 2(87)
107.	GMR SEZ and Port Holdings Private Limited (GSPHPL)	7th Floor, 701,Naman Center Bandra Kurla Complex, Plot No 31, Bandra East Mumbai Bandra Suburban MH 400051	U74900MH2008PTC274347	Subsidiary	100.00	Section 2(87)
108.	East Godavari Power Distribution Company Private Limited (EGPDCPL)	4th Floor, GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 409 Telangana	U40101TG2014PTC093613	Subsidiary	100.00	Section 2(87)
109.	Suzone Properties Private Limited (SUPPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U70200KA2011PTC059294	Subsidiary	100.00	Section 2(87)
110.	GMR Utilities Private Limited (GUPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U41000KA2014PTC076930	Subsidiary	100.00	Section 2(87)
111.	Lilliam Properties Private Limited (LPPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U70100KA2012PTC065861	Subsidiary	100.00	Section 2(87)
112.	GMR Corporate Affairs Private Limited (GCAPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U74999KA2006PTC041279	Subsidiary	100.00	Section 2(87)
113.	Dhruvi Securities Private Limited (DSPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U65900KA2007PTC050828	Subsidiary	100.00	Section 2(87)
114.	Kakinada SEZ Private Limited (KSPL)	4th Floor, GMR Aero Towers Rajiv Gandhi International Airport Shamshabad, Hyderabad - 500 409, Telangana	U45200TG2003PTC041961	Subsidiary	51.00	Section 2(87)
115.	GMR Business Process and Services Private Limited (GBPSPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U74900KA2011PTC060052	Subsidiary	100.00	Section 2(87)
116.	GMR Infrastructure (Mauritius) Limited (GIML)	Abax Corporate Services Limited, 6th Floor, Tower A, 1, Cyber City, Ebane, Mauritius	-	Subsidiary	100.00	Section 2(87)
117.	GMR Infrastructure (Cyprus) Limited (GICL)	Julia House, 3 , Themistokli Dervis Street, C.Y 1066, Nicosia, Cyprus	-	Subsidiary	100.00	Section 2(87)
118.	GMR Infrastructure Overseas Limited (GIOSL)	Level 2 West, Mercury Tower, The Exchange Financial and Busines Centre, Elia Zammit Street, St Julian's STJ 3155, Malta	-	Subsidiary	100.00	Section 2(87)
119.	GMR Infrastructure (UK) Limited (GIUL)	Paperchase Business Services Ltd, 42, Sydenham Road	-	Subsidiary	100.00	Section 2(87)
120.	GMR Infrastructure (Global) Limited (GIGL)	33 37 Athol Street, Douglas, Isle of Man, 1M1 1LB	-	Subsidiary	100.00	Section 2(87)
121.	GMR Energy (Global) Limited (GEGL)	33 37 Athol Street, Douglas, Isle of Man, 1M1 1LB	-	Subsidiary	100.00	Section 2(87)
122.	GMR Infrastructure (Overseas) Limited (GIOL)	Abax Corporate Services Limited 6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius	-	Subsidiary	100.00	Section 2(87)
123.	Raxa Security Services Limited (RAXA)	25/1, Skip House Museum Road Bangalore-560025	U74920KA2005PLC036865	Subsidiary	100.00	Section 2(87)
124.	Indo Tausch Trading DMCC (ITDD)	Plot No DMCC-PH2-J&GPlexS, Jwellery & Gemplex, Dubai, United Arab Emirates		Subsidiary	100.00	Section 2(87)
125.	Jadcherla Expressways Private Limited (JEPL)	3rd Floor 'C' Block, TSR Towers, 6-3-1090, Rajbhavan Road, Hyderabad-500 082	U45200TG2005PTC096719	Associate	26.00	Section 2(6)
126.	Ulundurpet Expressways Private Limited (UEPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45203KA2006PTC038784	Associate	26.00	Section 2(6)
127.	East Delhi Waste Processing Company Private Limited (EDWPCPL)	4th Floor, Dr Gopal Das Bhawan, 28, Barakhambha Road, New Delhi-110 001	U37100DL2005PLC135148	Associate	48.99	Section 2(6)
128.	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	No. 25/1, Skip House, Museum Road, Bangalore - 560 025 Karnataka	U45201KA2010PTC052377	Associate	36.01	Section 2(6)

\# does not include Company limited by guarantee.

\## Pursuant to the Order of the Hon'ble High Court of Madras confirming the Scheme of Amalgamation and Arrangement, GHPL and GMR Projects Private Limited (GPPL) would be merged with GMR Enterprises Private Limited (GEPL) upon the scheme becoming effective. Accordingly, GEPL will become the holding company with the effective date.

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year (rounded off)
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	6196170	0	6196170	0.14	6243170	0	6243170	0.10	0.04
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	2859887120	0	2859887120	65.57	3712529943	0	3712529943	61.51	-4.07
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	4000	0	4000	0.00	4000	0	4000	0.00	0.00
Sub-Total (A)(1):	**2866087290**	**0**	**2866087290**	**65.72**	**3718777113**	**0**	**3718777113**	**61.61**	**-4.11**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	**2866087290**	**0**	**2866087290**	**65.72**	**3718777113**	**0**	**3718777113**	**61.61**	**-4.11**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	105799336	0	105799336	2.43	134219140	0	134219140	2.22	-0.21
b) Banks / FI	278097934	0	278097934	6.38	339192720	0	339192720	5.62	-0.76
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government (s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	527792487	0	527792487	12.10	1167221603	0	1167221603	19.34	7.24
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1):	**911689757**	**0**	**911689757**	**20.90**	**1640633463**	**0**	**1640633463**	**27.18**	**6.28**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	175886991	0	175886991	4.03	180457639*	0	180457639*	3.00	-1.03
ii) Overseas	0	0	0	0.00	0		0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	332827521	1026106	333853627	7.66	389223704	975771	390199475	6.46	-1.20
ii) Individual shareholders holding nominal share capital excess of ₹ 1 Lakh	51058262	0	51058262	1.17	79990833	0	79990833	1.33	0.16
c) Others									
i) Trusts	33650	0	33650	0.00	23220	0	23220	0.00	0.00
ii) Non Resident Indians	15661689	0	15661689	0.36	19710435	0	19710435	0.33	-0.03
iii) Clearing Members	6976113	0	6976113	0.16	6153097	0	6153097	0.10	-0.06
Sub-Total (B)(2):	**582444226**	**1026106**	**583470332**	**13.38**	**675558928**	**975771**	**676534699**	**11.21**	**-2.17**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**1494133983**	**1026106**	**1495160089**	**34.28**	**2316192391**	**975771**	**2317168162**	**38.39**	**4.11**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**4360221273**	**1026106**	**4361247379**	**100.00**	**6034969504**	**975771**	**6035945275**	**100.00**	**0.00**

* including NBFC registered with RBI.

ii) **Shareholding of Promoters & Promoters Group**

Sl. No.	Shareholders Name*	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	GMR Holdings Private Limited	2752091862	63.10	56.66	2852072962	47.25	41.85	-15.85
2.	GMR Infra Ventures LLP	31321815	0.72	0.00	31321815	0.52	0.00	-0.20
3.	GMR Enterprises Private Limited	23400000	0.54	0.51	23400000	0.39	0.39	-0.15
4.	Mr. Grandhi Mallikarjuna Rao	1731330	0.04	0.00	1731330	0.03	0.00	-0.01
5.	Mrs. Grandhi Varalakshmi	942660	0.02	0.00	942660	0.02	0.00	0.00
6.	Mrs. Grandhi Ragini	638700	0.01	0.00	638700	0.01	0.00	0.00
7.	Mrs. Grandhi Smitha Raju	765500	0.02	0.00	812500	0.01	0.00	-0.01
8.	Mr. Grandhi Kiran Kumar	872160	0.02	0.00	872160	0.01	0.00	-0.01
9.	Mr. Srinivas Bommidala	451660	0.01	0.00	451660	0.01	0.00	0.00
10.	Mr. Grandhi Buchi Sanyasi Raju	544160	0.01	0.00	544160	0.01	0.00	0.00
11.	Mrs. B Ramadevi	250000	0.01	0.00	250000	0.01	0.00	0.00
12.	Grandhi Buchi Sanyasi Raju and Satyavathi Smitha Trust - Mr. G.B.S. Raju, Trustee^	1000	0.00	0.00	1000	0.00	0.00	0.00
13.	Srinivas Bommidala and Ramadevi Trust - Mr. Srinivas Bommidala, Trustee^	1000	0.00	0.00	1000	0.00	0.00	0.00
14.	Grandhi Kiran Kumar and Ragini Trust - Mr. G. Kiran Kumar, Trustee^	1000	0.00	0.00	1000	0.00	0.00	0.00
15.	Grandhi Varalakshmi Mallikarjuna Rao Trust - Mr. G. Mallikarjuna Rao, Trustee^	1000	0.00	0.00	1000	0.00	0.00	0.00
16.	GMR Business and Consultancy LLP	52973443	1.21	0.97	805635166	13.35	8.10	12.14
17.	Cadence Enterprises Private Limited	100000	0.00	0.00	100000	0.00	0.00	0.00
	Total	**2866087290**	**65.71**	**58.14**	**3718777113**	**61.62**	**50.34**	**-4.09**

^ Shares held in the name of trustee

* Shares include the shares held as Karta of HUF (wherever is applicable).

iii) **Change in Promoters & Promoters Group Shareholding (Please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	GMR Holdings Private Limited				
	At the beginning of the year	2752091862	63.10	2752091862	63.10
	Purchased on 03/06/2015	15000000	0.28	2767091862	52.25
	Purchased on 04/06/2015	3700000	0.07	2770791862	52.32
	Purchased on 05/06/2015	1500000	0.03	2772291862	52.35
	Purchased on 08/06/2015	2200000	0.04	2774491862	52.39
	Purchased on 09/06/2015	1500000	0.03	2775991862	52.42
	Purchased on 10/06/2015	700000	0.01	2776691862	52.43
	Purchased on 11/06/2015	3600000	0.07	2780291862	52.50
	Purchased on 12/06/2015	1855000	0.04	2782146862	52.53
	Purchased on 15/06/2015	400000	0.01	2782546862	52.54
	Purchased on 18/06/2015	1000000	0.02	2783546862	52.56
	Purchased on 19/06/2015	500000	0.01	2784046862	52.57
	Purchased on 23/06/2015	500000	0.01	2784546862	52.58
	Purchased on 24/06/2015	500000	0.01	2785046862	52.59
	Purchased on 02/07/2015	200000	0.00	2785246862	52.59
	Purchased on 03/07/2015	500000	0.01	2785746862	52.60
	Purchased on 08/07/2015	1500000	0.03	2787246862	52.63
	Purchased on 09/07/2015	250000	0.00	2787496862	52.64
	Purchased on 10/07/2015	380000	0.01	2787876862	52.64
	Purchased on 21/07/2015	1000000	0.02	2788876862	52.66
	Purchased on 27/07/2015	50000	0.00	2788926862	52.66
	Purchased on 28/07/2015	500000	0.01	2789426862	52.67
	Purchased on 21/08/2015	2500000	0.05	2791926862	52.72
	Purchased on 24/08/2015	5200000	0.10	2797126862	52.82
	Purchased on 25/08/2015	7000000	0.13	2804126862	52.95

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Purchased on 28/08/2015	651000	0.01	2804777862	49.60
	Purchased on 02/09/2015	1000000	0.02	2805777862	49.61
	Purchased on 04/09/2015	5000000	0.09	2810777862	49.70
	Purchased on 07/09/2015	2000000	0.04	2812777862	49.74
	Purchased on 08/09/2015	1500000	0.03	2814277862	49.76
	Purchased on 11/09/2015	1495100	0.03	2815772962	49.79
	Purchased on 18/09/2015	300000	0.01	2816072962	49.80
	Purchased on 22/09/2015	650000	0.01	2816722962	49.81
	Purchased on 27/10/2015	9500000	0.16	2826222962	46.82
	Purchased on 27/10/2015	1000000	0.02	2827222962	46.84
	Purchased on 28/10/2015	7500000	0.12	2834722962	46.96
	Purchased on 28/10/2015	4000000	0.07	2838722962	47.03
	Purchased on 28/10/2015	500000	0.01	2839222962	47.04
	Purchased on 29/10/2015	7000000	0.12	2846222962	47.15
	Purchased on 29/10/2015	350000	0.01	2846572962	47.16
	Purchased on 29/10/2015	5500000	0.09	2852072962	47.25
	At the end of the year			2852072962	47.25
2	GMR Infra Ventures LLP				
	At the beginning of the year	31321815	0.72	31321815	0.72
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc.)	-	-		-
	At the end of the year			31321815	0.52
3	GMR Enterprises Private Limited				
	At the beginning of the year	23400000	0.54	23400000	0.54
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			23400000	0.39
4	Mr. Grandhi Mallikarjuna Rao				
	At the beginning of the year	1731330	0.04	1731330	0.04
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			1731330	0.03
5	Mrs. Grandhi Varalakshmi				
	At the beginning of the year	942660	0.02	942660	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			942660	0.02
6	Mrs. Grandhi Ragini				
	At the beginning of the year	638700	0.01	638700	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			638700	0.01
7	Mrs. Grandhi Smitha Raju				
	At the beginning of the year	765500	0.02	765500	0.02
	Purchased on 25/08/2015	47000	0.00	812500	0.02
	At the end of the year			812500	0.01
8	Mr. Grandhi Kiran Kumar				
	At the beginning of the year	872160	0.02	872160	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			872160	0.01
9	Mr. Srinivas Bommidala				
	At the beginning of the year	451660	0.01	451660	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			451660	0.01

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10	Mr. Grandhi Buchi Sanyasi Raju				
	At the beginning of the year	544160	0.01	544160	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			544,160	0.01
11	Mrs. B Ramadevi				
	At the beginning of the year	250000	0.01	250000	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			250000	0.00
12	Grandhi Buchi Sanyasi Raju and Satyavathi Smitha Trust - Mr. G.B.S. Raju, Trustee^				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			1000	0.00
13	Srinivas Bommidala and Ramadevi Trust - Mr. Srinivas Bommidala, Trustee^				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			1000	0.00
14	Grandhi Kiran Kumar and Ragini Trust - Mr. G. Kiran Kumar, Trustee^				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			1000	0.00
15	Grandhi Varalakshmi Mallikarjuna Rao Trust - Mr. G. Mallikarjuna Rao, Trustee^				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc.)	-	-	-	-
	At the end of the year			1000	0.00
16	GMR Business and Consultancy LLP				
	At the beginning of the year	52973443	1.21	52973443	1.21
	Rights shares credited on 18/04/2015	722312723	13.64	775286166	14.64
	Purchased on 23/04/2015	700000	0.01	775986166	14.65
	Purchased on 27/04/2015	2169000	0.04	778155166	14.69
	Purchased on 28/04/2015	5050000	0.10	783205166	14.79
	Purchased on 29/04/2015	825000	0.02	784030166	14.80
	Purchased on 30/04/2015	5000000	0.09	789030166	14.90
	Purchased on 04/05/2015	2100000	0.04	791130166	14.94
	Purchased on 06/05/2015	520000	0.01	791650166	14.95
	Purchased on 07/05/2015	6000000	0.11	797650166	15.06
	Purchased on 12/05/2015	485000	0.01	798135166	15.07
	Purchased on 13/05/2015	5500000	0.10	803635166	15.17
	Purchased on 13/05/2015	2000000	0.04	805635166	15.21
	At the end of the year			805635166	13.35
17	Cadence Enterprises Private Limited				
	At the beginning of the year	100000	0.00	100000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat equity etc)	-	-	-	-
	At the end of the year			100000	0.00

^ Shares held in the name of trustee.

iv) **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	LIC of India Health Plus Fund				
	At the beginning of the year	161962490	3.71	161962490	3.71
	Purchased on 24/04/2015	34706247	0.66	196668737	3.71
	Purchased on 04/03/2016	150000	0.00	196818737	3.26
	Sold on 04/03/2016	150000	0.00	196668737	3.26
	At the end of the year			196668737	3.26
2.	ICICI Prudential Infrastructure Fund				
	At the beginning of the year	94473637	2.17	94473637	2.17
	Purchased on 24/04/2015	34283258	0.65	128756895	2.43
	Sold on 16/10/2015	1922000	0.03	126834895	2.10
	Sold on 23/10/2015	1200007	0.02	125634888	2.08
	Sold on 20/11/2015	7752949	0.13	117881939	1.95
	Sold on 27/11/2015	8172661	0.14	109709278	1.82
	Sold on 08/01/2016	2331633	0.04	107377645	1.78
	Sold on 05/02/2016	2000000	0.03	105377645	1.75
	Sold on 19/02/2016	100000	0.00	105277645	1.74
	Sold on 26/02/2016	980970	0.02	104296675	1.73
	Sold on 18/03/2016	5000000	0.08	99296675	1.65
	At the end of the year			99296675	1.65
3.	Credit Suisse (Singapore) Limited				
	At the beginning of the year	75623628	1.73	75623628	1.73
	Sold on 17/04/2015	220000	0.01	75403628	1.73
	Purchased on 24/04/2015	26513153	0.50	101916781	1.92
	Sold on 01/05/2015	2316798	0.04	99599983	1.88
	Sold on 08/05/2015	4842912	0.09	94757071	1.79
	Purchased on 29/05/2015	1251757	0.02	96008828	1.81
	Sold on 26/06/2015	4696170	0.09	91312658	1.72
	Sold on 30/06/2015	1356361	0.03	89956297	1.70
	Purchased on 10/07/2015	18749	0.00	89975046	1.70
	Sold on 28/08/2015	3900000	0.07	86075046	1.52
	Purchased on 11/09/2015	38631	0.00	86113677	1.52
	Purchased on 18/09/2015	5200000	0.09	91313677	1.61
	Sold on 25/09/2015	50463	0.00	91263214	1.61
	Sold on 30/09/2015	2184000	0.04	89079214	1.48
	Sold on 30/10/2015	1120375	0.02	87958839	1.46
	Purchased on 06/11/2015	32130	0.00	87990969	1.46
	Purchased on 04/12/2015	3146861	0.05	91137830	1.51
	Sold on 11/12/2015	26861	0.00	91110969	1.51
	Sold on 29/01/2016	8300000	0.14	82810969	1.37
	Sold on 05/02/2016	58001000	0.96	24809969	0.41
	Sold on 12/02/2016	6000000	0.10	18809969	0.31
	Purchased on 19/02/2016	4969	0.00	18814938	0.31
	Sold on 26/02/2016	8192919	0.14	10622019	0.18
	Purchased on 04/03/2016	44020	0.00	10666039	0.18
	Sold on 18/03/2016	312371	0.01	10353668	0.17
	Purchased on 25/03/2016	1326000	0.02	11679668	0.19
	At the end of the year			11679668	0.19
4.	Boyance Infrastructure Private Limited				
	At the beginning of the year	60285978	1.38	60285978	1.38
	Purchased on 01/05/2015	300000	0.01	60585978	1.14
	Sold on 22/05/2015	2351232	0.04	58234746	1.10
	Purchased on 21/08/2015	1200000	0.02	59434746	1.12
	Purchased on 04/09/2015	2681274	0.05	62116020	1.10
	Sold on 04/09/2015	381274	0.01	61734746	1.09
	Sold on 25/09/2015	80000	0.00	61654746	1.09
	Sold on 02/10/2015	504270	0.01	61150476	1.01
	Purchased on 09/10/2015	1500000	0.02	62650476	1.04
	At the end of the year			62650476	1.04

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
5.	Asia Investment Corporation (Mauritius) Ltd				
	At the beginning of the year	56647328	1.30	56647328	1.30
	Sold on 17/04/2015	113397	0.00	56533931	1.30
	Purchased on 24/04/2015	7650000	0.14	64183931	1.21
	Sold on 08/05/2015	1550000	0.03	62633931	1.18
	Sold on 15/05/2015	2298607	0.04	60335324	1.14
	Sold on 22/05/2015	2577203	0.05	57758121	1.09
	Sold on 29/05/2015	2250000	0.04	55508121	1.05
	Sold on 05/06/2015	2500000	0.05	53008121	1.00
	Sold on 19/06/2015	1920000	0.04	51088121	0.96
	Sold on 18/09/2015	5000000	0.09	46088121	0.81
	Sold on 25/09/2015	273000	0.00	45815121	0.81
	Sold on 23/10/2015	273000	0.00	45542121	0.75
	Sold on 30/10/2015	37000000	0.61	8542121	0.14
	Purchased on 06/11/2015	273000	0.00	8815121	0.15
	Purchased on 04/12/2015	273000	0.00	9088121	0.15
	At the end of the year			9088121	0.15
6.	Carmignac Gestion A\C Carmignac Patrimoine				
	At the beginning of the year	46483563	1.07	46483563	1.07
	Sold on 18/12/2015	286957	0.00	46196606	0.77
	At the end of the year			46196606	0.77
7.	Carmignac Gestion A\C Carmignac Investissem Ent				
	At the beginning of the year	44998643	1.03	44998643	1.03
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-		
	At the end of the year			44998643	0.75
8.	Vanguard Emerging Markets Stock Index Fund, Aserie				
	At the beginning of the year	28359550	0.65	28359550	0.65
	Purchased on 01/05/2015	165286	0.00	28524836	0.54
	Purchased on 08/05/2015	187825	0.00	28712661	0.54
	Purchased on 03/07/2015	2123021	0.04	30835682	0.58
	Purchased on 10/07/2015	2601809	0.05	33437491	0.63
	Sold on 14/08/2015	187825	0.00	33249666	0.63
	Sold on 21/08/2015	450780	0.01	32798886	0.62
	Sold on 28/08/2015	879021	0.02	31919865	0.56
	Sold on 04/09/2015	1202080	0.02	30717785	0.54
	Sold on 11/09/2015	631092	0.01	30086693	0.53
	Sold on 18/12/2015	196416	0.00	29890277	0.50
	Sold on 25/12/2015	90828	0.00	29799449	0.49
	Sold on 15/01/2016	244216	0.00	29555233	0.49
	Sold on 22/01/2016	129264	0.00	29425969	0.49
	Sold on 05/02/2016	477785	0.01	28948184	0.48
	Sold on 12/02/2016	198170	0.00	28750014	0.48
	Purchased on 11/03/2016	123280	0.00	28873294	0.48
	At the end of the year			28873294	0.48
9.	Canara Bank- New Delhi				
	At the beginning of the year	25198758	0.58	25198758	0.58
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-		
	At the end of the year			25198758	0.42
10.	Barclays Capital Mauritius Limited				
	At the beginning of the year	24496100	0.56	24496100	0.56
	Purchased on 24/04/2015	4204521	0.08	28700621	0.54
	Sold on 15/05/2015	2184975	0.04	26515646	0.50
	Purchased on 22/05/2015	1752043	0.03	28267689	0.53
	Sold on 26/06/2015	192633	0.00	28075056	0.53
	Sold on 24/07/2015	70720	0.00	28004336	0.53
	Sold on 31/07/2015	157760	0.00	27846576	0.53
	Purchased on 07/08/2015	26000	0.00	27872576	0.53

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	Sold on 14/08/2015	6045000	0.11	21827576	0.41
	Sold on 21/08/2015	130000	0.00	21697576	0.41
	Sold on 28/08/2015	10164377	0.18	11533199	0.20
	Purchased on 16/10/2015	533000	0.01	12066199	0.20
	Purchased on 23/10/2015	416000	0.01	12482199	0.21
	Sold on 30/10/2015	39000	0.00	12443199	0.21
	Sold on 20/11/2015	14174	0.00	12429025	0.21
	Sold on 29/01/2016	39000	0.00	12390025	0.21
	At the end of the year			12390025	0.21

v) **Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Shareholder's Name#	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	**Mr. G.M. Rao (Executive Chairman)**				
	At the beginning of the year	1731330	0.04	1731330	0.04
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	1731330	0.03
2.	**Mr. Grandhi Kiran Kumar (Managing Director and KMP)**				
	At the beginning of the year	872160	0.02	872160	0.02
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	872160	0.01
3.	**Mr. Srinivas Bommidala (Group Director)**				
	At the beginning of the year	451660	0.01	451660	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	451660	0.01
4.	**Mr. G.B.S. Raju (Group Director)**				
	At the beginning of the year	544160	0.01	544160	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	544160	0.01
5.	**Mr. B.V.N. Rao (Group Director)**				
	At the beginning of the year	150000	0.00	150000	0.00
	Rights Shares credited on 18/04/2015	32142	-	182142	0.00
	At the End of the year			182142	0.00
6.	**Mr. R.S.S.L.N. Bhaskarudu (Independent Director)**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-
7.	**Dr. Prakash G. Apte (Independent Director)**				
	At the beginning of the year	30000	0.00	30000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	30000	0.00
8.	**Mr. V. Santhanaraman (Independent Director)**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-
9.	**Mr. N.C. Sarabeswaran (Independent Director)**				
	At the beginning of the year	20000	0.00	20000	0.00
	Rights Shares credited on 18/04/2015	4285	0.00	24285	0.00
	At the End of the year	-	-	24285	0.00

Sl. No.	Shareholder's Name#	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
10.	**Mr. S. Sandilya (Independent Director)**				
	At the beginning of the year	5000	0.00	5000	0.00
	Rights Shares credited on 18/04/2015	2000	0.00	7000	0.00
	At the End of the year	-	-	7000	0.00
11.	**Mr. C. R. Muralidharan (Independent Director)**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-
12.	**Mr. S. Rajagopal (Independent Director)**				
	At the beginning of the year	22000	0.00	22000	0.00
	Rights Shares to Mrs. Geetha Rajagopal credited on 18/04/2015	4714	0.00	26714	0.00
	At the End of the year	-	-	26714	0.00
13.	**Mrs. Vissa Siva Kameswari (Independent Director)**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-
14.	**Mr. Jayesh Desai (Director)**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	-	-	-	-
	At the End of the year	-	-	-	-
15.	**Mr. Madhva Bhimacharya Terdal (CFO - KMP)**				
	At the beginning of the year	323000	0.01	323000	0.01
	Rights Shares credited on 18/04/2015	69214	0.00	392214	0.01
	At the End of the year	-	-	392214	0.01
16.	**Mr. Adi Seshavataram Cherukupalli (Company Secretary - KMP)**				
	At the beginning of the year	116100	0.00	116100	0.00
	Sold on 09/04/2015	50000	0.00	66100	0.00
	Purchased on 29/04/2015	250	0.00	66350	0.00
	Purchased on 29/04/2015	56750	0.00	123100	0.00
	Purchased on 08/05/2015	575	0.00	123675	0.00
	Purchased on 03/03/2016	5000	0.00	128675	0.00
	At the End of the year	-	-	128675	0.00

Shares include the shares held as Karta of HUF (wherever is applicable).

V. Indebtedness:

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(Amount ₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	2,037.94	2,236.30	-	4,274.24
ii) Interest due but not paid				-
iii) Interest accrued but not due	1.16	18.83		19.99
Total (i+ii+iii)	**2,039.10**	**2,255.13**		**4,294.23**
Change in Indebtedness during the financial year				
Addition	309.00	2,002.21		2,311.21
Reduction	300.04	467.81		767.85
Net Change	**8.96**	**1,534.40**		**1,543.36**
Indebtedness at the end of the financial year				
i) Principal amount	2,038.57	3,731.06		5,769.63
ii) Interest due but not paid				-
iii) Interest accrued but not due	9.49	58.47		67.96
Total (i+ii+iii)	**2,048.06**	**3,789.53**	**-**	**5,837.59**

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Mr. G M Rao – Executive Chairman	Mr. Grandhi Kiran Kumar – Managing Director	Total Amount (₹ in Lakh)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	81.82	95.08	176.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.44	-	0.44
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit	-	-	-
5.	Others, please specify (Employer Contribution to PF)	1.15	-	1.15
	Total (A)	**83.41**	**95.08**	**178.49**
	Ceiling as per the Act*			

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of the Directors								Total Amount (₹ in Lakh)
1.	**Independent Directors**									
		Mr. R.S.S.L.N. Bhaskarudu	**Dr. Prakash G. Apte**	**Mr. V. Santhanaraman**	**Mr. N. C. Sarabeswaran**	**Mr. S. Sandilya**	**Mr. C. R. Muralidharan**	**Mr. S. Rajagopal**	**Mrs. V. Siva Kameswari**	
	Fee for attending board / committee meetings	8.60	3.40	3.40	7.20	3.40	2.20	6.60	3.40	38.20
	Commission									
	Others, please specify									
	Total (B)(1)	**8.60**	**3.40**	**3.40**	**7.20**	**3.40**	**2.20**	**6.60**	**3.40**	**38.20**

Sl. No.	Particulars of Remuneration	Name of the Directors						Total Amount (₹ in Lakh)
2.	**Other Non-Executive Directors**							
		Mr. Srinivas Bommidala	**Mr. G.B.S. Raju**	**Mr. B.V.N. Rao**	**Mr. Jayesh Desai**	**Mr K. V. V. Rao (retired on 23.09.2015)**	**Mr O. B. Raju (resigned on 23.09.2015)**	
	Fee for attending board / committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							**38.20**
	Overall Ceiling as per the Act*							

*N/A (due to inadequate profits).

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Madhva Bhimacharya Terdal, Chief Financial Officer	Mr. C.P. Sounderarajan, Company Secretary and Compliance Officer (upto August 12, 2015)#	Mr. Adi Seshavataram Cherukupalli, Company Secretary and Compliance Officer (w.e.f. August 13, 2015)##	Total Amount (₹ in Lakh)
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	155.15	34.82	46.92	236.89
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.12	0.02	-	10.14
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		
2.	Stock Option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission - as % of profit	-	-	-	
5.	Others, please specify (Employer Contribution to PF)	8.45	-		8.45
	Total (C)	**173.72**	**34.84**	**46.92**	**255.48**

\# Remuneration given up to the date of reliving from the organisation.

\## Remuneration given from the date of joining the organisation.

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			NIL		
Compounding					

ANNEXURE 'G' TO THE BOARD'S REPORT

Disclosure of Managerial Remuneration

(Ref.: Board's Report under the head "Particulars of Employees and related disclosures")

a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of the Director (Mr./Mrs.)	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
G. M. Rao, Executive Chairman	17.16
Grandhi Kiran Kumar, Managing Director	19.90
Srinivas Bommidala, Group Director	N.A.
B. V. N. Rao, Group Director	N.A.
G. B. S. Raju, Group Director	N.A.
K. V. V. Rao, Director	N.A.
O. Bangaru Raju, Director	N.A.
N. C. Sarabeswaran, Independent Director*	1.51
Dr. Prakash G. Apte, Independent Director*	0.71
R. S. S. L. N. Bhaskarudu, Independent Director*	1.80
S. Rajagopal, Independent Director*	1.38
S. Sandilya, Independent Director*	0.71
C. R. Muralidharan, Independent Director*	0.46
V. Santhanaraman, Independent Director*	0.71
Vissa Siva Kameswari, Independent Director*	0.71
Jayesh Desai, Additional Director	0.00

*Sitting fees was paid to the Independent Directors.

b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Director and Key Managerial Personnel (Mr./Mrs.)	Percentage increase/ (decrease) in remuneration in the financial year
G.M. Rao, Executive Chairman	(2.35)
Grandhi Kiran Kumar, Managing Director	100#
Srinivas Bommidala, Group Director	N.A.
B.V.N. Rao, Group Director	N.A.
G. B. S. Raju, Group Director	N.A.
K.V.V. Rao, Director	N.A.
O. Bangaru Raju, Director	N.A.
N.C. Sarabeswaran, Independent Director*	(27.27)***
Dr. Prakash G. Apte, Independent Director *	(49.25)***
R.S.S.L.N. Bhaskarudu, Independent Director*	(18.10) ***
S. Rajagopal, Independent Director*	(28.26) ***
S. Sandilya, Independent Director*	(43.33) ***
C. R. Muralidharan, Independent Director*	(63.33) ***
V. Santhana Raman, Independent Director*	(43.33) ***
Vissa Siva Kameswari, Independent Director*	41.67***
Jayesh Desai, Additional Director**	N.A.
Madhva Bhimacharya Terdal, Chief Financial Officer	(50.37)
C. P. Sounderarajan, Company Secretary (upto August 12, 2015)	(49.31)##
Adi Seshavataram Cherukupalli, Company Secretary (from August 13, 2015)	NA

*Sitting fees paid to the Independent Directors

** Appointed as Additional Director with effect from November 13, 2015

*** Sitting fees was reduced for the Board & Audit Committee Meetings and other committee meetings from ₹ 60,000/- and ₹ 30,000/- to ₹ 40,000/- and ₹ 20,000/- respectively as approved by the Board at its Meeting held on November 13, 2015.

No Remuneration was paid during the previous year 2014-15. Therefore, comparision is not relevant.

Compared remuneration paid during previous year 2014-15 with the remuneration paid upto the date of relieving in 2015-16.

c) The percentage increase/(decrease) in the median remuneration of employees in the financial year: (12)%

d) The number of permanent employees on the rolls of the company as on March 31, 2016: 766

e) Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 6.5%. Remuneration paid to the Managing Director was increased by 100%. Remuneration paid to the Executive Chairman was increased/ (decreased) by (2.35%).

f) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

Report on Corporate Governance

I. Company's Philosophy on Code of Governance

The chosen vision of your Company is institution in perpetuity. The Company is deeply conscious that, while doing business successfully it will actively cater to building of nation and society around it. The long term interest particularly in infrastructure domain is closely woven with stakeholders' alignment. Your Company has large number of stakeholders in all spheres of business and society. It will be our endeavor to constantly promote and enhance the stakeholders' legitimate interests.

Ethics / Governance Policies

The Company endeavors to conduct its businesses and strengthen relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out its duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Board Members
- Code of Conduct for Senior Management
- Code of Conduct for Prohibition of Insider Trading
- Policy on Whistle Blower
- Policy on Related Party Transactions
- Nomination and Remuneration Policy
- Corporate Social Responsibility Policy
- Risk Management Policy
- Code of Business Conduct and Ethics applicable to employees
- Policy on Preservation of Documents and Archival of documents
- Policy on disclosure of material events and information
- Policy on Material Subsidiaries

Report on Corporate Governance and statutory compliances is given below:

II. Board of Directors

a. Board composition and category of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter Directors	Mr. G. M. Rao (Executive Chairman)
	Mr. Grandhi Kiran Kumar (Managing Director)
	Mr. Srinivas Bommidala
	Mr. G.B.S. Raju
Executive Directors	NIL
Non-Executive Directors	Mr. B.V. N. Rao
	Mr. Jayesh Desai
Independent Non-Executive Directors	Mr. N. C. Sarabeswaran
	Dr. Prakash G. Apte
	Mr. R. S. S. L. N. Bhaskarudu
	Mr. S. Sandilya
	Mr. S. Rajagopal
	Mr. C. R. Muralidharan
	Mr. V. Santhanaraman
	Mrs. Vissa Siva Kameswari
Nominee Directors	NIL

Mr. G. M. Rao is the father of Mr. G. B. S. Raju and Mr. Grandhi Kiran Kumar and father-in-law of Mr. Srinivas Bommidala. None of the other directors are related to any other director on the Board.

b. Selection of Independent Directors

Taking the requirement of skill sets on the Board into consideration, eminent persons having independent standing in their respective field or profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons for selection of directors and determining directors' independence. The Board considers the Committee's recommendation, takes appropriate decision and recommends to the shareholders for the appointment of the Independent Directors.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

c. Familiarization programmes for Board Members

The Board members are provided with necessary documents, viz., Company's corporate profile, its Mission, Vision, Values and Beliefs, Organisation Structure, the Company's history and milestones, Annual Reports, a brief background on the business of the Company, Institutional Building and highlights of its performance, major policies of the Company, Code of Conduct, fund raising history etc. Periodic presentations are made to the Board on business and performance updates of the Company, global business environment, risk management, company policies, subsidiary information and changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and other relevant issues. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at http://investor.gmrgroup.in/pdf/Familiarisation.pdf.

d. Meetings of Independent Directors

The Independent Directors of the Company meet at least once every year without the presence of Executive Directors or management personnel. Such meetings enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Schedule IV to the Companies Act, 2013. The Independent Directors take appropriate steps to present their views to the Chairman. One meeting of the Independent Directors was held during the year.

e. Code of Conduct

As per requirement of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR"), the Board has laid down a Code of Conduct ("the Code") for all Board members and Senior Management Personnel of the Company. The Code is posted on the website of the Company (www.gmrgroup.in). All Board members and Senior Management Personnel affirm compliance with the Code on an annual basis and the declaration to that effect by Mr. Grandhi Kiran Kumar, Managing Director, is attached to this report.

A Code of Business Conduct and Ethics applicable to all the employees of the Group is communicated and affirmed by them on an annual basis, which is to be followed in day to day work life and which enables the employees to maintain highest standards of values in their conduct to achieve organizational objectives.

The Company recognizes that sexual harassment violates fundamental rights of gender equality, right to life and liberty and right to work with human dignity as guaranteed by the Constitution of India. To meet this objective, measures have been taken to eliminate and to take necessary penal action for any act of sexual harassment, which includes unwelcomed sexually determined behavior. The Company has taken initiatives to create wide awareness amongst the employees about the policy for prevention of sexual harassment by displaying posters at all the prominent places in the Offices of the Company and organising awareness sessions.

f. Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various Companies and shareholding in GMR Infrastructure Limited:

Sl. No.	Name of Director	DIN ^	Category @	Number of other Directorships held in other Public Limited Companies as on March 31, 2016#		Number of committee Chairmanships / memberships held in other Public Limited Companies as on March 31, 2016*		Board Meetings during the period April 01, 2015 to March 31, 2016		Whether present at the Previous AGM held on September 23, 2015	No. of shares held
				Chairman	Director	Chairman	Member	Held	Attended$		
1.	Mr. G. M. Rao	00574243	EC	3	2	-	-	6	4	Yes	1731330
2.	Mr. Grandhi Kiran Kumar	00061669	MD	-	3	-	1	6	6	Yes	872160
3.	Mr. Srinivas Bommidala	00061464	NEPD	2	6	-	1	6	2	Yes	451660
4.	Mr. G. B. S. Raju	00061686	NEPD	1	6	-	6	6	6	Yes	544160
5.	Mr. B. V. N. Rao	00051167	NENID	1	7	1	2	6	6	Yes	182142
6.	Mr. O. Bangaru Raju**	00082228	NENID	NA	NA	NA	NA	6	4	Yes	NA
7.	Mr. K. V. V. Rao**	01165942	NENID	NA	NA	NA	NA	6	2	Yes	NA
8.	Mr. N. C. Sarabeswaran	00167868	NEID	-	9	4	5	6	6	Yes	24285
9.	Mr. Jayesh Desai€	00038123	NENID	-	-	-	-	6	1	NA	NIL
10.	Dr. Prakash G. Apte	00045798	NEID	-	6	-	6	6	5	No	30000
11.	Mr. R.S.S.L.N. Bhaskarudu	00058527	NEID	-	7	3	4	6	6	Yes	NIL
12.	Mr. S. Sandilya	00037542	NEID	2	2	3	2	6	6	Yes	7000
13.	Mr. S. Rajagopal	00022609	NEID	1	8	5	4	6	6	Yes	26714
14.	Mr. C. R. Muralidharan	02443277	NEID	-	2	-	1	6	4	Yes	NIL
15.	Mr. V. Santhanaraman	00212334	NEID	-	8	-	5	6	6	Yes	NIL
16.	Mrs. Vissa Siva Kameswari	02336249	NEID	-	6	1	4	6	6	Yes	NIL

^ DIN – Director Identification Number
@ EC - Executive Chairman, MD - Managing Director, NEPD – Non-Executive Promoter Director, NENID - Non-Executive Non-Independent Director, NEID - Non-Executive Independent Director.
# Other companies do not include directorships of private limited companies, Section 8 companies and foreign companies.
* Committee, for this purpose means Audit Committee and Stakeholders' Relationship Committee.
** Mr. O. Bangaru Raju and Mr. K. V. V. Rao have resigned and retired respectively from the directorship of the Company effective from September 23, 2015. Therefore, information pertaining to other Directorship and Membership in other public limited company(ies), as on March 31, 2016, is not available.
€ Mr. Jayesh Desai was appointed as Additional Director with effect from November 13, 2015.
$ Attendance includes participation through video conference.

Six Board Meetings were held during the Financial Year (FY) ended March 31, 2016, i.e., on May 29, 2015, August 13, 2015, August 21, 2015, September 23, 2015, November 13, 2015 and February 10, 2016. The maximum gap between any two consecutive board meetings was 89 days.

III. Audit Committee

a. Composition of Audit Committee:

i. The Audit Committee comprises of the following Directors as members:

Name	Designation
Mr. N. C. Sarabeswaran (Independent Director)	Chairman
Mr. S. Rajagopal (Independent Director)	Member
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Member
Mrs. Vissa Siva Kameswari (Independent Director)[1]	Member

[1] Re-constituted the Audit Committee by inducting Mrs. Vissa Siva Kameswari, Independent Director, as member of the Committee at the Board Meeting held on February 10, 2016.

Mr. A.S. Cherukupalli, Company Secretary and Compliance Officer, acts as Secretary to the Audit Committee.

ii. Mr. N. C. Sarabeswaran, Chairman of the Audit Committee, had attended the last Annual General Meeting held on September 23, 2015.

b. Meetings and attendance during the year:

During the FY ended March 31, 2016, Six Audit Committee meetings were held i.e., on May 26, 2015, May 28, 2015, August 11, 2015, November 09, 2015, January 05, 2016 and February 09, 2016.

The attendance of the Audit Committee members is as under:

Name	No. of the Meetings	
	Held	Attended
Mr. N. C. Sarabeswaran	6	6
Mr. S. Rajagopal	6	6
Mr. R. S. S. L. N. Bhaskarudu	6	6
Mrs. Vissa Siva Kameswari	NA	NA*

* During the year, no meeting of the Audit Committee was held after the appointment of Mrs. Vissa Siva Kameswari as member of the Audit Committee.

Special meetings of the Audit Committee were held on May 26, 2015 and January 05, 2016 exclusively for considering the matters other than those considered by the Committee on quarterly basis.

c. The terms of reference of the Audit Committee are as under:

i. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

(a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

(b) Changes, if any, in accounting policies and practices and reasons for the same;

(c) Major accounting entries involving estimates based on the exercise of judgment by management;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions; and

(g) Qualifications in the draft audit report.

v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Review and monitor the auditor's independence and performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors of any significant findings and follow up thereon;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc., of the candidate.

IV. Nomination and Remuneration Committee

a. Composition of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of the following Directors as members:

Name	Designation
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Chairman
Mr. B. V. N. Rao (Non-Executive Non-Independent Director)	Member
Dr. Prakash G. Apte (Independent Director)	Member
Mr. N. C. Sarabeswaran (Independent Director)	Member

Mr. A. S. Cherukupalli, Company Secretary and Compliance Officer, acts as the Secretary to the Nomination and Remuneration Committee.

Mr. R. S. S. L. N. Bhaskarudu, Chairman of the Nomination and Remuneration Committee, had attended the last Annual General Meeting held on September 23, 2015.

b. Meetings and Attendance during the year:

During the FY ended March 31, 2016, two meetings of the Nomination and Remuneration Committee were held i.e. on May 28, 2015 and November 13, 2015.

The attendance of the Nomination and Remuneration Committee members is as under:

Name	No. of the Meetings	
	Held	Attended
Mr. R. S. S. L. N. Bhaskarudu	2	2
Mr. B. V. N. Rao	2	1
Dr. Prakash G. Apte	2	2
Mr. N. C. Sarabeswaran	2	2

c. The terms of reference of the Nomination and Remuneration Committee are as under:

i. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance;

ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

iii. Formulation of criteria for evaluation of Independent Directors and the Board;

iv. Devising a policy on Board diversity;

v. Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;

vi. All information about the Directors / Managing Directors / Whole time Directors / Key Managerial Personnel i.e., background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders, where required;

vii. The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole time Directors;

viii. While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;

ix. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders.

d. Performance evaluation criteria for Independent Directors and Board

The Nomination and Remuneration Committee coordinates and oversees the annual self-evaluation of the Board including committees thereof and of individual directors. It reviews and discusses all matters pertaining to performance of all directors including independent directors, periodically as may be necessary on the basis of the detailed performance parameters set forth. The Committee may also regularly evaluate the usefulness of such performance parameters and make necessary amendments.

The Nomination and Remuneration Committee has laid down the criteria/questionnaires for performance evaluation of Board, Committees and Directors (including Independent Directors) which is based inter-alia on the following parameters:

i. Frequency of meetings and attendance of Directors.

ii. Timeliness of circulating Agenda for meetings.

iii. Quality, quantity and timeliness of flow of information to the Board.

iv. Promptness with which Minutes of the meetings are drawn and circulated.

v. Opportunity to discuss matters of critical importance, before decisions are made.

vi. Familiarity with the objects, operations and other functions of the Company.

vii. Level of monitoring of Corporate Governance Regulations and compliance.

viii. Involvement of Board in Strategy evolution and monitoring.

ix. Performance of the Chairperson of the Company including leadership qualities.

x. Director's contribution for enhancing the governance, regulatory, legal, financial, fiduciary and ethical obligations of the Board.

xi. Director's adherence to high standards of integrity, confidentiality and ethics.

xii. Overall performance and contribution of directors at meetings.

xiii. Overall performance of the Board/ Committees.

e. Nomination and Remuneration Policy

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of Directors. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management. In line with this requirement, the Board had adopted the Nomination and Remuneration Policy. The Policy is annexed as Annexure 'C' to the Board's Report.

V. Details of remuneration paid during the FY ended March 31, 2016 to the Directors are furnished hereunder:

a. There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the FY 2015-2016.

b. Criteria for making payments to Non-Executive Directors: - The Sitting fee as decided by the Board is reasonable and sufficient to attract, retain and motivate Independent Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). Further, the Non- Executive Independent Director may receive remuneration by way of fees for attending meetings of Board or Committees thereof. However, it is ensured that the amount of such fees does not exceed the amount prescribed by the Central Government from time to time.

c. Details of Remuneration to Directors:

Name	Category @	Salary, Commission and allowance(s) (₹)	Perquisites (₹)	Sitting Fees (₹)	Total (₹)
Mr. G. M. Rao	EC	81,97,000	-	-	**81,97,000**
Mr. Grandhi Kiran Kumar	MD	95,08,000	-	-	**95,08,000**
Mr. Srinivas Bommidala	NEPD	-	-	-	**-**
Mr. G. B. S. Raju	NEPD	-	-	-	**-**
Mr. B. V. N. Rao	NENID	-	-	-	**-**
Mr. O. Bangaru Raju*	NENID	-	-	-	**-**
Mr. K. V. V. Rao$	NENID	-	-	-	**-**
Mr. N. C. Sarabeswaran	NEID	-	-	7,20,000	**7,20,000**
Dr. Prakash G. Apte	NEID	-	-	3,40,000	**3,40,000**
Mr. R. S. S. L. N. Bhaskarudu	NEID	-	-	8,60,000	**8,60,000**
Mr. S. Sandilya	NEID	-	-	3,40,000	**3,40,000**
Mr. S. Rajagopal	NEID	-	-	6,60,000	**6,60,000**
Mr. C. R. Muralidharan	NEID	-	-	2,20,000	**2,20,000**
Mr. V. Santhanaraman	NEID	-	-	3,40,000	**3,40,000**
Mrs. Vissa Siva Kameswari	NEID	-	-	3,40,000	**3,40,000**
Mr. Jayesh Desai^	NENID	-	-	-	**-**

@ EC - Executive Chairman, MD - Managing Director, NEPD – Non-Executive Promoter Director, NENID – Non-Executive Non-Independent Director, NEID – Non-Executive Independent Director
* Resigned from the Directorship with effect from September 23, 2015
$ Retired from the Directorship with effect from September 23, 2015
^ Appointed as Additional Director on the Board at its meeting held on November 13, 2015

Note: The remuneration paid to Executive Chairman and Managing Director does not include provision for gratuity, superannuation and premium for personal accident policy, as the same are determined for the company as a whole.

The Company does not have any stock option plan or performance-linked incentive for the Director(s). The Chairman and Managing Director are appointed for a period of five year commencing from November 18, 2012 and July 28, 2013 respectively. Further, no service contracts, notice period and severance fees are applicable.

VI. Stakeholders' Relationship Committee

a. Composition of the Committee:

The Stakeholders' Relationship Committee comprises of the following Directors as members:

Name	Designation
Mr. R. S. S. L. N. Bhaskarudu (Non-Executive Independent Director)	Chairman
Mr. B. V. N. Rao (Non-Executive Non-Independent Director)	Member
Mr. G. B. S. Raju (Non-Executive Promoter Director)	Member

Mr. A. S. Cherukupalli, Company Secretary and Compliance Officer acts as Secretary to the Stakeholders' Relationship Committee.

Mr. R. S. S. L. N. Bhaskarudu, Chairman of the Stakeholders' Relationship Committee, had attended the last Annual General Meeting held on September 23, 2015.

b. Meetings and Attendance during the year:

During the FY ended March 31, 2016, four meetings of the Stakeholders' Relationship Committee were held i.e., on May 29, 2015, August 12, 2015, November 13, 2015 and February 10, 2016. The attendance of the Stakeholders' Relationship Committee members is as under:

Name	No. of the Meetings	
	Held	Attended
Mr. R. S. S. L. N. Bhaskarudu	4	4
Mr. B. V. N. Rao	4	3
Mr. G. B. S. Raju	4	1
Mr. K. V. V. Rao^	2	2

^ Mr. K.V.V. Rao was eligible to participate in 2 meetings of the Committee as he retired from the directorship with effect from September 23, 2015.

c. The terms of reference of the Stakeholders' Relationship Committee are as under:

i. Allotment of all types of securities to be issued by the Company;

ii. Transfer, transposition and transmission of securities;

iii. Issuance of duplicate shares Certificates or other securities;

iv. Dealing with complaints about non-receipt of declared dividend, non-receipt of Annual Reports etc.;

v. Investigate into security holders/ other investors' complaints and take necessary steps for redressal thereof;

vi. To perform all functions relating to the interests of shareholders / security holders/ investors of the Company as may be required by the provisions of the Companies Act, 2013, Listing Agreements with the Stock Exchanges and guidelines issued by the SEBI or any other regulatory authority;

vii. Authorize Company Secretary or other persons to take necessary action;

viii. Appointment and fixation of remuneration of the Registrar and Share transfer Agent and Depositories and to review their performance.

d. The details of the complaints received during the FY 2015-16 and the status of the same are as below:

i) Number of shareholder complaints received : 228

ii) Number of complaints resolved : 228

iii) Number of complaints not resolved to the satisfaction of shareholders : NIL

iv) Number of complaints pending as on March 31, 2016 : NIL

VII. Other Committees :

1. Management Committee

a. Composition of Management Committee:

The Management Committee comprises of the following Directors as members:

Name	Designation
Mr. G. M. Rao (Executive Chairman)	Chairman
Mr. Grandhi Kiran Kumar (Managing Director)	Member
Mr. Srinivas Bommidala (Non-Executive Promoter Director)	Member
Mr. G. B. S. Raju (Non-Executive Promoter Director)	Member
Mr. B. V. N. Rao (Non-Executive Non-Independent Director)	Member

Mr. A. S. Cherukupalli, Company Secretary and Compliance Officer, acts as Secretary to the Management Committee.

b. Meetings and Attendance during the year:

During the FY ended March 31, 2016, twenty three meetings of the Management Committee were held i.e., on April 01, 2015, April 18, 2015, April 27, 2015, May 05, 2015, June 03, 2015, June 23, 2015, July 14, 2015, July 30, 2015, August 18, 2015, August 26, 2015, September 08, 2015, September 10, 2015, September 26, 2015, October 21, 2015, November 05, 2015, November 24, 2015, December 04, 2015, December 10, 2015, December 19, 2015, January 18, 2016, February 12, 2016, February 26, 2016 and March 18, 2016.

The attendance of Management Committee members is as under:

Name	No. of the Meetings	
	Held	Attended
Mr. G. M. Rao	23	14
Mr. Grandhi Kiran Kumar	23	16
Mr. Srinivas Bommidala	23	8
Mr. G. B. S. Raju	23	5
Mr. B. V. N. Rao	23	14

c. The terms of reference of the Management Committee are as under:

i. Decision-making relating to operational matters such as investments in new projects, financial matters, borrowings, capital expenditure, purchases and contracts-non-capital (including services), sales and marketing, long-term contracts, stores, HR related matters, establishment and administration, writing-off of assets, etc.

ii. Decision-making relating to private placements/QIP/IPO/Rights issue matters like quantum of issue, issue price, appointment of lead managers and other intermediaries, registrars to the issue, bankers to the issue, listing of shares, execution of all the documents pertaining to IPO, etc.

The Board of Directors from time to time delegates specific powers to the Management Committee.

2. Debentures Allotment Committee

a. Composition of Debentures Allotment Committee:

The Debentures Allotment Committee comprises of the following Directors as members:

Name	Designation
Mr. B.V. N. Rao (Non-Executive Non-Independent Director)	Member
Mr. Srinivas Bommidala (Non-Executive Promoter Director)	Member
Mr. G.B.S. Raju (Non-Executive Promoter Director)	Member

Mr. A. S. Cherukupalli, Company Secretary and Compliance Officer, acts as Secretary to the Debentures Allotment Committee.

b. Meetings and Attendance during the year:

No Meeting of the Debentures Allotment Committee was held during the FY ended March 31, 2016.

c. The terms of reference of the Debentures Allotment Committee are as under:

Issuance and allotment of debentures on such terms and conditions as may be prescribed from time to time in this regard.

3. Corporate Social Responsibility (CSR) Committee

a. Composition of CSR Committee:

The CSR Committee comprises of the following Directors as members:

Name	Designation
Mr. R. S. S. L. N. Bhaskarudu (Independent Director)	Chairman
Mr. B. V. N. Rao (Non-Executive Non-Independent Director)	Member
Mr. G. B. S. Raju (Non-Executive Promoter Director)@	Member

Mr. A. S. Cherukupalli Company Secretary and Compliance Officer, acts as Secretary to the CSR Committee.

b. Meetings and Attendance during the year:

During the FY ended March 31, 2016, one meeting of the CSR Committee was held on May 29, 2015. The attendance of the CSR Committee members is as under:

Name	No. of the Meetings	
	Held	Attended
Mr. R. S. S. L. N. Bhaskarudu	1	1
Mr. B. V. N. Rao	1	0
Mr. O. B. Raju@	1	1

@ Mr. G.B. S. Raju has been inducted, with effect from September 23, 2015, in place of Mr. O. B. Raju.

c. The terms of reference of the CSR Committee are as follows:

i. Preparation of Corporate Social Responsibility Policy for the Company and to recommend the Board for its approval;

ii. Recommendation of projects or programmes relating to activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

iii. To recommend on CSR activities to be undertaken by the Company on its own or in collaboration with any registered trust / society or a company established under Section 25 of the Companies Act, 1956 or under Section 8 of the Companies Act, 2013;

iv. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company or trust / society / company mentioned in point no.3;

v. To report periodically on the CSR activities of the Company to the Board and in the Board's report;

vi. To seek expert advice on CSR activities of the Company that may be appropriate to discharge its responsibilities; and

vii. To take up any other roles and responsibilities delegated by the Board from time to time.

VIII. General Body Meetings

a. Annual General Meetings

The venue, date and time of the Annual General Meetings held during the preceding three years and the Special Resolutions passed thereat are as under:

Year	Venue	Date and Time	Special Resolutions passed
2014-15	MLR Convention Centre, Brigade Millennium Campus, 7th phase, J. P. Nagar, Bangalore - 560 078	September 23, 2015 at 3.00 p.m.	1. Issue and allotment of Securities, for an amount up to ₹ 2,500 Crore in one or more tranches. 2. Approval of the revised terms and conditions of the employee welfare scheme implemented through Welfare Trust of GMR Infra Employees. 3. Re-classification of the Authorized Share Capital of the Company.
2013-14	MLR Convention Centre, Brigade Millennium Campus, 7th phase, J. P. Nagar, Bangalore - 560 078	September 18, 2014 at 3.00 p.m.	1. Increase in the number of directors of the Company from the existing maximum permissible limit of 15 (fifteen) to 16 (sixteen). 2. Issue of securities for an aggregate amount not exceeding ₹ 2,500 Crore.
2012-13	Convention Centre, NIMHANS, Hosur Road, Bangalore – 560 029	September 17, 2013 at 2.30 p.m.	1. Re-appointment of Mr. G. M. Rao as Executive Chairman and fixing his remuneration. 2. Appointment of Mr. Grandhi Kiran Kumar as Managing Director and fixing his remuneration.

b. Extraordinary General Meetings

No Extraordinary General Meeting (EGM) was held during the preceding three years except in the year ended March 31, 2014. The details of venue, date and time of the EGM and the Special Resolutions passed thereat are as under:

Year	Venue	Date and Time	Special Resolutions passed
2013-14	Convention Centre, NIMHANS, Hosur Road, Bangalore – 560 029	March 20, 2014 at 11.00 a.m.	1. Preferential allotment of Compulsorily Convertible Preference Shares (CCPS). 2. Issue of Securities up to ₹ 2,500 Crore or equivalent thereof.

c. Special Resolution passed through postal ballot

During the year, the members of the Company have approved the following agenda item by passing a Special Resolution through postal ballot, effective from November 05, 2015:

'Shifting of the Registered Office of the Company from the State of Karnataka (Bengaluru) to the State of Maharashtra (Mumbai)'.

The details of the voting pattern in respect of the Special Resolution passed for the above mentioned agenda item are as under:

Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) =[(4)/(2)]* 100	% of Votes against on votes polled (7) = [(5)/(2)]* 100
Promoter and Promoter Group	3683427113	3683427113	100.00	3683427113	0	100.00	0.00
Public – Institutional holders	963401558	555923699	57.70	555923699	0	100.00	0.00
Public-Others	648971718	845371	0.13	681833	163538	80.65	19.35
Total	**5295800389**	**4240196183**	**80.07**	**4240032645**	**163538**	**100.00**	**0.00**

d. Mr. V. Sreedharan, Practicing Company Secretary, Partner, M/s V. Sreedharan & Associates, Bengaluru, acted as a Scrutinizer and conducted the postal ballot voting process.

e. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

f. Procedure for postal ballot

In compliance with sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility to all its members. The Company engages the service of Karvy Computershare Private Limited for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or through e-voting.

The Company dispatches the postal ballot notices and forms to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholdings). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last day of e-voting.

The Scrutinizer submits his report to the Chairman, after the completion of scrutiny and the consolidated result of the voting by postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the Company's website, www.gmrgroup.in, besides being communicated to the stock exchanges, depositories and registrar and share transfer agent. In the event, the resolution is assented to by the requisite majority of members by means of postal ballot, the date of declaration of postal ballot results shall be deemed to be the date of passing of the resolution.

IX. Means of Communication

The Company has been sending Annual Reports, Notices and other communications to each household of shareholders through e-mail, post or courier.

The quarterly / annual results of the Company as per the requirement of SEBI LODR, are generally published in the 'Business Line' and / or 'Financial Express' and 'Samyukta Karnataka' (a regional daily in Kannada language). However, due to shifting of registered office to State of Maharashtra, publication of quarterly/annual financial results are now being made in 'Nav Shakti' (regional daily in Marathi language). Quarterly and Annual Financial Statements, along with segment report and Quarterly shareholding pattern are posted on the Company's website (www.gmrgroup.in), BSE website (www.bseindia.com) and NSE website (www.nseindia.com). The presentations made to analysts and others including official news release are also posted on the Company's website. The Shareholding Pattern, Reconciliation of Share Capital Audit Report and Corporate Governance disclosures as per the SEBI LODR are filed electronically through Corporate Filing and Dissemination System (CFDS), NSE Electronic Application Processing System (NEAPS), BSE Corporate Compliance & Listing Centre (BSE Listing Centre) and investor complaints are redressed through SEBI Complaints Redress System (SCORES). Further, all other price sensitive information, press releases and other information is sent to the stock exchange where shares of the Company are listed and updated on Company's website.

X. General Shareholder Information

a. Annual General Meeting to be held for the FY 2015-16

Day	:	Wednesday
Date	:	September 14, 2016
Time	:	3.00 p.m.
Venue	:	Rangsharda Auditorium, Hotel Rangsharda, Near Lilavati Hospital, K C Marg, Bandra Reclamation Flyover, Bandra (West), Mumbai – 400050, Maharashtra.

b. Financial Calendar

The Financial year is 1st April to 31st March every year and for the FY 2016-17, the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Schedule
Financial reporting for the quarter ending June 30, 2016	First fortnight of September 2016
Financial reporting for the quarter / half year ending September 30, 2016	Second fortnight of November 2016
Financial reporting for the quarter / nine months ending December 31, 2016	First fortnight of February 2017
Financial reporting for the quarter / year ending March 31, 2017	Second fortnight of May 2017
Annual General Meeting for the year ending March 31, 2017	August / September 2017

c. Book Closure Date

The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, September 07, 2016 to Wednesday, September 14, 2016 (both days inclusive) for the purpose of the 20th Annual General Meeting.

d. Dividend Payment Date

Your Directors have not recommended any dividend for the FY 2015-16.

e. Listing on Stock Exchanges

(i) Equity Shares:

The Company's shares are listed on the following Stock Exchanges with effect from August 21, 2006.

Name of the Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051	GMRINFRA
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532754

The Company paid Annual listing fees for the FY 2016-17 to both Stock Exchanges.

(ii) Privately placed Debt instruments:

During 2011-12 and 2012-13, 10,000 Secured Non-Convertible Debentures of ₹ 10 lakh each aggregating to ₹ 1,000 Crore were issued to ICICI Bank Limited on a private placement basis, in various tranches. Secured Non-Convertible Debentures were listed on National Stock Exchange of India Limited and were partially redeemed and will be fully redeemed on March 25, 2021. The face value of Secured Non-Convertible Debentures was reduced to ₹ 8,30,000/- from ₹ 8,67,500/- for each debenture. The stock codes of Secured Non-Convertible Debentures are GMRI21, GMRI21A, GMRI21B and GMRI21C.

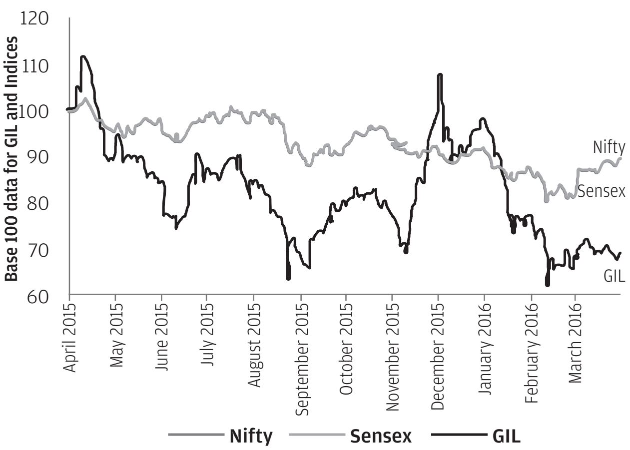
The Company paid Annual listing fees to the Stock Exchange in respect of the listed debt securities for the above said debentures for the year 2016-17.

f. Stock Market Price Data relating to Shares Listed

(Amount in ₹)

Month	NSE		BSE	
	High	Low	High	Low
Apr-15	19.25	14.65	19.25	14.65
May-15	16.00	14.05	15.99	14.10
Jun-15	15.50	10.90	15.50	10.91
Jul-15	15.50	13.25	15.49	13.28
Aug-15	14.65	9.80	14.65	9.82
Sep-15	13.85	9.80	13.79	9.58
Oct-15	14.75	12.95	14.74	12.98
Nov-15	16.85	11.20	16.85	11.22
Dec-15	18.55	14.65	18.60	14.70
Jan-16	16.75	12.20	16.70	12.20
Feb-16	13.50	9.75	13.50	9.84
Mar-16	12.25	10.95	12.28	11.00

Performance of the share price of the company in comparison to BSE Sensex and S & P CNX Nifty



g. Registrar and Share Transfer Agent (RTA)

Karvy Computershare Private Limited
Unit: GMR Infrastructure Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032
Phone : +91 40 6716 1500
Fax : +91 40 23001153
Email ID: einward.ris@karvy.com

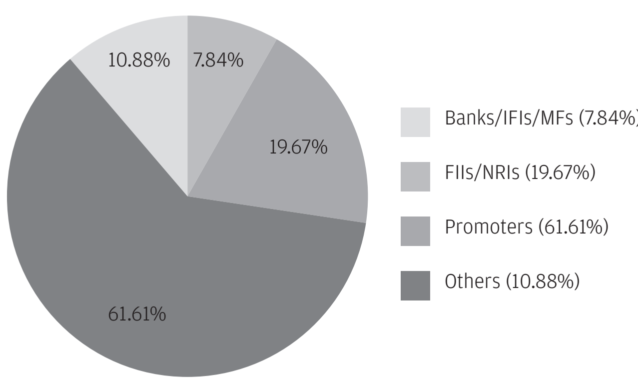
h. Share Transfer System

The share transfer requests that are received in physical form are processed by the RTA and the share certificates are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board of Directors of the Company has delegated powers of approving transfers and transmission of securities to the Stakeholders Relationship Committee. The Committee has authorized each member of the Committee to approve the transfer of shares up to 20,000 shares per transfer deed and the Company Secretary and other specified executives of the Company to approve the transfer of shares up to 10,000 shares per transfer deed. A summary of the transfer, transmissions / de-materialization request / re-materialization requests approved by the Committee / Executives is placed before the Committee. The Company obtains certificate from a practicing Company Secretary in terms of Regulation 40(9) of the SEBI LODR certifying that all the certificates have been issued within 30 days of the date of lodgment for transfer, and thereafter submit the same to the stock exchanges.

i. Distribution of equity shareholding as on March 31, 2016

Distribution by category

Description	No. of Cases	Total Shares	% Equity
Banks	23	128451601	2.13
Clearing Members	183	6153097	0.10
Foreign Institutional Investors	97	1167221603	19.34
HUF	7486	14988202	0.25
Indian Financial Institutions	25	210741119	3.49
Bodies Corporate	2599	179618661	2.98
Mutual Funds	12	134219140	2.22
NBFC	14	838978	0.01
Non-Resident Indians	4351	19713735	0.33
Promoters	35	3718777113	61.61
Resident Individuals	438505	455198806	7.54
Trusts	12	23220	0.00
Total	**453342**	**6035945275**	**100.00**



Distribution by size

Sl. No	Range of equity shares held	March 31, 2016				March 31, 2015			
		No. of share holders	%	No. of shares	%	No. of share holders	%	No. of shares	%
1	1 - 500	327319	72.20	59006059	0.98	339900	74.42	61113367	1.40
2	501 - 1000	58245	12.85	48121937	0.80	56965	12.47	46929516	1.08
3	1001 - 2000	32520	7.17	51259681	0.85	30207	6.61	47722074	1.09
4	2001 - 3000	11448	2.53	29843923	0.49	9912	2.17	25833280	0.59
5	3001 - 4000	5878	1.30	21594068	0.36	5278	1.16	19509295	0.45
6	4001 -5000	4600	1.01	21956860	0.36	3914	0.86	18675471	0.43
7	5001 - 10000	7182	1.58	54130720	0.90	5874	1.29	44170857	1.01
8	10001 and above	6150	1.36	5750032027	95.26	4654	1.02	4097293519	93.95
	Total	**453342**	**100.00**	**6035945275**	**100.00**	**456704**	**100.00**	**4361247379**	**100.00**

j. De-materialization of Shares and Liquidity

The Company's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Total 99.98% of shares have been dematerialized as on March 31, 2016.

ISIN: INE776C01039 (Fully Paid Shares)

Description	No. of Shareholders	No. of Shares	% Equity
Physical	298	975771	0.02
NSDL	297739	5792016705	95.95
CDSL	155305	242952799	4.03
Total	**453342**	**6035945275**	**100.00**

The Company's shares are regularly traded on BSE Limited and the National Stock Exchange of India Limited and were never suspended from trading.

k. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

GDRs / ADRs:

The Company has not issued any GDRs / ADRs in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs / ADRs.

Warrant:

Company had issued 18,00,00,000 Warrants convertible into 18,00,00,000 Equity Shares to GMR Infra Ventures LLP at an issue price of ₹ 31.50 per equity share on August 26, 2014. These warrants were convertible into equity shares within 18 months from the date of their allotment. Your Company has received the requisite proceeds from GMR Infra Ventures LLP on August 26, 2014 amounting to ₹ 141.75 Crore, being 25% of the consideration amount for allotment of the said warrants, as per the requirement of Regulation 77 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "SEBI ICDR").

During the year under review, GMR Infra Ventures LLP, upon the warrants falling due for conversion, decided not to exercise the right to subscribe to the equity shares against the said warrants in terms of Regulation 76 of the SEBI ICDR.

Accordingly, the amount of ₹ 141.75 Crore, being 25% of the consideration amount received at the time of allotment of the said warrants from GMR Infra Ventures LLP in terms of Regulation 77 of the SEBI ICDR was forfeited.

Compulsorily Convertible Preference Shares (CCPS):

The Company had during March 2014, issued and alloted 56,83,351 and 56,83,353 Compulsorily Convertible Preference Shares (Series A and B CCPS) convertible into equity shares at the expiration of 17 and 18 months respectively from the date of issuance in accordance with Regulation 76(1) of Chapter VII of the SEBI ICDR.

Accordingly, after the expiry of said 17 months and 18 months from the date of allotment of CCPS (March 26, 2014), the shareholders of Series A CCPS and Series B CCPS applied for equity shares on August 26, 2015 and September 26, 2015 respectively and equity shares were allotted at the price determined under Regulation 76(1) of the SEBI ICDR.

Foreign Currency Convertible Bonds (FCCBs):

During the year under review, the Company had issued 6 (Six) Foreign Currency Convertible Bonds to Kuwait Investment Authority ("Subscriber") with the terms and conditions which, inter-alia, include as under:-

Number of Bonds issued	: 6
Nominal Value of each Bond	: US$ 50,000,000
Total value of the issue	: US$ 300,000,000
Conversion	: The bonds are convertible into Equity Shares of the Company
Conversion Price	: ₹ 18 per Equity Share.
Tenor	: 60 years
Coupon Rate	: 7.5%
Yield to maturity	: 7.5%

The Company has not issued any other convertible instrument, during the year under review, except the FCCBs as mentioned above, which are likely to have an impact on equity.

l. Commodity Price Risk/ Foreign Exchange Risk and Hedging activities

The details of foreign currency exposure and hedging are disclosed in note no. 37 to the standalone financial statements.

m. Plant locations

In view of the nature of the Company's business viz. providing infrastructure facilities, the Company through its subsidiaries / associates operates from various offices in India and abroad.

The international locations where the Company operates through its subsidiaries / associates are Indonesia, Singapore, Nepal, Philippines (Cebu) and national locations (States) where the Company operates by itself and through its subsidiaries, JVs, Associates in India are Delhi, Karnataka, Telangana, Maharashtra, Odisha, Chhattisgarh, Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Himachal Pradesh, Gujarat, Uttarakhand, Rajasthan, Chandigarh etc.,

n. Address for correspondence

GMR Infrastructure Limited
Company Secretary and Compliance Officer
(Corporate Secretarial Department)
New Udaan Bhawan,
Project Office, Wing 'A',
Opp. Terminal 3, IGI Airport
New Delhi-110037
T +91 11 46084237
F +91 11 46084210
E-mail: Gil.Cosecy@gmrgroup.in

o. Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading and Code of practices and procedures for fair Disclosure of unpublished price sensitive information in the Company's shares.

p. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and paid- up capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, NSDL and CDSL and is placed before the Stakeholders Relationship Committee of the Board of Directors of the Company. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

q. Corporate Identity Number (CIN)

The revised Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India, post shifting of the Registered office of the Company from the State of Karnataka to the State of Maharashtra is L45203MH1996PLC281138.

r. Compliance Certificate

Certificate from M/s. V. Sreedharan & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V read with Regulation 34(3) and 53(f) of the SEBI LODR, is annexed hereinafter.

s. Equity Shares in Suspense Account

As per Schedule V read with Schedule VI, Regulation 34(3), 53(f) and 39(4) of the SEBI LODR, the details in respect of equity shares lying in the suspense / escrow account are as under:

Particulars	No. of share holders	No. of equity shares held
Aggregate number of shareholders and the outstanding shares in the suspense /escrow account (maintained with CDSL and NSDL) lying as on April 01, 2015	38	39872
Number of shareholders who approached the Company for transfer of shares from suspense /escrow account (maintained with NSDL) during the year	25	21948
Number of shareholders to whom shares were transferred from the suspense / escrow account (maintained with NSDL) during the year	25	21948
Aggregate Number of shareholders and the outstanding shares in the suspense account (maintained with CDSL and NSDL lying as on March 31, 2016	13	17924

The voting rights on the shares outstanding in the aforesaid suspense account as on March 31, 2016 shall remain frozen till the rightful owner of such shares claims the shares. There were no unclaimed equity shares issued in physical form.

XI. Risk Management

Risk is inherent in any business, especially in a dynamic industry such as infrastructure. The Company's Enterprise Risk Management (ERM) philosophy is to integrate the process for managing risk across the organization and throughout its business and lifecycle to enable protection of stakeholder value and ensure an institution in perpetuity.

Company's risk management framework is in line with the current best practices. The framework defines the applicability, risk management organization structure, coverage, processes and linkages. The framework is being implemented with the development of risk registers at the enterprise, sector and key business unit levels. Identified risk-owners are responsible for treatment of top risks at the business unit, sector and enterprise levels. The process of decentralizing risk management is in progress by setting up sector specific risk management teams and embedding risk thinking in the day to day functioning of the businesses.

At the Bid / Opportunity stage, a formal screening framework is firmly in place and both the qualitative as well as quantitative risks are analyzed through financial models and detailed contractual risk review is done to ensure proactive evaluation of risks and aid decision making.

The ERM inputs are considered by Sectors / Businesses during formulation of their Strategy / Annual Operating Plan.

The internal audit function (Management Assurance Group) takes into account the inputs from ERM function for preparing Annual Audit Plan.

The Company has also strengthened its processes to build resilience to deal with eventualities through Business Continuity Planning (BCP) and Disaster Recovery Planning (DRP) exercise for its key locations, assets and projects. Besides, a Physical Risk Benchmarking exercise is being initiated to assess the current state of readiness of operating power plants to deal with physical risks.

The Board of Directors of the Company and its subsidiaries are regularly informed on the status of key risks, their assessment and mitigation measures that have been planned, thus ensuring the effectiveness of the frameworks and monitoring mechanism.

XII. Subsidiary Companies

The Company reviews the performance of its subsidiary companies, inter-alia, by the following means:

i. The financial statements, in particular the investments made by subsidiary companies, are reviewed by the Audit Committee of the Company periodically;

ii. The minutes of the Board / Audit Committee Meetings of the subsidiary companies are noted at the Board / Audit Committee Meetings respectively of the Company;

iii. The details of significant transactions and arrangements entered into by the material subsidiary companies are placed periodically before the Board of the Company.

XIII. Disclosures

a. **Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, Directors or their relatives, management, its subsidiaries etc., that may have potential conflict with the interests of the Company at large:**

None of the transactions with related parties were in conflict with the interests of the Company at large. The transactions with related parties are mentioned in note no. 32 of the financial statements and the Board's Report.

b. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalties or strictures have been imposed by the Stock Exchanges or SEBI or any statutory authority.

c. **Whistle Blower Policy/Vigil Mechanism:**

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organisation, the Company has a Whistle Blower Policy/Vigil Mechanism in place, applicable to the Company and its subsidiaries.

This mechanism has been communicated to all concerned and posted on the Company's website http://investor.gmrgroup.in/investors/GIL-Policies.html.

The Company has set up an "Ethics Helpline", with a toll free number and entrusted the running of the said helpline to an outside agency so as to address issues relating to protecting the confidentiality of the information and identity of the whistle blower.

d. **The Company has complied with the mandatory requirements of listing regulations. Further, the Company has also put its best endeavor to comply non mandatory requirement(s).**

e. **The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is http://investor.gmrgroup.in/investors/GIL-Policies.html**

f. **The Company has framed Related Party Transaction Policy, and the same is placed on the Company's website and the web link for the same is http://investor.gmrgroup.in/investors/GIL-Policies.html**

g. **During the FY ended March 31, 2016 the Company did not engage in commodity price risk and commodity hedging activity.**

XIV. There has been no instance of non-compliance of any requirement of Corporate Governance Report as prescribed under SEBI LODR.

XV. Adoption of Non-Mandatory Requirements as stipulated in Part E of Schedule II of SEBI LODR.

a. **The Board**

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

b. **Shareholder Rights**

Half yearly financial results are forwarded to the Stock Exchanges, published in newspapers and uploaded on the website of the Company like quarterly results.

c. **Modified opinion(s) in audit report**

The modified opinion of statutory auditor forms part of auditors report on financial statements and the management's response thereon is furnished in Board's report.

d. **Separate posts of Chairman and Chief Executive Officer.**

The Company has appointed separate persons to the post of Chairperson and Managing Director.

e. **Reporting of Internal Auditor**

The Head, Management Assurance Group, Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

XVI. The Company has fully complied with the applicable requirements specified in regulation 17 to 27 and clause B to clause I of sub-regulation 2 of regulation 46 of the SEBI LODR.

Certificate on Corporate Governance:

Pursuant to Schedule V of the SEBI LODR, the Certificate from Practicing Company Secretary on Corporate Governance is annexed hereinafter.

Declaration on compliance with Code of Conduct

To,

The Members of GMR Infrastructure Limited

Sub: Declaration by the Managing Director under Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Grandhi Kiran Kumar, Managing Director of GMR Infrastructure Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2016.

Sd/-

Place : New Delhi — **Grandhi Kiran Kumar**

Date : August 06, 2016 — **Managing Director**

Managing Director and CFO certification

Pursuant to Regulation 17(8) read with Part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors

GMR Infrastructure Limited

We hereby certify that:

a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2016 and to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee (wherever applicable):

   i. significant changes in internal controls over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, wherever applicable; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GMR Infrastructure Limited	For GMR Infrastructure Limited
Sd/-	Sd/-
Grandhi Kiran Kumar	**Madhva Bhimacharya Terdal**
Managing Director	**Group CFO**

Place : Bengaluru
Date : May 21, 2016

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No : L45203MH1996PLC281138

Nominal Capital : ₹ 1950 Crores

To the Members of
GMR INFRASTRUCTURE LIMITED

We have examined all the relevant records of GMR Infrastructure Limited ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 01, 2015 up to March 31, 2016. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement and Regulations.

For V. Sreedharan and Associates
Company Secretaries

Sd/-

V. SREEDHARAN
Partner
FCS.2347; CP.No.833

Place: Bengaluru
Date: July 15, 2016

Management Discussion & Analysis

Forward-looking Statements

This document contains certain forward-looking statements based on the currently held beliefs and assumptions of the management of GMR Infrastructure Limited, which are expressed in good faith, and in its opinion and judgment, are fairly reasonable. For this purpose, forward-looking statements mean statements, remarks or forecasts that address activities, events, conditions or developments that the company expects or anticipates which may occur in the future. Because of the inherent risks and uncertainties in the social and economic scenarios the actual events, results or performances can differ materially and substantially from those indicated by these statements. GMR Infrastructure Limited disclaims any obligation to update these forward-looking statements to reflect future events or developments.

Infrastructure Growth – a new beginning

Despite the global headwinds in the world economy due to Chinese slowdown and Eurozone and America still struggling to recover, Indian economy was the highest growing major economy with a growth rate of 7.6% in FY16 as against 7.2% in FY15. Over the year, the Inflation figures had been in the comfortable range of the RBI and this led RBI to reduce Repo rate by 150 basis points to 6.5% and SLR by 75 basis points to 21.25% to give impetus to the economy. The country received FDI to the tune of USD-55 bn, a jump of 22% from USD-45 bn a year ago, and our foreign exchange reserves were at the highest ever level of about 350 billion USD. Further, to strengthen the banking system, the Government provided ₹ 25,000 Crore of the overall ₹ 70,000 Crore promised to Public Sector Banks this year.

In the current Budget, continuing its focus on infrastructure, the Government allocated ₹ 2.21 Lakh Crore of public spending, 22.5% increase over the previous year. Outlay for road sector is ₹ 97,000 Crore whereas planned investment in Railways is ₹ 1.21 Lakh Crore in the current year. In the Airports sector, Government plans to revive some of the 160 airports and airstrips in partnership with the State Governments. Plan to achieve 100% village electrification by May 01, 2018 and UDAY scheme for the turnaround of discoms should be positive for the energy sector. Various initiatives planned such as introduction of Public Utility Bill, guidelines for re negotiation of PPP concession agreements, new credit rating systems of infra projects and LIC setting up dedicated fund to provide credit enhancement for infrastructure projects should be able to attract private investment through PPP channel going forward.

The outlook is favorable for the economy in the coming year on the basis of healthy monsoon projections, boost to consumption demand from implementation of 7th Pay Commission Recommendations and steps taken in the budget to increase the rural income, and continuing monetary policy accommodation by RBI. For the infrastructure sector, the increase in Government's planned expenditure and the initiatives as mentioned previously should be able to instill confidence of the private sector and revive the investment cycle.

The global economy is getting increasingly integrated and volatile. The volatility in oil prices and geopolitical issues such as ongoing conflict in Middle East can have potential impact on Indian economy and us. To be able to successfully navigate through such uncertainties, we continue to implement our Asset Light – Asset Right (ALAR) strategy. As a consequence, we will complete projects within time and budget, sweat existing operating assets and strategically look for business opportunities which are in sync with this strategy.

Airport Sector Outlook and Future Plan

Airport Sector

Indian aviation sector has witnessed a remarkable growth in the last decade and is likely to be the fastest growing aviation market in the world for the next 20 years. Indian airport system is poised to handle 336 million domestic and 85 million international passengers by 2020, from the current level of 137[1] million domestic and 50 million international passengers, making India the third largest aviation market. The Sector recorded an impressive growth in passenger and cargo traffic in 2015-16 and we expect the upward trajectory to continue buoyed by the strong macroeconomic environment.

We expect the growth in domestic traffic to be led by the LCC carriers – Indigo, Spicejet, Go Air, Air Asia as well as the regional players like Air Costa. The growth in traffic will continue to be aided by the prices of crude oil which is expected to hover around the USD 50/barrel price. In addition, the civil aviation policy has introduced the 0/20 rule and new regional connectivity guidelines- steps which should boost both domestic and international connectivity. We also expect steady growth on the freight front on account of spurt of growth in e-commerce and the boost to manufacturing and exports provided by the Make in India campaign.

On the economic regulation front, the Ministry of Civil Aviation has approved hybrid till regulation for Hyderabad Airport. With regards to Delhi airport, appeal has been filed against the tariff order proposed by Airport Economic Regulatory Authority of India (AERA) for the 2nd control period given that the key principles of tariff determination have not been resolved. The matter is pending before AERA Appellate Tribunal for decision on the tariff principles.

Growth Outlook – New Opportunities

After taking operational responsibility of Mactan Cebu Airport on November 01, 2014, your Company has done well to stabilize the operations of the airport and has received positive feedback from all stakeholders. Having stabilized the operations of Cebu, your Company is keenly scouting for new airport opportunities in Philippines and has qualified for the 5 regional airports in Philippines, expected to be bid out in FY17. Apart from this, your Company is actively participating in the bid for development of the Greenfield Airport at Mopa, Goa as well as Navi Mumbai Airport. In line with our Asset light strategy, your Company is actively scouting for advisory services in the field of concession management and IT in the Middle East and South East Asia.

1 AAI annual data forecast for the period April 2014 - March 2015

Indira Gandhi International Airport (DIAL) – Delhi Airport

Focus Areas for Financial Year (FY) 2016-17

The overall traffic growth in FY 16-17 would be led by higher rate of growth in domestic segment for Passenger, Cargo and ATM. DIAL, as part of its T3 commercial refresh project, has already started making significant changes in its retail product mix at the terminal and expects a significant increase in non-aeronautical revenues once T3 refresh project is completed. The aeronautical revenues may undergo revision during this year, subject to the orders passed by AERA Appellate Tribunal and Hon'ble Supreme Court.

On account of the rapidly growing passenger traffic, DIAL needs to undertake some expansion works – both on the airside and the landside. Our focus will be to finalize the master plan and, subject to approvals from shareholders and AAI, initiate the expansion works. DIAL is also working with Delhi Metro Rail Corporation to commission the metro connectivity to Terminal 1 which should ease congestion heading into the airport considerably.

DIAL had undertaken its first phase of land monetization in 2009 and monetized 45 acres of land as part of the hospitality district. On account of the weakness in the real estate market, DIAL could not proceed with the second phase of monetization. However with increased investor interest, DIAL is keen to complete its second phase of monetization of land during FY 17.

DIAL has been recognized as the World's best airport in the 25-40 million passenger category by ACI for 2 years in a row. As DIAL enters the category of 40+ million passengers, it is committed to continue making efforts to retain its ranking in the top 5 airports of the World.

DIAL has been working with all stakeholders, specifically airlines to establish IGI as an international hub airport for passenger and cargo. In line with this goal, the airline marketing team will continue to work with international carriers to boost long haul flights as well as dedicated freighters coming into Delhi.

Rajiv Gandhi International Airport (GHIAL) – Hyderabad Airport

GHIAL Focus Areas for FY 2016-17

During 2015-16, GHIAL successfully overcame the financial challenges imposed by the Single Till / Nil User Development Fee (UDF) regime through a combination of revenue enhancement, improvement in cost efficiencies, tight control over expenditure and cash flow management. The Interim Order from the Hyderabad High Court which restored Airport Charges (viz., UDF and PSF) with effect from November 05, 2015 has enhanced the cash flow position. GHIAL has expanded its catchment area and has succeeded in bringing in new airlines, passenger and cargo, as well as additional frequencies/ new routes from the existing airlines which has resulted in exponential traffic growth. During FY 2016-17, Indian economy will benefit from lower oil prices and will remain the fastest-growing large economy in the world, with GDP growth projected to increase to 7.5% this year. GHIAL intends to build on this platform to add more destinations and airlines in pursuit of its mission of turning Hyderabad Airport into South and Central India's Gateway and Hub of Choice. In line with the traffic growth, GHIAL will work towards expanding the terminal capacity and adopting the new technology solutions to meet future traffic demands and further improve the operational efficiency. GHIAL is pursuing with the AERA for aeronautical tariffs for second control period (2016-2021) as per due process.

GHIAL has always been recognized for its excellence in Service Quality as evidenced by the airport's continued success in Airports Council International (ACI) Airport Service Quality (ASQ) rankings where GHIAL has been ranked among the Top 3 Airports in the World in its category for the seventh consecutive year. GHIAL will continue to put sustained efforts towards maintaining and enhancing its level of Service Quality and Customer Delight.

GMR Hyderabad Airport City Development

GHIAL has been working to build a unique and first-of-its-kind 'Airport City' centered on the Hyderabad Airport. Consisting of various theme-based developments which together would form an integrated eco-system linked closely to the global economy through the enabling presence of Hyderabad Airport.

The early phase of infrastructure and facility development at Hyderabad Airport City has already been completed and initial set of tenants are already on-board. During FY 2015-16, Pratt & Whitney engine training center was inaugurated by Hon. Union Civil Aviation Minister. New land lease agreements have been signed with leading e-commerce player and manufacturer of imaging systems for use in aerospace and medical industry spread over 18 acres, marking a major milestone in the development of the planned 'Logistics and Business -ports'. For FY 2016-17, GHIAL plans to build on the momentum gathered and target a higher level of activity on the landside.

GMR Megawide Cebu Airport Corporation (GMCAC)

After taking operational responsibility of the existing terminal in Mactan Cebu Airport on November 01, 2014, your Company has done well to stabilize the operations of the airport and has received positive feedback from all stakeholders.

As per the concession agreement, GMCAC needs to commission the newly constructed Terminal 2 by June 2018. The project work is presently underway and the company expects to achieve the timeline despite the delay in handover of land by grantors.

Till the new terminal is commissioned, GMCAC's primary focus will be to increase passenger traffic – both domestic and international. In this regard, the Company is working with local tourism authorities and travel agents to boost tourist growth from China, Australia and Japan. As a result of its efforts, we expect to witness double digit traffic growth as far as international passengers are concerned.

Energy Sector Outlook for FY 2016-17 and Future Plan

Indian Economy - Power Sector Scenario

The Indian economy in 2015-16 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments and decline in prices of oil, coal and gas. The industrial growth picture as per the IIP suggests that industrial production which had gained once again in 2014-15, continued the same trend in 2015-16. The overall growth during FY 2016 has been 2.4% compared to 2.8% in the same period last year. Electricity (5.6%), coal (9.1%), and cement (7%) boosted the performance, while natural gas, fertilizers, crude oil, refinery products and steel accounted for moderation in growth. The improved performance in electricity is due to high growth in thermal generation; in coal mining due to higher production by Coal India Ltd. (CIL) and captive mining. With a target of 1137.50 billion units (BU) and achievement of 1107.39 BU, electricity generation by power utilities has almost achieved the target for FY 2016.

As on April 01, 2016 total installed capacity in India stands at 298 GW. Conventional energy sources accounted for 210 GW or 70.5% of the total capacity while renewable energy sources accounted for 38 GW. As against the capacity addition target of 16,894.1 MW in 2015-16, a total of 23,976.6 MW was added. Private sector once again led from the front by adding 13,131 MW (target: 6503 MW) which is 54.8% of the total. Capacity at the end of the 12th plan is expected to be 1.6 times that at the end of the 11th plan. Net capacity of about 98.18 GW has already been added up to March 2016 during the 12th plan, of which conventional energy and renewable energy sources comprise 79.07 GW and 14.32 GW respectively. Though the green shoots are visible in the economy but there are some concerns for the power sector:

1. Distribution sector accumulated losses are estimated to be around ₹ 380,000 Crore;
2. Commissioned but stranded power capacity stands at more than 33 GW (due to lack of fuel) which will result in non-performing assets with investments of over ₹ 100,000 Crore;
3. The Financial Restructuring of the State Distribution Companies scheme announced by the Government in 2012 has turned out to be non-starter, owing to non-fulfilment of necessary criteria, by eight states which account for 80% of the aggregate losses.

The Government, at the highest levels, has been considering various measures for addressing these issues. Among the policy decisions taken by the government E-Auction of coal blocks and Re-gassified Liquified Natural Gas (RLNG) are noteworthy. Through these steps Government has provided fuel security to coal based projects and a lifeline for stranded gas based capacities. The future coal supply scenario is also expected to improve over a period of time in view of the Union Government setting CIL an ambitious target of One Billion Tonne (BTs) by 2019-20. CIL is introducing a number of system improvements that would help it in realizing this challenging target. To facilitate evacuation of mined coal, recently Memorandum of Understanding (MoU) was signed between Ministry of Coal, Ministry of Railway and resource rich states like Odisha and Jharkhand.

The government has also come out with Ujwal Discom Assurance Yojana (UDAY) scheme to address financial and operational issues of State Distribution Companies. Discoms are the weakest link in the whole power value chain with losses of about ₹ 60,000 Crore annually and accumulated debt of ₹ 430,000 Crore. To make UDAY successful, GoI has announced various steps to reduce cost of power generation such as Coal linkage rationalization, liberally allowing coal swaps from inefficient plants to efficient plants and from plants situated away from mines to pithead plants to minimize cost of coal transportation. With 18 States agreeing to join this scheme, health of Discoms is likely to improve thereby giving strength to this segment which is the backbone of the whole power value chain.

Revised Tariff policy has been notified by the Government in January 2016. In the revised policy, a holistic view of the power sector has been taken and comprehensive amendments have been made in the Tariff policy 2006. Now clarity came on tariff setting authority for multi-State sales - Central Regulator is to determine tariff for composite schemes where more than 10% power is sold outside State. A significant addition to the objective of the policy is the promotion of renewable generation sources and hydroelectric power generation including pumped storage projects, efficiency in operations and improvement in quality and reliability of power supply. Revised Tariff policy has allowed hydro projects to get the tariff determination by the Appropriate Commission for long term power sale which can be extended upto the tenure of 50 years. The said policy also promotes power procurement from waste to energy and coal washery rejects plants.

The Country also witnessed a great emphasis on renewable energy by the new Government. To accelerate the development of solar capacity, The Ministry of New and Renewable Energy (MNRE) has come up with draft policy for development of solar parks and Ultra Mega Solar Power Projects. MNRE through this scheme plans to set up 25 solar parks, each with a capacity of 500 to 1000 MW and solar power projects with capacity greater than 1000 MW; thereby targeting around 20,000 MW of solar power installed capacity. Further, capacity is expected to come up under subsequent Jawaharlal Nehru National Solar Mission (JNNSM) phases.

Development of renewable energy will depend upon both supply side push through right policy measures and demand side pull through cost reduction, enforcement of RPO / SPO and setting up of transmission infrastructure for unhindered power flow in the grid. Creating an enabling environment for all stakeholders will be critical to achieving India's ambitious renewable target.

Transportation and Urban Infrastructure Sector Outlook and Future Plan

Transportation

Highways

With all the projects becoming operational during last FY, the focus of the business was primarily on Asset Management and Operational Excellence. Highways implemented several Continuous Improvement Projects (CIP) under Business Excellence framework to reduce overall operational expenditure.

Government has plans to award Highway projects worth ₹ 100,000 Crore in FY17. Most of these projects are expected to be awarded in EPC and Hybrid Annuity Model (HAM) modes. Based on our strategy of Asset – Light and Asset – Right we will bid for the right projects in both EPC and HAM modes of bidding.

Railways

Your company has entered Railways business in FY14 by wining 2 RVNL projects. We made a big leap into Railway projects in FY15 when we were awarded 2 packages on the eastern DFCC in the State of Uttar Pradesh worth ₹ 5,080 Crore. Government has announced 3 new Dedicated Freight Corridors during the current budget and we will pursue those opportunities which are viable and add value to shareholders.

Apart from freight corridors, we are also pursuing railway station development projects.

Urban Infrastructure

There has been a positive movement in the industrial environment with the campaigns like 'Make in India' and 'Invest India' gaining momentum and providing much required impetus on manufacturing in the country.

In Kakinada Special Economic Zone (SEZ) /Special Investment Region (SIR), we started the on-ground development and developed shovel-ready land parcels for industries to set up their operations.

Notable achievements in Kakinada SEZ / SIR during the FY under review were announcement of SEZ area spread in over 5,000 acres as operational SEZ, Commencement of Commercial Operations of Pals Plush, a global toy manufacturer and scaling up of Rural BPO operations in association with TATA Business Support Solutions (A TATA Group Company).

In Kakinada SIR, we would be focusing our efforts on business development, with specific geographic focus on China, Japan and India and the industry focus of food processing, pharma, oil and gas, etc.

In Krishnagiri SIR, we stepped up our marketing efforts in reaching out to various leading companies across the geographies to set up their manufacturing facilities in Krishnagiri SIR in line with GoI's thrust on boosting manufacturing ecosystem in the country.

We are now taking up for development phase 1A of the project spread over 275 acres. Necessary application to Statutory Authorities has been made and other clearances are being obtained concurrently.

In this FY also, we will continue with our efforts in creating a right ecosystem for leading companies to establish their facilities in Kakinada and Krishnagiri SIRs and contribute to socio-economic development of the respective regions.

Environmental Protection and Sustainability

As the Company operates in an increasingly resource-constrained world, being environmentally conscious and efficient are key to our operations. The Company has a Corporate Environment, Health, Safety and Quality (EHSQ) Policy to articulate, guide, and adopt an integrated approach towards implementing EHSQ objectives and the Company remains committed towards the said policy. These established systems certified by reputed certifying agencies have helped to monitor and manage our operations systematically, safely and in environmental friendly manner.

The company continues to abide by regulations concerning the environment by allocating substantial investments and resources on a continuous basis to adopt and implement pollution control measures. Our continuous endeavor to go beyond compliance and conserve natural resources helps to march towards attaining excellence in environmental management and efficient & sustainable operations as well.

GMR Energy sector has aligned its energy business with its comprehensive "EHS Framework", adopting best manufacturing practices, optimizing energy, natural resources and technology, best available practices, go beyond compliance, etc. The Company has adopted state-of-the-art systems and measures to control emissions and effluent in design stage itself. Hazardous wastes are being disposed through Central Pollution Control Board authorized agencies. Continuous Emission Monitoring System (CEMS) in all power plant stacks and Continuous Ambient Air Quality Monitoring Systems (CAAQMS) at all power plants have been set for proper monitoring of all vital pollution parameters on real time basis. All parameters like stack emissions, ambient air quality etc., are maintained well within the stipulated norms.

The Company has evolved as Sustainability leader by registering 7 CDM Projects with United Nations Framework Convention on Climate Change (UNFCCC). Terminal 3 (T3) of Indira Gandhi International Airport (IGIA) has become the first terminal in the world to have successfully registered its CDM project for its Greenhouse Gas (GHG) emission reduction initiatives with UNFCCC. DIAL is sustaining its "optimization Level" accreditation by ACI for its Carbon Management from 2013 and is currently aiming to achieve "Carbon Neutral" level, the highest level under ACI Carbon Accreditation Program. DIAL received Green Company Gold Level Award on June 25, 2015. DIAL was also awarded CII - Green Company Best Practices Award in the category "Renewable Energy" and "GHG Management" in June 2015. Besides these, DIAL also won CII- National Award for Excellence in Energy Management 2015 and Golden Peacock Sustainability Award 2015.

With the initiatives undertaken to ensure a sustainable airport operation, DIAL is seen as a role model organization in Aviation environment sustainability. DIAL further enhanced its reputation by publishing a knowledge sharing document on "Aviation Best Practices: Climate Change and Emission Reduction", along with the members of India GHG Program. DIAL has also been a member of Energy Security Steering Committee of TERI Council for Sustainable Development for leading Indian industries towards an energy secure India. Another major achievement in the year 2015-16 was, DIAL CEO represented International Aviation Community along with ICAO President Dr. Aliu at Conference of Parties (COP 21) in Paris on December 03, 2015.

GVPGL, GREL, Alaknanda hydro project, Bajoli-Holi hydro project, Gujarat solar Power project and Wind power projects at Gujarat and Tamil Nadu are registered as CDM Projects at UNFCCC.

GMR Energy Sector published its second Sustainability Report for FY 2014-15 as per GRI-G4 guidelines which is made available to all its relevant stakeholders and also available on company website.

Discussion and Analysis of Financial Condition and Operational Performance

The consolidated financial position as at March 31, 2016 and performance of the Company and its subsidiaries, joint ventures and associates during the FY ended on that date are discussed hereunder:

A. Share capital: ₹ 603.59 Crore (March 31, 2015: ₹ 1,572.80 Crore)

As on March 31, 2016, share capital of the Company is ₹ 603.59 Crore against ₹ 1,572.80 Crore as on the previous year end. Change in the share capital was on account of conversion of CCPS shares and transfer of resultant share premium. This was compensated to certain extent by the Rights issue.

Company converted CCPS Series A and B preference shares of ₹ 568.33 Crore and ₹ 568.34 Crore respectively into equity shares. The preference share of Series A CCPS were converted into 35,94,78,241 equity shares of ₹ 1 each at a price of ₹ 15.81 (including premium of ₹ 14.81 per share) and Series B CCPS were converted into 38,06,66,645 equity shares of ₹ 1 each at a price of ₹ 14.93 (including premium of ₹ 13.93 per share). Accordingly, preference share capital had decreased by ₹ 1,136.67 Crore and equity share capital increased by ₹ 74.01 Crore.

Further, during the year, your Company issued 93,45,53,010 equity shares of face value of ₹ 1 each for cash at a price of ₹ 15.00 per equity share (including a premium of ₹ 14.00 per equity share) aggregating to ₹ 1,401.83 Crore on rights basis to the eligible equity shareholders of your company in the ratio of 3 equity shares for every 14 fully paid-up equity shares held by the eligible equity shareholders on the record date. Accordingly, equity share capital increased by ₹ 93.45 Crore.

B. Reserves and surplus: ₹ 4,356.74 Crore (March 31, 2015: ₹ 4,305.77 Crore)

A summary of reserves and surplus is as follows:

₹ in crore

Particulars	March 31, 2016	March 31, 2015
Capital reserve on forfeiture	141.75	-
Capital reserve on consolidation	125.87	125.87
Capital reserve on acquisition	3.41	3.41
Capital reserve government grant	65.49	65.49
Capital redemption reserve	28.53	28.53
Debenture redemption reserve	179.58	175.47
Securities premium	9,532.89	7,468.07
Foreign currency translation reserve	457.92	433.85
Foreign currency monetary items translation difference account	(0.93)	(0.05)
Special reserve u/s 45IC of RBI Act	19.52	12.02
Sub Total	**10,554.02**	**8,312.66**
Surplus/(Deficit) in the statement of profit and loss	(6,197.29)	(4,006.89)
Total	**4,356.74**	**4,305.77**

The reserves and surplus has increased from ₹ 4,305.77 Crore as at March 31, 2015 to ₹ 4,356.74 Crore as at March 31, 2016, mainly on account of –

i. Creation of capital reserve of ₹ 141.75 Crore on forfeiture of advance received against share warrants, as the warrant holders did not exercise the option with in the due date.

ii. Increase of ₹ 2,064.82 Crore in the securities premium account during the year on account of share premium of ₹ 1,308.37 Crore received on issue of equity shares under right issue, increase of ₹ 1,062.66 Crore on conversion of Series A and B CCPS into equity shares, off set by utilization of ₹ 39.43 Crores towards FCCBs issue expenses and ₹ 266.78 Crore towards shares/debenture issues expenses, redemption premium/ redemption of debentures/preference shares.

iii. Increase in deficit in the statement of profit and loss by ₹ 2,190.39 Crore, mainly on account of loss for the year of ₹ 2,161.00 Crore.

C. Minority interest: ₹ 1,644.03 Crore (March 31, 2015: ₹ 1,765.50 Crore)

The Minority interest decreased by ₹ 121.47 Crore mainly on account of sale of controlling stake in GOSEHHHPL and purchase of additional stake in DIAL.

D. Long-term borrowings, including current maturities of long term borrowings ₹ 47,550.11 (March 31, 2015: ₹ 44,296.75 Crore):

Increase in outstanding borrowings is mainly on account of issuance of FCCB of ₹ 2,003.10 Crore (USD 30.00 Crore) by the Company and additional loans drawn / loan re-financing by certain operating companies and project loans draw down in projects under construction like GMCAC.

E. Short-term borrowings ₹ 1,741.10 Crore (March 31, 2015: ₹ 3,511.18 Crore):

The decrease of ₹ 1,770.08 Crore is mainly on account of repayment / refinancing of short term loans by GPCL, GMCAC, GCHEPL, KSPL, GETL and GALM.

F. Fixed assets:

A statement of movement in fixed assets is given below:

₹ in crore

Particulars	March 31, 2016	March 31, 2015
Tangible assets	46,301.00	30,455.02
Intangible assets		
Goodwill on consolidation	4,537.16	3,844.40
Carriage ways	5,087.47	6,342.21
Others	1,754.15	1,672.59
Gross Block	**57,679.78**	**42,314.22**
Less: Accumulated depreciation / amortisation / impairment	10,450.76	8,131.47
Net Block	**47,228.99**	**34,182.75**
Add: Capital work in progress	4,053.49	16,838.99
Add: Intangible assets under development	526.69	408.45
Net Fixed Assets	**51,809.17**	**51,430.19**

- Gross block has increased mainly on account of capitalization on commissioning of GREL and GCHEPL energy plants and commissioning of new equipments / additional facilities in GKEL, DIAL and GHIAL
- Goodwill on consolidation has increased due to purchase of additional stake in DIAL and acquisition of RSSL.
- Capital work-in-progress has decreased due to capitalization in GCHEPL and GREL.

G. Trade receivables: ₹ 2,468.32 Crore (March 31, 2015: ₹ 1,624.27 Crore):

Trade receivable has increased mainly on account of GKEL, GCHEPL and GREL.

H. Cash and bank balances: ₹ 3,121.32 Crore (March 31, 2015: ₹ 3,904.04 Crore):

Cash and bank balance has decreased mainly on account of repayment of loans.

Overview of our results of operations

The following table sets forth information with respect to our revenues, expenditures and profits on a consolidated basis:

₹ in Crore

Particulars	For the year ended March 31,	
	2016	2015
Sales/ income from operations	13,248.18	10,935.25
Other operating income	109.48	152.43
Other income	454.27	327.46
Total Income (Including other income)	**13,811.93**	**11,415.14**
Expenditure		
Revenue share paid/ payable to concessionaire grantors	2,412.29	2,064.86
Consumption of fuel/ raw materials consumed	2,564.52	2,137.87
Purchase of traded goods/Increase in stock	807.21	1,024.18
Sub-contracting expenses	628.39	565.51
Employee benefits expenses	664.80	619.65
Other expenses	2,035.81	2,120.97
Finance Costs	4,057.69	3,571.86
Depreciation/ Amortisation expense	2,266.16	1,812.53
Exceptional items - (losses) / gains (net)	(149.79)	(304.12)
Total	**15,586.66**	**14,221.55**
(Loss) / profit before tax expenses, minority interest and share of (loss)/ profit of associates	**(1,774.73)**	**(2,806.41)**
Tax Expenses:		
Current tax (Including taxes of earlier years)	280.45	124.46
Less: MAT credit availed	(10.93)	(4.64)
Deferred tax	(45.31)	32.99
Total tax expenses	**224.21**	**152.81**
(Loss) / profit after tax expenses and before minority interest and share of (loss) / profit of associates	**(1,998.94)**	**(2,959.22)**
Minority interest - share of profits / (losses)	(156.54)	238.91
Share of (losses)/ profit of associates (net)	(5.52)	(12.98)
(Loss) / profit after minority interest and share of (loss) / profit of associates	**(2,161.00)**	**(2,733.29)**

Sales/Operating Income

The segment wise break-up of the Sales/Operating Income are as follows:

Particulars	For the year ended March 31			
	2016		2015	
	Amount (₹ in Crore)	% of Total Income	Amount (₹ in Crore)	% of Total Income
Revenue from Operations:				
Airports segment	6,540.58	48.97%	5,463.73	49.28%
Power segment	5,522.55	41.34%	4,450.58	40.14%
Road segment	761.41	5.70%	741.74	6.69%
EPC segment	179.13	1.34%	86.84	0.78%
Others segment	354.04	2.65%	344.79	3.11%
Total Revenue from operations	**13,357.66**	**100.00%**	**11,087.68**	**100.00%**

The total sales / operating income has increased by ₹ 2,269.98 Crore representing a growth of 20.47%.

There is a healthy distribution of business over various sectors. The detailed analysis on the sectoral revenues is as follows:

Operating income from airport segment

Income from our airport segment consists of income from aeronautical sources (principally consisting of landing and parking, passenger service fees and user development fees charged), non-aeronautical sources (consisting principally of income from rentals, trade concessionaires and ground handling) cargo operations and rentals received in connection with commercial development on land that is part of our airport projects.

Operating income from airport segment increased by 19.73% from ₹ 5,463.73 Crore in fiscal 2015 to ₹ 6,540.58 Crore in fiscal 2016, primarily as a result of increase in income of DIAL on account of increase in traffic and land lease and recovery of UDF in GHIAL from November, 2015.

Operating income from power segment

Income from our power segment consists of fixed and variable components of electricity tariff charged to the state electricity boards and distribution companies as per the terms of the respective power purchase agreements, sale of power on merchant basis, trading of power and sale of coal.

Income from power segment has increased by 24.07% from ₹ 4,450.58 Crore for fiscal 2015 to ₹ 5,522.55 Crore for fiscal 2016 mainly on account of increased revenues from GWEL and GKEL and commissioning of GCHEPL and GREL power plants. GKEL had also recognized additional revenue on account of the tariff orders received during the year.

Operating income from road segment

Income from our road operations is derived from annuity payments received from NHAI for our annuity projects and toll charges collected from road users of the toll road projects.

The operating income from road segment has marginally increased by 2.65% from ₹ 741.74 Crore for fiscal 2015 to ₹ 761.41 Crore for fiscal 2016, primarily on account of increase in traffic.

Operating income from EPC sector

Income from our EPC division is derived from the execution of engineering, procurement and construction works in connection with power, road, railways and other projects under implementation.

During the current year, the EPC sector has contributed ₹ 179.13 Crore to the operating income as against ₹ 86.84 Crore in the previous year. Increase is mainly on account of revenues from new projects.

Operating income from Other Sectors

Income from other sector includes management services income, investment income and operating income of our aviation and hotel businesses. During the current year, the other sector has contributed ₹ 354.04 Crore to the Operating Income as against ₹ 344.79 Crore in the previous year.

Other income

Other income includes income from investments, profit on sale of investments, reversal of provisions no longer required and other miscellaneous income. Other income has increased by 38.73 % from ₹ 327.46 Crore in fiscal 2015 to ₹ 454.27 Crore in fiscal 2016. Increase is mainly on account of higher investment income.

Expenditure

Revenue share paid/payable to concessionaire grantors

The revenue share paid/payable to various concessionaires has increased from ₹ 2,064.86 Crore in fiscal 2015 to ₹ 2,412.29 Crore in fiscal 2016 primarily on account of increase in operating income at DIAL and GHIAL.

Consumption of fuel/raw materials

The consumption of fuel and raw material increased from ₹ 2,137.87 Crore in fiscal 2015 to ₹ 2,564.52 Crore in fiscal 2016 primarily on account of operation of GWEL, GKEL and GVPGL at higher PLF and commissioning of GCHEPL and GREL.

Subcontracting expenses

Subcontracting expenses increased from ₹ 565.51 Crore in fiscal 2015 to ₹ 628.39 Crore in fiscal 2016, primarily on account of increase in operation and maintenance expense in power plants and road projects.

Employee benefits expenses

The increase in employee benefit costs is mainly on account of annual salary increments.

Other expenses

Following are the components of other expenses:

- Consumption of fuel and lubricants, water, salaries and wages of operational employees, technical consultancy fee, cost of variation works, insurance for plant and machinery, airport operator fee, cargo handling charges, lease rentals and repairs and maintenance to plant and machinery, office rental, travel, insurance, electricity, Legal and other professional charges, contributions to provident fund, provision for advances, claims and debts, losses on sale of fixed assets and investments, travelling and conveyance, communication, loss on foreign exchange and other miscellaneous expenses.

There is a marginal decrease in other expenses.

Financing costs

Financing costs increased mainly on account of commissioning of GREL and GCHEPL during the current FY and additional borrowings.

Depreciation and amortisation expenses

Depreciation and amortisation expenses increased mainly on account of GREL and GCHEPL which were commissioned and capitalized during the year.

Exceptional items

In fiscal 2016, we had net loss from exceptional items of ₹ 149.79 Crore, comprising loss of ₹ 39.22 Crore on impairment of assets in GUEPL, loss of ₹ 164.30 Crore on impairment of assets in PTBSL, GHOEL, GLHPPL, GKEPL and GCEPL, offset by profit of ₹ 51.42 Crore on recovery of transmission charges pertaining to previous years.

In fiscal 2015, we had net loss from exceptional items of ₹ 304.12 Crore, comprising loss of ₹ 35.94 Crore on impairment of assets in a subsidiary [GACEL and GATEL (MRO)], loss of ₹ 79.80 Crore on impairment of assets in a subsidiary (SJK), loss of ₹ 130.99 Crore on account of provision towards claims recoverable in GKUAEPL, loss of ₹ 91.83 Crore on breakage cost of Interest rate swap paid in DIAL, offset by profit of ₹ 34.44 Crore on divestment of stake held in DCSCPL and DFSPL.

Tax expenses

Tax expenses has increased from ₹ 152.81 Crore in fiscal 2015 to ₹ 224.21 Crore in fiscal 2016, mainly due to MAT credit reversal in DIAL.

Share of (loss) / profit of associates

In fiscal 2016, we have accounted share of losses from associates of ₹ 5.52 Crore as against ₹ 12.98 during fiscal 2015. The group has Jadcherla expressways, Ulundurpet expressways, GMR OSE Hungund Hospet Highways Private Limited and East Delhi Waste processing as associate companies during the year ended March 31, 2016.

(Loss) / profit after minority interest and share of (loss) / profit of associates

In fiscal 2016, we have recorded a net loss after minority interest of ₹ 2,161.00 Crore as against net loss after minority interest of ₹ 2,733.29 Crore in fiscal 2015.

Minority interest represents share of the profits and losses of various subsidiaries which relates to the minority shareholders. The share of profit to minority shareholders for the year 2015-16 amounts to ₹ 156.54 Crore as against share of loss of ₹ 238.91 Crore for the previous year. This variation is mainly on account of increase in profit in DIAL and GHIAL.

Corporate Social Responsibility

GMR Varalakshmi Foundation (GMRVF) is the corporate social responsibility arm of the GMR Group. Its vision is to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods. GMRVF helps Group companies carry out their CSR mandates.

Towards this, GMRVF works with the communities neighboring GMR Group's businesses for their economic and social development thus supporting their development. The thrust areas enable the Foundation to develop need-based and locale - specific responses to the needs of the diverse communities it works with.

Currently, the Foundation is working in over 250 villages / urban communities across 26 locations. The locations spread across different states namely Andhra Pradesh, Arunachal Pradesh, Chhattisgarh, Delhi, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, Tamil Nadu, Telangana and Uttarakhand.

The activities of GMRVF for FY 2015-16 are given below:

Education: The Foundation sets up and runs quality educational institutions in under-served areas. It also works with the Government in making quality education accessible to all sections of the community. Towards this end:

- The Foundation is Running an Engineering College, Degree College and Polytechnic and several schools in the under-served areas. GMR Institute of Technology, the flagship educational institute of the Foundation, continues to remain its top ranking as one of the best colleges in Andhra Pradesh and India;
- Several scholarships and freeships are given for poor students from surrounding communities to these institutions;
- In addition, the Foundation supports about 350 Government schools with required inputs, ranging from Vidya Volunteers, Teaching and Learning Materials, After-School tuitions to Small infrastructure etc. This benefits about 35,000 children;
- Further, over 250 children have been sponsored to quality English Medium schools under the Gifted Children Scheme. Complete educational expenses of these children are borne by the Foundation;
- The Foundation also focuses on quality pre-school education and works with over 180 Anganwadis and Balabadis benefiting 3500 children;
- The Foundation is managing 39 IBM Kid Smart Early Learning Centers across different locations to provide technology enabled learning experience to primary school children;
- The Foundation is running 15 Tent Schools for the children of migrant labour which provide quality education, nutrition support and life skills for about 1000 children;
- Several other initiatives are taken up to make quality education accessible to the children which include providing transport support, boarding support, facilitating admissions in quality schools and access to scholarships etc.

Health, Hygiene and Sanitation: With the belief that health is a key dimension of well-being, GMRVF works towards better health and healthy lifestyles of the communities. GMRVF's initiatives in the area of health include:

- Running a 135-bed secondary care hospital in Srikakulam, one of the poorest districts of Andhra Pradesh, to serve the communities in this area by offering quality treatment at affordable prices. A robust concession scheme is in place to help all sections of communities to avail the services;
- Running 28 medical clinics in areas where medical facilities are inaccessible to the communities-offering services to over 7000 people per month;
- Running 4 Mobile Medical Units which take health care to the door steps of about 10000 elders every month;
- Running 2 Ambulances to provide emergency care for the communities;
- Constructed 27 Public Toilets and 14 School Toilet Complexes apart from supporting construction of over 750 Individual Sanitary Lavatories.

Empowerment and Livelihoods: The Foundation lays a major thrust on the economic and social empowerment of women and youth, and towards this it has taken up several initiatives which include:

- Running 10 vocational training centres to provide appropriate market-relevant skills to dropout youth to increase their employability. About 5,000 youth are trained every year through these centers and more than 80% of them are settled in wage or self-employment;
- GMRVF's vocational training initiative works towards bridging the skill gap between employers and those who seek employment. It actively seeks partnerships with different industry leaders for providing best quality training in different market relevant skills;
- Further, Foundation works with about 300 Self Help Groups of women and supports them for taking up income generation activities;
- Foundation initiated EMPOWER (Enabling Marketing of Products of Women Entrepreneurs) program to market the products made by under-privileged women through shops at Delhi and Hyderabad Airports, setting up of stalls and exhibitions, bulk orders for conferences and seminars, and through an online store www.empowershop.org;
- GMRVF also works with rural families to supplement their family incomes through several initiatives such as training in advanced farming practices, input support, skill building and enterprise promotion. Over 1700 families have been supported under this initiative.

Community Development: To meet the different emerging needs of the community, GMRVF takes up various community development initiatives based on the local needs. It runs about 80 community libraries, manages 100 children and youth groups and celebrates different days of significance with the community to improve their awareness on various social issues.

Employee Involvement: Social Responsibility is one of the core values of GMR Group and many of the employees of GMR Group actively participate in community development initiatives. Over the year, over 3,500 employees and their family members participated in more than 700 programs, contributing over 14,400 person hours of volunteer time and benefiting over 50,000 people.

As recognition for its corporate social responsibility initiatives, GMRVF has received the following awards during the year:

- PHD Chamber of Commerce Award for Outstanding Contribution to Social Welfare 2015-16
- Viswakarma Award for Social Impact and Development 2016 from Construction Industry Development Council

Risk Concerns and Threats

The Union Budget 2016-17 lays emphasis on government's 'Transform India' focus.

There is a massive increase in public spending on infrastructure by 22.5% over the previous year. Roads have been allocated ₹ 97,000 Crore and Railways allocated ₹ 121,000 Crore. There is a plan to revive over 160 airports and airstrips.

The positive impact of the Budget will take some time to materialize; therefore managing risks in a prudent manner is the mantra for sound development of our Group's businesses.

Identification, assessment, profiling, treatment and monitoring the risks

The Company has well-defined processes for risk identification, assessment, profiling, treatment and monitoring and review actions thereof. The Enterprise Risk Management (ERM) process has been rolled out with development of risk registers for Sectors and Key Business Units. The risks for each have been arrived at through aggregation and consolidation of the risks of their respective business units and functions.

As we move from project phase to operation phase in many of our businesses, the focus of Risk Management shifts to areas of efficiency, benchmarking, refinancing and asset churning.

The next stage of ERM deployment is in progress through setting up of Sector teams, conducting training programs for Senior Management and all Managers keeping in mind the philosophy of "Every Manager a Risk Manager", utilising support of outsourced Partners on need basis and e-enabling the risk capture and monitoring through a customised IT tool.

The ERM Framework deployment across the Group is independently assessed by Internal Team i.e. Management Assurance Group (MAG). Their inputs and recommendations serve as opportunities for improvements and also help create better alignment and learning across the Group.

Linkages: Strong linkage with Corporate Strategy enables sharper focus on key strategic risks. Detailed risk analysis is carried out during the formulation of the Company's Strategic Plan and Annual Operating plan. List of top risks are revised as a part of the Strategic plan exercise. ERM team also shares the results of its exercise with the MAG to enable it to draw plans for risk-based audit.

Business Resilience: For organization to quickly adapt to disruptions while maintaining continuous business operations and safeguarding people, assets and overall brand equity, we have detailed Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP) in place for key assets. The plans identify potential vulnerabilities and puts in place appropriate processes and risk treatment plans to respond and minimize impact of disruptive events.

Risk Awareness: To cultivate and enhance the awareness of risk management, the ERM Team engages with businesses in live projects building an environment to challenge assumptions and promoting ownership and accountability, thus improving organization's risk culture.

Reporting: The ERM Team regularly presents the risk assessment and minimization procedures adopted to assess the reliability of the risk management structure and efficiency of the process to the Management and the Audit Committee of the Board.

Based on the above process, the management has taken cognizance of risks in the recent times, and for which appropriate plans and actions are being taken are as follows:

1. **Macroeconomic Risk factors:** The Indian economy is reviving, helped by positive policy actions and lower global oil prices. Macroeconomic factors in India have a significant impact on the operating performance of the Group. Revenue from our airport projects, merchant sale of electricity and our toll road projects are exposed to the changes in the economic environment and market demand. The diversified nature of our portfolio across different sub-sectors within the Infrastructure Sector and our revised strategies would help in mitigating some of these risks.

2. **Regulatory Risk:** Being in the Infrastructure Sector, we are extensively exposed to regulatory risks. For example like all other private operators, our Airports business is exposed to changes in regulations which would affect the revenue model assumed.

3. **Fuel availability risks:** E-auction of coal blocks has reduced fuel availability risks arising out of a shortfall in availability of domestic coal, by securing captive coal blocks through the auction route. For gas-based power plants, the Government approval to import gas for power generation and supply of such power through subsidy grant would result in optimal use of gas infrastructure. Moving forward, we aim to diversify our fuel mix through focusing on coal-based projects and hydroelectric projects thereby reducing our exposure to a single source of fuel.

4. **Project development, acquisition and management:** In an ever-changing world, quality of portfolio, profitability and liquidity continue to be the critical differentiators. In such an environment, proactive adaptability still holds the key to sustained financial performance. Based on the portfolio exercise being carried out every year at the Group level and the prevailing external environment, management has taken a conscious decision to follow an "Asset Light and Asset Right" model whereby we would be looking at divesting options for some of our non performing projects/assets as well as those projects that have created good value for themselves while simultaneously being selective in new bids and acquisition. The focus is, as always, on consolidation of our existing portfolio, sweating of assets and completion of the existing projects within time, cost and quality parameters. The Group has also initiated the outsourcing

of some of its non-core activities in Finance, HR, IT and Internal Audit function (Management Assurance Group) so as to gain more management bandwidth, improve productivity and efficiency in the Group's operations.

5. **Ability to finance projects at competitive rates:** Infrastructure projects are typically capital-intensive and require high levels of finance in a mix of debt and equity. We are continuously exploring innovative means to finance/refinance our projects with the aim to reduce the overall interest cost. For example, we are exploring and implementing the options of refinancing through bond issue, takeout finance, ECB loans (where we have a natural hedge to reduce the forex exposure) etc., wherever possible at competitive rates.

6. **Credit Risk:** Our exposure to merchant sale of electricity to private sector customers and weak financial health of airlines in the airports sector might expose us to credit risk of default in payments. We have developed models to check and regularly monitor the credit-worthiness of our customers. Also, all our receivables are being closely monitored and reviewed frequently by the top management.

7. **Interest Rate Risk:** Any increase in interest rate may adversely affect our profitability. We are continuously exploring and implementing innovative means of financing/refinancing our existing loan with the aim of reducing our interest costs. Also, with the divestments of some of our assets, we also aim to reduce our debt exposure and thereby the interest cost.

8. **Foreign Currency Exchange Rate Risk:** We are exposed to the vagaries of exchange rate risk, as we have some expenditure in foreign currencies for procurement of project equipment, but a majority of revenues are in Indian Rupees (though Airports and other international assets earn some foreign currency). We have in place a mechanism of having regular review of our foreign exposures including the sensitivity of our financials to the movements in exchange rate. However, we hedge our exposures and keep rolling them as a part of a robust foreign exchange risk management policy which is reviewed regularly and approved by the Board.

Internal control systems and their adequacy

Your Company has in place adequate systems and processes of internal control, which are commensurate with its size and nature of operations. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial information, monitoring of operations, protecting assets from unauthorized use or losses and compliances with statutes. All these controls and processes have been embedded and integrated with SAP and/or other allied IT applications (e.g. Legatrix, Ariba, etc.) which has been implemented across all Group companies. Some significant features of the internal control systems include the following:

- Review of Annual Operating Plans (AOPs) for all operating assets, projects across the Group by the Audit Committee and the Board of Directors.
- Defining appropriate organization structure and providing appropriate IT infrastructure to achieve your company's objectives.
- Formulation of appropriate policies and standard operating procedures and defining delegation of power and responsibility matrix with authority limits for incurring capital and revenue expenditure across the Group.
- Critical evaluation of bid documents / records of all new projects (including M&A deals) for probable risks.
- Identifying and mitigating key business and transactional risks through effective risk management process.
- A well-established Management Assurance Group (MAG), reporting directly to Audit Committee, which carries out review of internal controls and governance processes, across the Group, for their adequacy and operating effectiveness, as required by Companies Act, 2013 under "Internal Financial Controls" (IFC). The IFC Review encompass, amongst others, operating effectiveness over financial reporting, fraud risk and operational controls.
- Initiation of Talent Development and Retention through a structured Career Progression Program from MAG to F&A and F&A to MAG.
- These audits are carried out using a Risk Based Audit Plan, which is reviewed and approved by your Company's Audit Committee.
- Wherever expert talent is not available or scarce within MAG, such audits are undertaken using the expertise of third party outsourced audit firms.
- Effective steps are taken by the Management to enable continuous monitoring of lead control indicators and corrective action taken towards identified gaps. Respective functions and/or functional heads have been trained and equipped to enable continuous monitoring of exceptions by themselves to reduce surprises and enable corrective action on a timely and regular basis.
- Your Company's Audit Committee reviewed these findings and provided suggestions for improvement and are appraised periodically on the implementation status in respect of actionable items.
- IFC reviews, undertaken by Management through MAG and/or its outsourced audit firms have confirmed that internal financial controls are operating effectively across the Group.
- Concurrent audit of Prestigious World Bank Funded DFCC Project was initiated during the year.

Developments in Human Resources and Organization Development at GMR Group

"Leadership is taking responsibility for hard problems beyond having formal or informal authority" - Ronald A Heifetz

At the GMR Group we have always believed in Organization building and improving people capability. We continued doing this during the year through an established and robust process which worked around developing and deploying potential leaders in critical positions across the Enterprise. The emphasis was to groom leaders from within rather than hire from outside. The Group initiated an organization-wide job evaluation exercise which aimed at enhancing Organization Effectiveness through a process of realigning the roles to emerging business realities and helped place the right person in the right role.

The content of multi-tier leadership development program, focusing on entry level (Executive) to Senior levels (Vice-President) was redesigned based on GMR Group's Competency Framework.

Focus on Senior Leadership Team development continued through development centres and assessment centres based on which Individual Development Plans (IDPs) for employees were put in place. Senior Leadership Team was encouraged to invest in the development of their next in line functional managers with strong managerial and financial capabilities. A group wide metric based Goal setting process was automated to ensure a Top Down cascading of Goals.

In order to measure the effectiveness of Training, we adopted a two pronged approach which focused on Self Development as well as the impact on the business. All across the Group, the focus on measurement of self-development shifted from Training man days to Training needs identified Vs actual training undergone.

As part of the institutional building process, 'Leader-led Session' was introduced on Values and Beliefs (V&B) across the enterprise - facilitated by Senior Leadership Team (SLT). 171 leaders were developed internally who in turn trained approximately 4000 employees as part of the Humility and Entrepreneurship tenet. Over and above the Leader-led Sessions, e-learning courses on V&B as well as 'Code of Business Conduct and Ethics' were conducted throughout the year as refresher courses. The intent was to ensure that all employees of the organisation attend these two programmes as part of culture building.

240 e-learning modules covering both behavioral as well as technical programs including O&M capabilities were also developed across the Energy Assets. Basic as well as advanced programs of the O&M modules were developed in house and administered to all the Project based employees. In addition to this a series of CRT programs on O&M were delivered to the Project employees.

Leadership capability building is augmented with equal focus on Commercial and Contracts, Engineering, Procurement, Construction, Operations and Maintenance (CEPCOM) competencies, which are core to GMR as a leading infrastructure player. This year the emphasis has been on building competencies on Operation & Maintenance (O&M) for our Energy business.

With Internal communication being an imperative ingredient required to sustain vibrancy and organisational health, Town Hall meetings were conducted across the Group, where Group Holding Board (GHB) members and CEOs shared the Group's plans with employees and answered several queries. Quarterly newsletter from Group Chairman to all employees regularly brought out the key achievements and opportunities for improvement. Skip Level Meetings, a formal forum for employees to share specific views and opinions about the work environment to their skip level manager, were also conducted across the Group.

The Talent Review process was also reviewed to make it outcome based, realizing the goal of creating a robust talent pipeline for current and future requirements of the organisation.

Numerous Team Building and alignment activities in the form of offsite workshops were conducted throughout the year. These programmes helped in induction of new employees into the GMR culture thus improving their understanding and alignment to our core values and beliefs.

Business Responsibility Report

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company :**

   L45203MH1996PLC281138

2. **Name of the Company :**

   GMR Infrastructure Limited

3. **Registered address :**

   Naman Centre, 7th Floor, Opp. Dena Bank,
   Plot No. C-31, G Block, Bandra Kurla Complex,
   Bandra (East), Mumbai – 400051

4. **Website :**

   www.gmrgroup.in

5. **E-mail id :**

   Gil.Cosecy@gmrgroup.in

6. **Financial Year reported :**

   2015-2016

7. **Sector(s) that the Company is engaged in (industrial activity code-wise) :**

   The Company has Engineering, Procurement and Construction (EPC) business and is a holding company for the investments made in Airports, Energy and Transportation & Urban Infrastructure sectors.

NIC Code of the Product / service	Name and Description of main products / services
43900	Engineering, Procurement and Construction (EPC) [Handling of engineering, procurement and construction solutions in Infrastructure Sectors]
66309	Others [Investment Activity and corporate support to various infrastructure SPVs]

8. **List three key products / services that the Company manufactures / provides (as in balance sheet):**

   The Company has Engineering, Procurement and Construction (EPC) business and is a holding company for the investments made in Airports, Energy and Transportation & Urban Infrastructure sectors.

9. **Total number of locations where business activity is undertaken by the Company:**

   i. Number of International Locations (Provide details of major 5): The Group has business activities in Indonesia, Singapore, Nepal, Philippines (Cebu).

   ii. Number of National Locations: The Company by itself and through its subsidiaries, JVs, Associates has business activities undertaken in more than five States in India, viz., Delhi, Karnataka, Telangana, Maharashtra, Odisha, Chhattisgarh, Tamil Nadu, Uttar Pradesh, Andhra Pradesh, Himachal Pradesh, Gujarat, Uttarakhand, Rajasthan, Chandigarh etc.,

10. **Markets served by the Company – Local / State / National / International:**

    Over the past two decades, GMR Group has grown from a regional to a global infrastructure player.

    The international presence of the Company's subsidiaries extends to the following geographies:

    - Stakes in international coal assets in Indonesia - PTBSL & Sinarmas;
    - Hydro-power projects in Nepal - Under various stages of developing;
    - In Airports – Mactan Cebu International Airport in Philippines.

    On the National level, the Company's subsidiaries own and operate 2 airports on Public Private Partnership (PPP) (New Delhi and Hyderabad), 10 operating energy assets in Tamil Nadu, Andhra Pradesh, Gujarat, Maharashtra, Chhattisgarh, Odisha and 2 transmission projects in Rajasthan and 2 coal blocks (1 in Jharkhand and 1 in Odisha). Company has 1 project under construction (Hydro based plant in Himachal Pradesh) and 1 Hydro plant in Uttarakhand under development, and 9 different highways (two with minority stake) with a balanced mix of toll and annuity at various locations in India - Andhra Pradesh, Karnataka, Punjab and Tamil Nadu.

Section B: Financial Details of the Company

(₹ In Crore)

1.	**Paid up Capital (INR)**	: 603.59
2.	**Total Turnover (INR)**	: 814.17
3.	**Total profit / (loss) after taxes (INR)**	: (1518.90)

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :**

   Not applicable due to losses in the previous years.

5. **List of activities in which expenditure in 4 above has been incurred:**

   Not applicable as the company was not required to spend any amount.

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes, the Company has 123 subsidiary Companies, as on March 31, 2016.

2. **Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   Yes, the Company along with its subsidiary companies participates in group wide Business Responsibility (BR) initiatives on a wide range of topics. All subsidiaries are aligned to the activities under the aegis of GMR Varalakshmi Foundation (GMRVF), a Corporate Social Responsibility (CSR) arm of the Company, which develops social infrastructure and enhances the quality of life of communities around the locations, where the Company / Subsidiaries have a presence.

3. **Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]**

Yes, more than 60% of dealing entities participate in BR initiatives and this is mandated by the process of Sign-off by vendors/suppliers by accepting the Supplier Code of Conduct and Business Ethics.

Section D: BR Information

1. **Details of Director / Directors responsible for BR**

a) **Details of the Director / Directors responsible for implementation of the BR policy / policies:**

- DIN : 00061669
- Name : Mr. Grandhi Kiran Kumar
- Designation : Managing Director

b) **Details of the BR head:**

S. No.	Particulars	Details
1.	DIN (if applicable)	NA
2.	Name	Adi Seshavataram Cherukupalli
3.	Designation	Company Secretary and Compliance Officer
4.	Telephone number	T: +91 11 46084237
5.	e-mail id	Gil.Cosecy@gmrgroup.in

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 - Businesses should promote the well-being of all employees.

P4 - Businesses should respect the interests of, and be responsive towards, all stakeholders especially those who are disadvantaged, vulnerable and marginalized.

P5 - Businesses should respect and promote human rights.

P6 - Businesses should respect, protect, and make efforts to restore the environment.

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 - Businesses should support inclusive growth and equitable development.

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S. No.	Questions	P1	P2**	P3	P4	P5	P6	P7	P8	P9***
1.	Do you have a policy /policies for.....	Y	Y	Y	Y	Y	Y (IMS Policy - EHSQ)	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	#	Y (ISO 14001:EMS & OHSAS 18001 & ISO 9001;QMS)	#	#	#	Y (MoEF, respective State Pollution Control Board, Factories act and ISO 14001:EMS)	#	#	#
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y*	http://investor.gmrgroup.in/investors/GIL-Policies.html	Y*	Y	Y	http://investor.gmrgroup.in/investors/GIL-Policies.html	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy /policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

wherever the Group Policy is not compliant with local laws, they are suitably modified. There is no known non-compliance with international standards.

* The policy is available in Company's intranet.

** The Company and the Subsidiaries wherever applicable have relevant systems and practices in place to implement and adhere as per the principles.

*** The Company and the Subsidiaries have systems in place and have practices as per the Principles, and formal policy based upon systems and practices will be placed before the Board for approval.

2a If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. [Within 3 months, 3-6 months, Annually, More than 1 year].**

  The BR performance is assessed on an annual basis.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?**

  Annual Report containing Business Responsibility Report is available on Company's website and can be accessed at http://investor.gmrgroup.in/Investors/annual-report.html

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the company? [Yes/ No]. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. The Code of Business Conduct and Ethics policy of the Company embodies the Group's Values and Beliefs and endeavors to lay down guidelines for employees of the Group to follow in their day to day work life. The policy applies to all employees on regular rolls of the Company including Full-Time Directors, Advisors, In-house Consultants, Expatriates and employees on contract.

As an extension of the Code of Conduct, Company has a Whistle Blower policy which applies to third parties with concerns regarding any serious malpractice or impropriety within the Group. Third parties include Vendors, Service providers, Partners, JV employees and customers. There is also a Supplier Code of Conduct and Business Ethics to ensure transparent business governance.

Company has an Ethics and Intelligence Department to expeditiously investigate and take action to protect the culture and ethical environment.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

As specified in the Corporate Governance Report, 228 investors' complaints were received during the financial year 2015-16, which have been fully (i.e. 100%) resolved to the satisfaction of stakeholder.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

Environmental Protection and Sustainability

Since inception, sustainability has remained at the core of our business strategy. Besides economic performance, safe operations, environment conservation and social well-being have always been at the core of our philosophy of sustainable business. In anticipation of upcoming regulations and requirements, the Company has invested substantially and allocated other resources to proactively adopt and implement manufacturing / business processes to increase its adherence to environmental standards and enhance its industry safety levels. At GMR Group, the challenges due to the Company's operations related to EHS aspects of the business, employees and society are mapped and mitigated through a series of systematic and disciplined sets of policies and procedures.

The Company continues to abide by regulations concerning the environment by allocating substantial investments and resources on a continuous basis to adopt and implement pollution control measures. Our continuous endeavor to go beyond compliance and conserve natural resources helps to march towards attaining excellence in environmental management and efficient & sustainable operations as well. As the Company operates in an increasingly resource-constrained world, being environmentally conscious and efficient are key to our operations. The Company has a Corporate Environment, Health, Safety and Quality (EHSQ) Policy to articulate, guide and adopt an integrated approach towards implementing EHSQ objectives and the Company is committed to the Policy. These established systems, certified by reputed certifying agencies, have helped to monitor and manage our operations systematically, safely and in environmental friendly manner. When such practices become institutionalized, they protect environment and reduce operational and other costs.

The Company understands the global thrusts for minimizing the effect of developmental projects towards global warming. The Company has developed various projects voluntarily and some of the projects are under development stage, which ultimately reduces GHG emissions into the atmosphere and thus, minimizing the global warming effect. The Company has evolved as Sustainability leader by registering 7 CDM Projects with UNFCCC.

As a responsible corporate citizen, the Company is striving to meet the expectations of neighboring communities around its plants and other locations through GMRVF. The foundation works closely with them and strives to impact the lives of millions of farmers, youth, women and children through numerous programs.

Energy Sector

Energy Sector has continuously ventured to promote cleaner fuel operations and renewable energy. A super critical technology power plant has been developed at Chhattisgarh. The 25 MW capacities Solar Photo-Voltaic based power generation and 2.1 MW and 1.25 MW wind turbine generators in the State(s) of Gujarat and Tamil Nadu respectively, with the total capacity of the wind turbine generator being 3.35 MW are fully operational, with commitment towards sustainability in terms of clean and renewable energy resource.

GMR Energy sector has aligned its energy business with its comprehensive "EHS Framework", adopting best manufacturing practices, optimizing energy, natural resources and technology, best available practices, go beyond compliance, etc.

All the operating units have all necessary Statutory clearances in place and are in compliance with environmental regulations. The Company has adopted state-of-the-art systems and measures to control emissions and effluent in design stage itself. Hazardous wastes management and disposal has been in accordance with Central Pollution Control Board (CPCB) guidelines. Continuous Stack Emission Monitoring System (CEMS) and Continuous Ambient Air Quality Monitoring Systems (CAAQMS) at power plants have been set for monitoring vital pollution parameters on real time basis. Also, each of the operating units has dedicated Effluent Treatment Plant to treat waste water from the units and utilize or discharge in accordance with Pollution Control Board norms. All parameters like stack emissions, ambient air quality, water quality, noise level etc., are maintained well within the stipulated norms. The monitoring reports are submitted periodically to statutory authorities. Internal audits and surveillance audits as per the requirements of ISO certifications are conducted and any observation or non-conformance is dealt with utmost importance. The system is managed by dedicated EHS team and steered frequently at apex level for quick actions.

Various employee engagement campaigns are conducted at plant by celebrating World Environment Day, National Safety Week, National Fire Service Day and Awareness Week, National Cleanliness Day, Road Safety Awareness Week, Energy Conservation Week, Earth Day etc., to create awareness and generate ideas for implementation. During mass plantation drive, the employees, their families and nearby villagers are involved. Dense green belt development is carried out at various plant sites and being steadily increased every year.

Systems and processes as per Global Reporting Initiative (GRI-G4) are being implemented across all the power plants. Energy Sector is publishing its Sustainability Report every year since FY 13-14 as per GRI-G4 guidelines, which are made available to all its relevant stakeholders. Sustainability reports are also available on Company's website. Further, Energy Sector initiated and adopted GRI-G4 based Sustainability & EHS Management software E-tool titled 'SoFi' for capturing online sustainability data of all operating assets and projects – first in the power sector in India.

GMR Warora Energy Limited (GWEL) has been certified for ISO 9001: QMS,ISO 14001:EMS and OHSAS 18001 by M/s BVCI. In the year 2015, GWEL implemented and certified for ISO 50001: Energy Management System from M/s BVCI. Under the "Sampoorna Swachhata" initiative 5S implementation programmes were carried out and GWEL is certified for deploying '5S' practices at plant in January 2016 by National Productivity Council (NPC). GWEL also implemented waste management initiative by installing "Mechanized bio- composter" for covering food wastes into manure. 89% of fly ash generated during FY 2015 – 16 was utilized for cement making, bricks making etc. To manage the wellness at work place, series of programmes under "Nirmal Jivan" initiatives like Navchetna Shibir for employees, fun 'Saturday' for stress management, counseling of all employees with dietician, health awareness, Yoga Shibir and motivational programs for employees and their family members were organized. GWEL successfully conducted series of EHS awareness programs, Earth Day, World Environment Day, National Safety Week and observing National Fire Service Week, various training programs on Permit to Work (PTW) system, emergency response plan, fire fighting, electrical safety, chemical handling, gas cylinder handling conducted to employees and contractual employees. Mock drills on scenarios such as fire in warehouse, hydrogen leakage from generator, fire in coal crusher, ash leakage from ash silo were conducted. During FY 15-16, GWEL planted 6000 fruit bearing and 14000 forest tree species under "Sustainable farming based greenbelt development" initiative. Testimonial to all such initiatives are receiving SHRUSHTI's Good Green Governance Award-2015, Golden Peacock Occupational Health & Safety Awards - 2015, Greentech Occupational Health & Safety Awards – 2015, MEDA award 2016 for Energy Management from Govt. of Maharashtra in FY 15-16.

GMR Kamalanga Energy Limited (GKEL) is fully compliant with the statutory norms required for operation of the plant. Besides various environmental protection initiatives, audio visual safety trainings, Behavior Based Safety (BBS) trainings, work permit system with Lock Out and Tag Out (LOTO), House Keeping drive with "5-S", Hazard identification & Risk Assessment (HIRA) were also implemented to inculcate positive safety culture amongst workforce. Following Surveillance Audit of Integrated Management System (IMS), GKEL received ISO 14001: EMS, OHSAS 18001 and ISO 9001: QMS certificates. Various campaigns viz., World Earth Day, World Environment Day, Road Safety Awareness Week, National Safety Day / Week, Pollution Prevention Day were observed to create environment awareness among the employees and contract workforce. 47% of the total ash generated in the FY 15-16 (1387671.71 MT) has been utilized for brick manufacturing and land development. In existing green area around 50157 nos. of saplings were planted covering additional area of about 64.5 acres during FY 15-16.

GMR Chhattisgarh Energy Limited (GCHEPL) has valid factory License from Inspectorate of Factories, Hazardous waste authorization &

Bio medical waste authorization from Chhattisgarh Environment Conservation Board. GCHEPL has also obtained the amendment for usage of domestic coal from MoEF. In FY 15-16, total 70,172 saplings were planted over approximately 74.32 acres within plant premises. GCHEPL received ISO 14001: EMS & OHSAS 18001 certificates for implementing Integrated Management System. Workforce at GCHEPL enthusiastically participated in various campaigns viz., World Water Day, World Environment Day, Road Safety Awareness Week, National Safety Day / Week and Fire Service Day. No major incident was reported in FY 15-16. For all operational activities and maintenance, SAP based PTW system and other work permits are followed. Compliance to Personal Protective Equipment (PPE) is ensured while working. EHS training is imparted to all new and existing employees every year.

GMR Vemagiri Power Generation Limited (GVPGL) and GMR Rajahmundry Energy Limited (GREL) units are gas based power plants. Both units are certified for ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 by M/s. GL-DNV. EHS practices are deployed to achieve the highest level performance. For assessment of EHS practices, external safety audit was conducted at GVPGL, all observations were suitably addressed with action plan. EHS training is imparted regularly like 'First Aid' through M/s. St. John Ambulance. Mock drills for each plant were conducted on different emergency scenarios. EHS initiatives like celebration of Road Safety Week, National Safety Week Fire Service Week, World Earth Day and World Environment Day are done at plant sites to enhance the EHS awareness level. On day of 'Karthika Vanamahotsavam', 100 tree saplings were planted.

GMR Energy Limited (GEL), Kakinada has established efficient EHS procedure and practices which has achieved zero Lost Time Injury Frequency Rate (LTIFR) with nil reportable accidents in FY 15-16. Plant is compliant with all statutory norms and procedures. GEL celebrated World Environment Day, Safety Week, Road Safety Week, Fire Service Week, Earth Day and Karthika Vanamahostavam. Swachh Bharat campaign is in progress. Periodical surveillance audit of ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 has been done by M/s GL-DNV. GEL successfully implemented 2 environmental management programme on energy conservation and minimization of water consumption. To make the area green, plantations were done by employees in plant premises as well as nearby schools.

GMR Bajoli Holi Hydro Power Project is being constructed with compliance to all applicable EHS rules, regulations and best practices. In FY 15-16 there was nil reportable major incident at site and project achieved 54,18,369 safe man hours in FY 15-16. First Surveillance audit for Integrated Management System covering ISO 9001:2008, ISO 14001:2004 and OHSAS 18001: 2007 certificates was conducted by M/s TUV India. Periodical medical check-ups were conducted for employees and contract workers. Regular medical camps are also organized for workforce and community. Safety tool box talk, safety training and site inspections are conducted on daily basis. 100% contract employees were covered under EHS awareness on utilization of PPE at site. All critical air quality parameters inside tunnels are displayed at adit portal. First aid medical assistance set up has been created at site which is managed by a qualified doctor and paramedic staff with ambulance. Various EHS reviews are conducted every month at site. In FY 15-16 approximately 2800 saplings were planted at project and colony site.

Airport Sector

Airport Sector embraces the concept of sustainability by managing activities in environment friendly manner, minimizing natural resource utilization and maintaining collaborative relationships with the community and stakeholders. Our strategy for long-term stability and continual improvement is focused on cost-effective operation, social responsibility, environment and ecology oriented business approach and practices, which are governed and managed by latest technological processes, improved infrastructure, efficient operational measures, continuous learning and education, effective change management and communication with all possible stakeholders' support.

Environment Sustainable Management is an integral part of our business strategy which helps in achieving social credibility and business sustainability by efficient integration of policy, system, procedures, infrastructure and community support. The Company adopted all possible proactive sustainable approach for the airports to develop an environment friendly posture that accommodates the community's concerns while meeting all regulatory requirements. Our key environmental and social elements which have direct/indirect impact on society are aircraft noise, emission, air quality, water and wastewater, solid waste and conservation of natural resources. A dedicated team of professionals is deployed to deal with all areas of environmental and social concerns. All the impacts associated with its business aspect are being effectively resolved by working closely with the communities around the airport by proper knowledge sharing forum, media communications, communication to stakeholders and stakeholders' meeting, further with the support of regulatory and government agencies.

Air and Water management is ensured by regular monitoring, analysis and following government regulations and guidance. Solid and Hazardous wastes are handled as per the applicable rules. Sewage Treatment Plant is operational to treat the waste water. Entire treated water is being reused appropriately for the flushing, irrigation purposes.

Delhi International Airport Private Limited (DIAL)

Environment Sustainable Management is an integral part of your Company's business strategy. It focuses highly on natural resource conservation, pollution preventions and skill developments on the part of business sustainability at Delhi Airport by efficient integration of policy, system, procedures, infrastructure and community support.

DIAL is committed to conduct its business in an environment and social friendly manner by adopting all possible operational and technological measures to minimize the impact of its activities on the environment and society.

DIAL has adopted all possible proactive sustainable approach for the airport to develop an environment friendly posture that accommodates the community's concerns, while meeting all regulatory requirements.

Some of the recent achievements of DIAL during this financial year are:

- Green Company Gold Level Award on June 25, 2015.
- CII - Green Company Best Practices Award in Renewable Energy and GHG Mitigation, June 25, 2015.
- National Award for Excellence in Energy Management by CII, October, 2015.
- Golden Peacock Sustainability Award 2015 in October 2015
- DIAL CEO represented International Aviation community along with ICAO President Dr. Aliu at Conference of Parties (COP 21) in Paris on December 03, 2015.
- Release of knowledge sharing document on "Aviation Best Practices: Climate Change and Emission Reduction" on August 25, 2015 as a founding member of India GHG Program in association with Confederation of Indian Industry (CII), The Energy Resources Institute (TERI) and World Resources Institute (WRI).
- Successfully completed ISO 14001 – Environment Management System sustenance audit by M/s. DNV (Sustaining from 2009).
- Sustain "Optimization Level" accreditation by Airport Council International (ACI) since 2012 for Carbon Management implemented at IGI Airport .
- Achieved a Carbon intensity of 2.32 kgCO_2 / Pax during the year 2015-16.
- 6th ACI Asia-Pacific Regional Environment Committee (REC) seminar was organized at Delhi Airport from March 10-11, 2016.
- DIAL is also Energy Security Steering Committee Member of TERI Business Council for Sustainable Development.
- Regular Training on Environmental Management and Sustainability Management.
- Environment Day celebration and Tree plantation on every World Environment Day event on 5th June.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL operates the Rajiv Gandhi International Airport (RGIA) at Hyderabad. GHIAL considers EHS as an integral part of business and is committed to conducting business in an environment-friendly and sustainable manner, in line with Group's Vision, Mission, Values, Beliefs and Corporate Policies. GHIAL believes in the concept of 3R principles (Reduce-Reuse-Recycle) and actively promotes the same among all its stakeholders. During the year, the organisation has focused on actively promoting safety culture and sustainable operating environment through optimal use of all resources. All the initiatives were successfully implemented with the active co-operation by all the internal and external stakeholders.

GHIAL is committed to develop, nurture and proactively promoting EHS culture at GHIAL with the philosophy of 'Safety first.'

As part of its continual improvement of EHS performance, GHIAL has initiated many safety awareness programmes, trainings, audit and inspections on a continual basis. During the year there was no safety occurrence involving fatality. The 'Safety Management System' (SMS) at GHIAL is robust and is currently in Phase-4 in terms of its maturity and meticulous implementation which is in line with DGCA guidelines. The Aerodrome License has been renewed and valid till March 03, 2018. Further, GHIAL has been re-certified by BVQ for IMS (OHSAS 18001) for the period from January 01, 2016 to December 31, 2018.

As a continual improvement of EHS initiatives, the organization has identified the 'Human factors' in safety occurrences as a primary concern and engages the stakeholders through various forums to enhance awareness on this crucial factor. In addition to this regular safety alerts and notifications are sent across as a proactive safety measure. The safety management system at GHIAL has been comprehensive with the combination of DGCA mandates, British Safety Council guidelines and OHSAS-18001 framework which makes it unique feature.

Safety assurance is closely monitored through various safety oversight activities which include annual safety audits and inspections of all key stakeholders and service providers encompassing safety processes, personnel competencies and process audits. Additionally, 'Management of Change' is a critical requirement to ensure continued safety practices which is exercised through carrying out Safety Assessment of all major changes within the airport and meticulously maintained risk register. Various safety concerns are deliberated and adequately addressed in various safety committees including Runway Safety Committee, Apron Safety Committee, Works Coordination Committee etc.

To maintain ecological balance at RGIA, green belt has been developed in an area of 273 hectares with various plant species and 971 hectares of natural greenery has been left undisturbed. RGIA has won the best landscape award at the Garden festival for the sixth consecutive year in 2016 from the Commissioner Horticulture, Dept. of Horticulture, Government of Telangana.

RGIA has achieved energy saving of 3.397 million kWh (kilowatt hour) in the last five years from various energy conservation practices. It has reduced its carbon footprint by 5578 tonnes in 2015 over base year 2009. RGIA received "Certificate of Merit" in National Energy Conservation Awards 2011 from Bureau of Energy Efficiency, Govt. of India for its achievements.

It has also received the CII Award for "Excellent Energy Efficient Unit" during the 16th National Award for Excellence in Energy Management 2015.

The RGIA Passenger Terminal Building has 'Leadership in Energy and Environmental Design' (LEED) certification for its unique design, which allows maximum natural lighting, and other features that enable optimal use of energy and water.

Wastewater is being treated in Sewage Treatment Plant (STP) at site and being reused for flushing and plantation. Sludge from STP is being used as manure.

At RGIA, the rainwater net recharge is estimated at 1.729 million cubic metre per annum. Surface water use and several water saving measures contribute to water conservation.

Food waste generated from the airport is converted as compost on the site. Compost is used as manure in place of Chemical Fertilizers. Paper and plastic wastes are handed over to recyclers for reprocess and reuse.

RGIA very actively promotes environmental awareness to the airport community and to the passengers by observing various days like World Environment Day, World Forestry Day, Ozone Layer Protection Day, Earth Day, etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

EPC division of the Company is certified for OHSAS 18001:2007. Green Certification [LEED – India] for DAV School, Rajam has been received. As part of sourcing strategy, priority is given to sourcing of local raw materials like sand, aggregate etc., [unless specified otherwise by client] for construction of Railways, Roads, Buildings and Power Projects. Also procurement procedures form part of the standard ISO procedures. In addition, EPC division strives to design and construct sustainable projects which include water and energy conservation measures, continuous monitoring of environmental parameters [like noise, air, water], identify and use of resources that are environment friendly, green technologies and deployment of fuel efficient equipments and machineries.

The fuel in the Energy Sector subsidiary companies is sourced through pipelines to the plant avoiding wastages like leak, vapourisation etc. The Company and its subsidiaries have a Procurement Policy in place and vendors agree to the GMR Code of Conduct and Business Ethics.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

With the completion of construction of plant and declaration of COD, local people have been considered for various services for the Company under O&M. These include housekeeping services, photography, catering services and printing stationery. Apart from that, petty work contracts for building maintenance, road and drains cleaning, stone pitching have been awarded to local persons only. All the O&M vendors have been notified by GCHEPL for appointing 70% of unskilled manpower from local villages and the local manpower to be given priority while recruiting technicians/welders/ supervisors.

For subsidiary companies in Energy Sector: The Companies have a policy of procuring goods and services like horticulture, housekeeping, hospitality support services and the like from nearby suitable sources of supply. The Companies have their internal methodology of procuring above goods and services. GMRVF, the CSR wing of GMR Group, helps the Companies for selling the products made by nearby community, trained by GMRVF.

For subsidiary companies in Airport Sector:

(i) Hyderabad Airport (GHIAL): The airport Business Development, FMS, Security, Terminal Operations and several other departments work closely with the CSR team of GHIAL to identify opportunities for getting goods and services from local community. There have been several exclusive and niche services in the airport which are being provided by local community entrepreneurs. For example, the photography services which were allocated to a local photographer for the last 5 years, in this year this service got more opportunity with the opening of visa-on-arrivals, wherein he has now been allocated space inside the airport and provides photos to passengers who come without them for visa. Like this, the barber, tyre inflation, grocery shop, housekeeping, etc. have all doing good business and expanding the same. In the reporting year, the road barricades placed at the airport road were also made and repaired locally at the training centre. A new initiative of cultivating vegetables through involvement of local community has been initiated by the Landscape Department where in the vegetables are being sold to employees as well as staff canteen, hotel, etc. in airport premises. The EMPOWER initiative for selling products made by local women at the airport continued with good sales at airport shops and supply to GHIAL for various events. The women were also engaged for uniform stitching as well as aircraft seat cover stitching at the MRO. The skill training centre in the airport premises continues to run courses in about 7 different disciplines and trained close to 650 candidates with more than 80% placement including some with concessionaires at the airport. A special 'FMS Supervisor Course' was run at the centre this year for in-service and fresh candidates. All the candidates from this course got placements through airport concessionaires.

(ii) Delhi Airport (DIAL): The Corporate Social Responsibility (CSR) Unit of DIAL has been working with the communities neighboring Indira Gandhi International (IGI) Airport, since June 2006 in technical collaboration with GMRVF. The activities were started in Mehramnagar and the same were extended to Savda Ghevra in January 2007, the resettlement colony where illegal encroachments of Airport land were rehabilitated by the Govt. Outreach of CSR activities were extended to Shahbad Mohammadpur in August, 2014. The CSR unit is working with approximately 20,000 people altogether in three communities.

In addition, it runs a vocational training center where drop out youth are given skills and gainfully employed. During the year 2015-16, the following activities/initiatives were taken up under the thrust areas of Education; Health, Hygiene & Sanitation; Empowerment and Livelihoods, as per the CSR policy of the Company.

EDUCATION

Recognizing the importance of Early Childhood Education in the holistic development of children, DIAL-CSR is running 3 Balabadis (Pre-schools for the children of 3-5 year age group) covering 90 under-privileged children. During the year 2015-16, total 78 children from 3 Balabadis were admitted in formal schools. DIAL–CSR is running 02 Kid Smart Early Learning Centers in Municipal Corporation of Delhi, Boys Primary school, Shahabad Mohammadpur and in Savda Ghevra, benefiting about 400 children. The Kid Smart center is the IBM supported digital literacy based program for children from 3-9 year age group.

The CSR unit also runs After School Learning Center (ASLC) for students of Std. VI to X which benefitted 147 children. The ASLCs provide tuition support to the slow learners. For the children below VI Std., DIAL-CSR initiated new intervention called Minimum Learning Standard program. This initiative is based on the NCERT given Minimum Learning Level that emphasizes on learner focused age appropriate learning. During the year, 190 children benefitted.

HEALTH, HYGIENE AND SANITATION

DIAL-CSR has initiated three programs viz. Reproductive and Child Health (RCH); Life Skill Education for Adolescents and General Health Awareness under RCH program. Around 150 women received antenatal and postnatal care, support services and also immunization of more than 300 children was done at Savda Ghevra.

Under Life Skill Education Program for Adolescents, DIAL-CSR has trained a cadre of more than 90 adolescents (42 girls and 51 boys) as Peer Educators on Adolescent Reproductive and Sexual Health and other life skill related issues. These trained adolescent girls are now working as change agents among 200 peers. Life Skill Center (resource center) in Savda Ghevra continues to provide information, referral and counseling services to adolescents. 516 People with disability were benefitted through enabling equipment, physiotherapy, medicines and counseling to care takers.

DIAL CSR also contributed to GMRVF under Swachh Bharat Abhiyan for construction of 1 and maintenance of 3 community toilets in Andhra Pradesh and maintenance of city toilet at Bengaluru reaching out to 4000 users.

EMPOWERMENT AND LIVELIHOODS

DIAL- CSR is implementing various initiatives for empowering youth and women like vocational training for youth, individual livelihood support and marketing support to women entrepreneurs.

Centre for Empowerment and Livelihoods - Delhi (CEL-D): Started in September 2009, engaged in imparting vocational skill trainings for under-privileged dropout youth. Till date we have trained 2815 youth.

Training is provided in various trades like Basic Computers; Basic Electrical; Refrigeration and Air Conditioning; Cargo Management; Excavator Operator; Welding & Fabrication etc. All the courses are being run in partnership with leading industries like Volvo, Voltas, ATDC, VDMA, CELEBI etc. During 2015-16, a total of 941 under-privileged youth were trained and 876 had been successfully settled.

Besides running CEL-D, DIAL CSR supported vocational training of 3700 youth with settlement rate of 76% under **Skill India Initiative** through 8 vocational training institutes run by GMRVF across India located in Madhya Pradesh, Andhra Pradesh, Telangana and Karnataka.

DIAL-CSR is running a stitching cum production center for the women and girls in Mehramnagar community. 10 new women were trained on jute based product making and 25 women were benefitted directly through marketing of products made by them.

DIAL-CSR is running Community Resource Center (CRC) to help community to get access to Government schemes by providing them relevant information. In the reporting period, 131 people were helped to get enrolled in different Government schemes like Pradhan Mantri Jan Dhan Yojana, Aadhar Card, old age pension, getting widow pension, income certificate etc.

25 women were made literate through TATA supported Computer Based Functional Literacy (CBFL) program at Shahbad Mohammadpur village in Delhi.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company's subsidiaries operate in different business sectors like Energy, Airports, Highways and Urban Infrastructure. The waste water at the power generation plants and Airports, is recycled and used for gardening and other cleaning purposes. The waste handling activity of Delhi Airport has been outsourced to waste handling agencies accredited by DPCC and MoEF and all waste is handled as per regulatory requirements and timely returns are filed with concerned Government Agencies.

Also, wastes generated during the operations of the power generation plants are sent to the authorized agencies of CPCB / SPCB for treatment. Ash generated at the power plants is being reused and disposed to cement and brick manufacturers, for road making and filling in low lying areas / abandoned quarries.

Principle 3: Businesses should promote the wellbeing of all employees

1. **Please indicate the Total number of employees:**

Sl No.	Category of Employees	No. of Employees
1	Managerial Staff (Executive Cadre)	472
2	Operations Staff (Non-Executive Cadre)	84
	Total	**556**

2. **Please indicate the Total number of employees hired on temporary / contractual / casual basis:**

Sl No.	Category of Employees	No. of Employees
1	Advisors & Consultants	14
2	Sub-Contracted Employees	NIL
3	Casual Employees	NIL
	Total	**14**

3. **Please indicate the Number of permanent women employees:**

Number of permanent women employees : 57

4. **Please indicate the Number of permanent employees with disabilities:**

Number of permanent employees with disabilities : NIL

5. **Do you have an employee association that is recognized by management?**

There is no employee association in the Company.

6. **What percentage of your permanent employees is members of this recognized employee association?**

N.A.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child Labour/forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees: 100%
- Permanent Women Employees: 100%
- Casual / Temporary / Contractual Employees: 100%
- Employees with Disabilities: N.A.

All the contractual employees of the Company receive mandatory safety training before entering their premises and receive the job training through the contractor and the Company.

Principle 4: Businesses should respect the interests of, and be responsive towards, all stakeholders especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders? [Yes/No].**

Yes. Whenever the Company sets up a business, it surveys the surrounding communities and identifies key stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

There is a specific focus on identifying the vulnerable amongst the stakeholders. These include landless, tribal communities, socially and economically backward sections, people with disabilities, women-headed households etc. The Company conducts need assessment studies in its business locations and identifies the needs of communities with special focus on disadvantaged and vulnerable communities and all the CSR activities are being planned and implemented based on the identified needs of the communities.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

For the Company, community is a major stakeholder of business. Thus, GMR Group works with the under-privileged communities around its business operations for improving their quality of life. A special focus is laid on vulnerable and marginalized sections of the community such as differently-abled persons, elders, tribals, migrant labour etc. GMRVF initiated Tent School program in Bengaluru for the children of migrant labour communities. About 1000 children get benefit from this Tent School initiative that otherwise had to drop out of education due to migratory nature of their families. At Delhi, the CSR unit is running Samarth program for mainstreaming differently-abled persons through inclusive education, creation of livelihood opportunities, facilitating their rights and entitlements etc. Over 200 persons / children with disabilities benefit from this initiative. To address the health care needs of disadvantaged elderly people, GMRVF is running 4 Mobile Medical Units at different locations which takes quality health care to the doorsteps of about 7000 elderly and vulnerable people. At Shahdol (MP), GMRVF partnered with Women and Child Welfare Department to set up Anganwadi centers in tribal hamlets which provide pre-school education, nutrition support etc. for children of 0-5 years age, adolescent girls, pregnant and lactating women. Foundation is also running 11 Nutrition Centers which provide supplementary nutrition, health check-ups and health awareness to pregnant and lactating women from under-privileged families. Also, in the vocational training program of GMRVF, preference is given to the candidates from disadvantaged backgrounds and special efforts are put to mainstream them through provision of required skills. Further, Foundation has set up Girijan Institute of Rural Entrepreneurship Development in the Seethampet Agency area in Srikakulam district of Andhra Pradesh which provides skill trainings to tribal youth in different vocations. GMRVF also has focused programmes to reach out to women and improve their livelihoods. In the remote, hilly areas of

Uttarakhand and Himachal Pradesh where the Group has businesses, the Foundation conducts special outreach health camps to cater to the health care needs of people who otherwise have no access to any kind of health care facilities.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures /Suppliers / Contractors / NGOs / Others?**

   The Company has a policy on Human Rights. Additionally, policies like Code of Conduct, Whistle Blower Policy, Disciplinary Policy, Policy against Sexual Harassment and Policy on Work Environment coupled with transparent HR processes and practices adequately cover the human rights aspects.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   There were no reported complaints received during the financial year 2015-16.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.**

   The policy related to principle 6 is applicable to all the units of GMR Group, its contractors and its employees.

2. **Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming etc? [Y/N]. If yes, please give hyperlink for webpage etc.**

   Yes, the Company and the Group has strategies to address global environmental issues such as Climate Change and Global Warming.

   GMR Group has initiated the process of Clean Development Mechanism (CDM) in 2008 and commenced assessment of Carbon Footprint of its units.

   The Company has evolved as Sustainability leader by registering 7 CDM Projects with United Nations Framework Convention on Climate Change (UNFCCC). Terminal 3 (T3) of Indira Gandhi International Airport (IGIA) has become the first terminal in the world to have successfully registered with UNFCCC as CDM project for its Greenhouse Gas (GHG) emission reduction initiatives.

   DIAL is accredited by Airport Council International (ACI) for its Carbon Management at IGI Airport to "Optimization Level". DIAL has installed 2.14 MW solar plant at IGI Airport and is the first airport in India having mega solar power plant at airside premises. DIAL further upgraded the total solar power plant capacity to 7.84 MW by adding another 5.7 MW during the FY 2015-16. GHIAL has been accredited for Level 3 (Optimization) 'Airport Carbon Accreditation' by ACI. GHIAL became the 1st Airport in the country and 2nd Airport in the Asia Pacific Region to get this accreditation.

   GMR Vemagiri Power Generation Limited, GMR Renewable Energy Limited, Alaknanda hydro project, Bajoli-Holi hydro project, Gujarat solar power project and Wind power projects at Gujarat and Tamil Nadu are registered as CDM Projects at UNFCCC.

3. **Does the company identify and assess potential environmental risks? [Y/N]**

   Yes, the company has a procedure to identify and assess potential environmental risk. All operating units have implemented Environmental Management System as ISO 14001 international standard requirements and have been certified by external auditors.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Yes, the Company through its subsidiaries/associates is actively involved in the development of CDM projects. It has taken the initiative towards developing the projects which are energy efficient, utilizes cleaner fuel and uses renewable energy resources as fuel. In such endeavor, the Group has registered 7 CDM projects at UNFCCC till date. Also, UNFCCC has issued 3,16,124 certified emission reduction in FY 2013-14. The Group does not have the requirement to file any environmental compliance related to CDM; however, the environmental aspects related to compliance and sustainability are included in the Project design document of CDM. DIAL has successfully registered "Energy efficiency measures at Terminal 3" at UNFCCC in the month of July, 2013.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc., [Y/N]. If yes, please give hyperlink for web page etc.**

   Yes. The Company understands the thrust of achieving energy efficiency and effectively utilizes the available clean technology and renewable energy resources in all its business developments. Delhi Indira Gandhi International Airport, Terminal 3 has been awarded green building "LEED GOLD" rating from Indian Green Building Council (IGBC) thereby making it one of the largest Green Buildings in the world[1]. The Rajiv Gandhi International Airport (RGIA) Passenger Terminal Building has 'Leadership in Energy and Environmental Design' (LEED) certification for its unique design, which allows maximum natural lighting, and other features that enable optimal use of energy and water. RGIA is the first airport in the world to be awarded the LEED silver rating for its eco-friendly design[2]. Upcoming thermal power plants projects based on Coal are planned with the latest available technology viz., Supercritical Technology and wherever feasible the projects are developed to use Natural Gas, which is the Clean fuel resource. The operating power plants viz., GMR Power Corporation Limited (GPCL) and GMR Vemagiri Power Generation Limited (GVPGL) are already identified as energy efficient power plants as per the Notification [S.O. 687 (E) dated March 30, 2012] issued by the Ministry of Power under the Perform, Achieve and Trade (PAT) Mechanism. The Company is involved in developing the projects under renewable portfolio. The

1 http://www.newdelhiairport.in/environment.aspx
2 http://www.hyderabad.aero/environment.aspx

Company takes the pride of commissioning 25 MW grid connected Solar Photo Voltaic based power plant at solar park developed by Gujarat Power Corporation Limited, Charanka in Gujarat. The Company has also commissioned the wind mill in Gujarat (2.1 MW Capacity) and Tamil Nadu (1.25 MW Capacity).

In addition to the above initiatives, DIAL has installed 2.14 MW plant at IGI Airport and is the first airport in India having mega solar power plant at airside premises. DIAL further upgraded the total solar power plant capacity to 7.84 MW by adding another 5.7 MW during the FY 2015-16. This measure has been taken to promote renewable energy use and reduce associate emission and also to support National Climate Change Action Plan. GHIAL has a proposal for 5 MW Solar Power Plant as part of green energy promotion.

6. **Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   Yes, all the emissions and waste generated by the Company including its subsidiaries is well within the permissible limits prescribed by CPCB / SPCB.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e., not resolved to satisfaction) as on end of the Financial Year.**

   Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is a member of:

   A. Confederation of Indian Industry (CII), Chennai

   B. The Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi

   C. Federation of Indian Chambers of Commerce & Industry (FICCI), New Delhi

   D. Bangalore Chamber of Industry & Commerce (BCIC)

   E. Indo-Japanese Chamber of Commerce & Industry (Karnataka) (IJCCI)

   F. PHD Chamber of Commerce & Industry (PHDCCI), New Delhi

   G. Maharashtra Economic Development Council (MEDC)

   H. Thought Arbitrage Research Institute (TARI)

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? [Yes/No]; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Yes, following are the broad areas:

   (i) Economic Reforms

   (ii) Airport Services

   (iii) Energy Sector

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes, GMR Group works with the communities surrounding its business operations with a vision to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods. The programs are designed based on the local needs identified through the baseline studies at each location. Thus, all the programs are sensitive to the needs of local communities and ensure a high level of participation from the communities. Under the area of Education, GMR Group is running an Engineering, Degree and B.Ed colleges in AP apart from several schools. 20% of the seats in all the schools are provided free of cost to the children from poor communities. Group also supports the education of poor students by facilitating Scholarships and Education loans. About 4000 students have received such support. GMR Group also focuses on improving the infrastructure facilities and quality of education in Government schools and pre-schools, apart from running its own Balabadis (Pre-schools for children of 3-5 year age group). About 350 Govt. schools are supported, reaching out to over 35,000 children. About 3500 school age children in 180 Balabadis and Anganwadis across the country benefit from the Group's initiatives. Over 250 children have been sponsored to quality English Medium Schools under the Gifted Children Scheme and their complete educational expenses are borne by the Foundation. Technology enabled learning is also facilitated with the setting up of 39 IBM Kid Smart Early Learning Centers across the locations. Tent schools are being run to educate and mainstream about 1000 children of migrant labour. In the area of health, GMR Group is providing health services to under-served communities by running a 135-bed hospital, 28 medical clinics, 2 ambulances and 4 Mobile Medicare Units. The medical clinics of the Foundation are serving over 7000 patients per month. 29 public toilets have been constructed in both rural and urban locations to improve sanitation facilities which are used by about 30,000 people per month. Further, over 750 families have been supported for the construction of Individual Sanitary Lavatories. Many awareness programs are organized on health and hygiene related issues which have shown lot of impact on the health status of the communities. Enhancing the livelihoods of the communities is another area of the focus, and to achieve this, as part of the CSR, 10 vocational training centers are run in different locations through which about 5000 under-privileged youth are trained every year in different market relevant skills. Over 80% of these trainees are settled in wage or self-employment. About 1,700 families are being supported with farm and non-farm based livelihoods to enhance their incomes. The Group also works towards women empowerment by promoting and strengthening Women Self Help Groups. About 300 groups are formed so far with more than 3,500 members and are receiving thrift, credit, capacity building and market support. Further, the community development initiatives focus at establishing village libraries, promoting youth and children's clubs and also on generating awareness among communities on key social and environmental issues.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

GMR Group implements the community development programs through its own foundation i.e., GMR Varalakshmi Foundation, a Company registered under Section 25 of the Companies Act, 1956. The Foundation is governed by a Board of eminent professionals chaired by the Group Chairman. It has its own professional staff drawn from top academic institutions.

3. Have you done any impact assessment of your initiative?

Yes, GMRVF conducts impact assessment studies, both external and internal, in its project locations to understand the effectiveness of the programs.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The CSR spend of the Group for the financial year 2015-16 was ₹ 31.63 Crore.

Projects undertaken:

Education:

1) Supporting Govt. schools with Vidya Volunteers, Teaching Learning Materials, After School Learning Centers, Small infrastructure, Teachers' training etc., to improve the quality of education;

2) Supporting Govt. Anganwadis and setting up Balabadis to provide quality pre-school education;

3) Support to students with coaching for different entrance and competitive examinations, scholarships and loans for pursuing higher education etc.

Health, Hygiene and Sanitation:

1) Running Medical Clinics, Mobile Medical Units and Ambulances where ever there is a gap of such health facilities;

2) Conducting need based general and specialized health check-up camps and school health check-ups;

3) Conducting health awareness programs with special focus on seasonal illnesses, HIV/AIDS etc.,

4) Construction of Public Toilets and facilitating construction of Individual Sanitary Lavatories.

Empowerment and Livelihoods:

1) Running 10 vocational training centers for training under-privileged dropout youth in different vocational programs;

2) Promoting and strengthening Self-Help Groups of women and providing training, input and marketing support for them to take up income generation programs;

3) Running community libraries, supporting youth clubs, conducting awareness programs on social issues etc.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

GMRVF lays great emphasis on involving community in their development process. Towards this, GMRVF conducts wide consultations with the communities before initiating any program and develops programs based on the local needs identified by the communities. Community members are engaged at every stage of the programs and all the systems and procedures have been made accountable and transparent for the communities. For example, in the education programs, GMRVF strengthens School Management Committees, Parents Associations and facilitates parent teacher meetings so that these committees monitor the programs closely and effectively. Where relevant, Self Help Group (SHG) federations have been formed and strengthened so that they would take the responsibility of facilitating and monitoring the SHGs. Child clubs, Youth clubs, SHGs and other community based institutions are made involved in all the community development programs which help in building ownership of the programs.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year?

DIAL received a total of 947 complaints during the financial year from various persons availing either airport services or the services of various airlines. Out of the said 947 complaints, as on March 31, 2016, there were 21 open complaints.

One consumer case is pending against GMR Ambala-Chandigarh Expressways Private Limited (GMRACPL) before Mohali's District Consumer Redressal Forum.

Two complaints filed against GHIAL are pending before the Hyderabad State Consumer Redressal Forum and RR District Consumer Redressal Forum respectively.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? [Yes/No/N.A./Remarks (additional information)]

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending

as on end of financial year. If so, provide details thereof, in about 50 words or so.

Not Applicable.

4. **Did your company carry out any consumer survey / consumer satisfaction trends?**

As part of Customer focus initiatives, the Company at regular intervals captures the Satisfaction levels of its Clients (Internal as well as External) to capture the stated and unstated needs and expectations. The Company measures the Customer Satisfaction at four stages viz., during initiation and mobilization, execution, handing over and defect liability period. Customer Satisfaction Survey captures feedback on various criteria like Planning, Execution, Safety and Quality on the scale of 1 to 5 and also captures suggestions / comments, if any, from the Customer. This information is analyzed to arrive at actionable points to improve our service offerings. Business Balance Score Card (BBSC) and Goal Sheets (of related employees) have weightage to improve Customer feedback and Satisfaction index.

4th Road Users Satisfaction Survey at GMR Highways:

GMR Highways conducted its fourth successive Road User Satisfaction Survey (RUSS) at all its Assets [both Toll and Annuity] with an objective of understanding and measuring the Road Users' awareness and satisfaction with GMR Highway's facilities, services and other aspects of road users' experiences and perceptions. A cross functional team from Operation and Maintenance at Site and HO along with Business Excellence, GMRVF and RAXA administered the survey. The survey was carried out for 7 days from December 14-20, 2015 at various prominent locations along the highways like truck lay bays, bus lay bays, rest areas, hotels, dhabas, bus stands etc.

Survey feedback was collected from a random sample size of over 2200 Road Users across all Assets targeting various segments of road users such as Cars, LCVs, Buses, Trucks, MAVs, Two and Three Wheelers. Different set of questions [19 for toll and 13 for annuity based Assets] were asked in the survey covering all important aspects of highways. The feedback was taken on a 5 point scale representing Poor, Average, Good, Very Good and Excellent. A detailed analysis report based on the survey feedback was prepared. All Assets have performed exceedingly well on all the major parameters as compared to last year. Action plans were prepared and implemented wherever gaps were identified to further improve the Road User experience.

The subsidiaries of the Company i.e. DIAL and GHIAL, as per the covenants of the concession agreement, have to regularly conduct passenger surveys in order to evaluate the performance resulting in form of the internationally accepted ASQ scores.

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Infrastructure Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GMR Infrastructure Limited (hereinafter referred to as 'the Holding Company' or 'GIL'), its subsidiaries, jointly controlled entities and associates (collectively hereinafter referred to as 'the Group') comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') 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, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act;for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 financial controls relevant to the Holding Company's preparation 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. As detailed in Note 42(ii)(b) to the accompanying consolidated financial statements for the year ended March 31, 2016, GMR Rajahmundry Energy Limited ('GREL'), a subsidiary of the Company has capitalised ₹ 1,238.20 crore during the period July 2012 to June 2015 towards indirect expenditure and borrowing costs (net of income earned during aforementioned period) incurred on a plant under construction where active construction work was put on hold during the said period pending securing supply of requisite natural gas and has approached the Ministry of Corporate Affairs ('MCA') seeking clarification on the applicability of the General Circular 35/2014 dated August 27, 2014 issued by MCA. However, in our opinion, the aforesaid capitalisation of such expenses is not in accordance with the relevant Accounting Standards. Further, on account of the aforesaid capitalisation, the depreciation expenses for the year ended March 31, 2016 are higher by ₹ 29.90 crore. Had the aforesaid expenditure not been capitalized and depreciation not been charged, loss after tax and minority interest of the Group for the year ended March 31, 2016 and cumulatively upto March 31, 2016 would have been higher by ₹ 103.38 crore and ₹ 1,163.00 crore respectively. In respect of the above matter, our audit report for the year ended March 31, 2015 was similarly qualified.

2. As detailed in Note 42(viii)(b) to the accompanying consolidated financial statements for the year ended March 31, 2016, GMR Chhattisgarh Energy Limited ('GCHEPL'), a subsidiary of the Company has not capitalised Unit 1 of its power plant from the date of declaration of commercial operations on June 1, 2015 and also one of its mines which was ready for its intended use from August 1, 2015 and continued the capitalisation of the indirect expenditure and borrowing costs incurred subsequent to the said dates amounting to ₹ 43.36 crore and ₹ 219.01 crore respectively. The Group has also not charged depreciation of ₹ 106.72 crore in the accompanying financial statements with regard to Unit 1 of its power plant. However, in our opinion, the aforesaid accounting treatment is not in accordance with

the relevant Accounting Standards. Had the aforesaid expenditure not been capitalized and had the depreciation expenses been recognized, loss after tax and minority interest of the Group for the year ended March 31, 2016 and cumulatively upto March 31, 2016 would have been higher by ₹ 369.09 crore. Also refer paragraph 7 in the Emphasis of Matter paragraph in respect of this matter.

3. As detailed in Note 41(iii) to the accompanying consolidated financial statements for the year ended March 31, 2016, GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL'), a subsidiary of the Company issued a notice of intention to terminate the Concession Agreement with National Highways Authority of India ('NHAI') and issued a notice of dispute to NHAI invoking arbitration provisions of the Concession Agreement during the earlier years. Both the parties have appointed their arbitrators and the arbitration process is pending commencement. GKUAEL incurred and capitalised indirect expenditure and borrowing costs of ₹ 137.47 crore till March 31, 2016 and has given capital advances of ₹ 590.00 crore to its EPC Contractor. The Group also provided a bank guarantee of ₹ 269.36 crore to NHAI. Pursuant to the notice of dispute, GKUAEL terminated the EPC contract on May 15, 2015 and received claims towards such termination. However, no such claims from the EPC contractor have been recognised in the accompanying consolidated financial statements as at March 31, 2016. GKUAEL has also transferred the aforesaid project costs of ₹ 137.47 crore to claims recoverable and has made a provision of ₹ 137.47 crore cumulatively upto March 31, 2016 (including ₹ 6.48 crore for the year ended March 31, 2016) towards such claims recoverable.

   The notice of dispute and initiation of arbitration proceedings, indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of GKUAEL and its impact on the net assets / performance guarantee provided by the Group. Having regard to the uncertainty in view of the dispute, we are unable to comment on the final outcome of the matter and its consequential impact on the consolidated financial statements for the year ended March 31, 2016. In respect of the above matter, our audit report for the year ended March 31, 2015 was similarly qualified.

4. As detailed in Note 30(d) and 43(i) to the accompanying consolidated financial statements for the year ended March 31, 2016, 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'), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years was declared void ab initio by MACL and MoFT and MACL has taken possession of MIA with effect from December 8, 2012. GMIAL has initiated the arbitration process to seek remedies under the said agreement and on June 18, 2014, the tribunal delivered its award declaring that the Concession Agreement was not void ab initio and was valid and binding on the parties. However, the quantum of the damages is yet to be decided and accordingly, pending final outcome of the arbitration, GMIAL continues to recognise the assets at their carrying values of ₹ 1,594.68 crore (USD 23.88 crore) as at March 31, 2016 including the claim recoverable of ₹ 1,273.14 crore (USD 19.08 crore) as the management is of the view that GMIAL will be able to recover at least the carrying value of the assets.

   Further, GMIAL had 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 have 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 accompanying consolidated financial statements for the year ended March 31, 2016.

   The takeover of MIA by MACL, initiation of arbitration proceedings and its consequential impact on the operations indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of GMIAL and GADLIL. However, the financial statements of GMIAL and GADLIL as at and for the year ended March 31, 2016 continue to be prepared and consolidated 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 in 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, 2016. In respect of the above matter, our audit report for the year ended March 31, 2015 was similarly qualified.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in sub-paragraphs 1 and 2 and the possible effect of the matters described in sub-paragraphs 3 and 4 in the Basis for Qualified Opinion paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016, its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying consolidated financial statements for the year ended March 31, 2016:

1. Note 42(vi) which indicates that the entire matter relating to claims / counter claims arising out of the Power Purchase Agreement ('PPA') and Land Lease Agreement, filed by GMR Power Corporation Limited ('GPCL'), a subsidiary of the Company and Tamil Nadu Generation and

Distribution Corporation Limited ('TAGENDCO'), 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 for the year ended March 31, 2016. Considering that substantial amount, though under protest, has been received, GPCL, based on an expert opinion, offered the amount of claims received upto March 31, 2014 as income in its income tax returns and has claimed the deduction under Section 80IA of the Income Tax Act, 1961.

2. Note 41(i) regarding the carrying value of net assets of ₹ 184.62 crore (after providing for losses till date of ₹ 209.55 crore) as regards investments 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 and the matter is currently under arbitration, 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) of GACEPL as at March 31, 2016 is appropriate.

3. Note 42(ii)(a) regarding (i) cessation of operations and the losses, including cash losses incurred by GMR Energy Limited ('GEL') and 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 operation date and the repayment of certain project loans by another subsidiary of the Company, GMR Rajahmundry Energy Limited ('GREL'), pending linkage of natural gas supply. 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 the appropriateness of the going concern assumption is dependent on the ability of the aforesaid entities to establish consistent profitable operations as well as raising adequate finance to meet their short term and long term obligations. The accompanying consolidated financial statements for the year ended March 31, 2016 do not include any adjustments that might result from the outcome of this significant uncertainty.

4. Note 42(vii) regarding the expiry of PPA with TAGENDCO and cessation of operations due to non-renewal of PPA. Based on the future business plans and valuation assessment, the management of the Group is of the view that the going concern assumption and carrying value of the net assets in GPCL is appropriate and does not require any adjustment that might result due to this uncertainty.

5. Note 41(ii) regarding the claims filed by GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), a subsidiary of the Company. GHVEPL has been incurring losses since the commencement of commercial operations. Based on a valuation assessment. a legal opinion and for reasons explained in the aforesaid note, the management of GHVEPL is of the view that the carrying value of the net assets (after providing for losses till date) of ₹ 360.53 crore in GHVEPL as at March 31, 2016 is appropriate.

6. Note 42(xi) regarding 300 MW hydro based power plant on Alaknanda river, Uttarakhand being constructed by GMR Badrinath Hydro Power Generation Private Limited ('GBHPL'), a subsidiary of the Company. The Hon'ble Supreme Court of India ('the Supreme Court'), while hearing a civil appeal in the matters of a hydro power company, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by any of the 24 projects until further orders. The management of the Group is confident of obtaining the requisite clearances and based on a business plan and valuation assessment is of the view that the carrying value of the net assets of ₹ 258.62 crore of GBHPL as at March 31, 2016 is appropriate.

7. Note 42(viii)(a) regarding uncertainties in tying up power supplies, achieving profitability in operations, mega power status, refinancing of existing loans at lower rates of interest and other key assumptions made in the valuation assessment of GCHEPL. The carrying amount of the net assets is critically dependent upon the achievement of the key assumptions as discussed in the aforesaid note. In the opinion of the management of the Group, no adjustments are considered necessary at this stage in the accompanying consolidated financial statements for the year ended March 31, 2016 for the reasons explained in the said note.

8. Note 40 (iv) regarding costs related to residential quarters for Central Industrial Security Force ('CISF') deployed at the Rajiv Gandhi International Airport, Hyderabad, operated by GMR Hyderabad International Airport Limited ('GHIAL'), a subsidiary of the Company and other costs which continue to be adjusted against PSF (SC) fund pending the final decision from the Hon'ble High Court at Hyderabad for the State of Telangana and State of Andhra Pradesh and consequential instructions from the Ministry of Civil Aviation.

9. Notes 42(i)(a) and 42(i)(b) regarding the uncertainties pertaining to coal prices and the other key assumptions made by the management in the valuation assessment of entities which are engaged in the operation and development of coal mines. In the opinion of the management of the Group, no further adjustments are considered necessary at this stage in the accompanying consolidated financial statements for the year ended March 31, 2016 for the reasons explained in the said notes.

10. Note 37(iv) regarding recovery of transmission charges from Maharashtra State Electricity Distribution Company Limited ('MSEDCL'). GMR Warora Energy Limited ('GWEL') (formerly known as 'EMCO Energy Limited'), a subsidiary of the Company, pursuant to Appellate Tribunal for Electricity ('APTEL') Order ('the Order') dated May 8, 2015, has raised invoices towards reimbursement of transmission charges from the initial date of scheduling the power. Pursuant to the Order and legal opinion stating that GWEL has a good tenable case with respect to the appeal filed by MSEDCL against the

said Order before the Hon'ble Supreme Court of India, GWEL has accounted for the reimbursement of transmission charges of ₹ 79.04 crore for the period from April 1, 2015 to March 31, 2016 as reduction from transmission expenses and ₹ 51.42 crore as an 'exceptional item' as the said recovery pertains to the period prior to April 1, 2015.

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We /the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) Except for the effect of the matters described in sub-paragraphs 1 and 2 and the possible effect of the matters described in sub-paragraphs 3 and 4 in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) The matters described in the Basis for Qualified Opinion paragraph, the matters in sub-paragraphs 2 to 10 in the Emphasis of Matter paragraph and Qualified Opinion paragraph of 'Annexure I' in our opinion, may have an adverse effect on the functioning of the Group;

   (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors who are appointed as per Section 139 of the Act, of its subsidiaries, jointly controlled entities and associates incorporated in India, none of the directors of the companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

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

   (h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiaries, jointly controlled entities and associates incorporated in India, refer to our separate report dated May 30, 2016 in "Annexure 1" to this report;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer note 30(d), 33, 36, 40(i), 40(ii), 40(iv), 40(v), 41(i), 41(ii), 41(iii), 42(vi), 42(xi) and 42(xii) to the consolidated financial statements;

      ii. Except for the possible effect of the matters described in sub-paragraphs 3 and 4 in the Basis for Qualified Opinion paragraph, the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, jointly controlled entities and associates incorporated in India.

Other Matters

1. The financial statements and other financial information of 2 subsidiaries, with total assets of ₹ 13,903.04 crore as at March 31, 2016, total revenue (including other income) of ₹ 5,050.89 crore, total loss of ₹ 162.06 crore and net cash inflow amounting to ₹ 281.20 crore for the year then ended have been audited by us jointly with other auditors.

2. We did not audit the financial statements and other financial information of (i) 107 subsidiaries with total assets of ₹ 42,306.98 crore as at March 31, 2016, total revenue (including other income) of ₹ 5,565.15 crore, total loss of ₹ 1,826.13 crore and net cash outflow amounting to ₹ 311.37 crore for the year then ended; and (ii) 22 jointly controlled entities (including 16 jointly controlled entities consolidated for the period January 01, 2015 to December 31, 2015) with the Group's share of total assets of ₹ 4,822.25 crore as at March 31, 2016, total revenue (including other income) of ₹ 823.93 crore, total profit of ₹ 24.48 crore and net cash inflow amounting to ₹ 22.00 crore for the year then ended. These financial statements and other financial information of these subsidiaries and jointly controlled entities have been audited by other auditors, whose reports have been furnished to

us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, to the extent applicable, is based solely on the reports of such other auditors.

3. We did not audit the financial statements and other financial information of (i) 4 subsidiaries (including 1 subsidiary consolidated for the period January 1, 2015 to December 31, 2015) with total assets of ₹ 1.84 crore as at March 31, 2016, total revenue (including other income) of ₹ 0.58 crore, total profit of ₹ 0.40 crore and net cash inflow amounting to ₹ 0.93 crore for the year then ended; (ii) 2 jointly controlled entities with the Group's share of total assets of ₹ 0.55 crore as at March 31, 2016, total revenue (including other income) of ₹ 0.41 crore, total loss of ₹ 0.04 crore and net cash outflow amounting to ₹ 0.95 crore for the year then ended; and 3 associates with Group's share of total loss of ₹ 5.52 crore for year then ended. These financial statements and other financial information for these subsidiaries, jointly controlled entities and associates are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates and our report in terms of sub-section (3) of Section 143 of the Act, to the extent applicable, is based solely on such unaudited financial statements and other financial information as certified by the management. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GMR INFRASTRUCTURE LIMITED

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

To the Members of GMR Infrastructure Limited

In conjunction with our audit of the consolidated financial statements of GMR Infrastructure Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of GMR Infrastructure Limited (hereinafter referred to as the 'Holding Company' or 'GIL'), its subsidiaries, jointly controlled entities and associates, which are companies incorporated in India, as of that date (together referred to as the 'Covered entities' in this report). Refer Annexure II for the list of Covered entities

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our Qualified audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls over financial reporting in case of Covered entities, the following material weaknesses have been identified as at March 31, 2016:

a) The Company's internal financial control with regard to the compliance with the applicable accounting standards with regard to capitalization of indirect expenditure and borrowing costs as fully explained in notes 42(ii)(b) and 42(viii)(b) to the consolidated financial statements were not operating effectively and has resulted in the Company not providing for adjustments, that are required, to the consolidated financial statements.

b) The Company's internal financial control with regard to the assessment of carrying value of net assets of certain subsidiaries as fully explained in notes 30(d), 43(i) and 41(iii) to the consolidated financial statements were not operating effectively and could potentially result in the Company not providing for adjustments that may be required to the carrying value of such net assets.

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

In our opinion, the Covered entities, in all material respects, maintained adequate internal financial controls over financial reporting as at March 31, 2016, based on the internal control over financial reporting criteria established by the Covered entities considering the essential components of internal control stated in the Guidance Note, and except for the effect of the material weakness described in paragraph (a) and the possible effect of the material weakness described in paragraph (b) above on the achievement of the objectives of the control criteria, the Covered entities' internal financial controls over financial reporting were operating effectively as at March 31, 2016.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Covered entities as listed in Annexure II is based on the corresponding reports of the auditors of such companies.

We also have audited, in accordance with the Standards on Auditing issued by the ICAI, as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, and our report dated May 30, 2016 expressed a qualified opinion thereon on the consolidated financial statements.

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

ANNEXURE II

Sl. No.	Name of the entity	Nature of relationship
1	GMR Infrastructure Limited	Holding Company
2	GMR Energy Limited	Subsidiary
3	GMR Power Corporation Limited	Subsidiary
4	GMR Vemagiri Power Generation Limited	Subsidiary
5	GMR (Badrinath) Hydro Power Generation Private Limited	Subsidiary
6	GMR Mining & Energy Private Limited	Subsidiary
7	GMR Kamalanga Energy Limited	Subsidiary
8	GMR Energy Trading Limited	Subsidiary
9	GMR Consulting Services Private Limited	Subsidiary
10	GMR Coastal Energy Private Limited	Subsidiary
11	GMR Bajoli Holi Hydropower Private Limited	Subsidiary
12	GMR Londa Hydropower Private Limited	Subsidiary
13	GMR Kakinada Energy Private Limited	Subsidiary
14	GMR Chhattisgarh Energy Limited	Subsidiary
15	GMR Rajahmundry Energy Limited	Subsidiary
16	SJK Powergen Limited	Subsidiary
17	GMR Warora Energy Limited	Subsidiary
18	GMR Maharashtra Energy Limited	Subsidiary
19	GMR Bundelkhand Energy Private Limited	Subsidiary
20	GMR Rajam Solar Power Private Limited	Subsidiary
21	GMR Hosur Energy Limited	Subsidiary
22	GMR Gujarat Solar Power Private Limited	Subsidiary
23	GMR Indo-Nepal Energy Links Limited	Subsidiary
24	GMR Indo-Nepal Power Corridors Limited	Subsidiary
25	GMR Renewable Energy Limited	Subsidiary
26	Aravali Transmission Service Company Limited	Subsidiary
27	Maru Transmission Service Company Limited	Subsidiary
28	GMR Power Infra Limited	Subsidiary
29	GMR Highways Limited	Subsidiary
30	GMR Tambaram Tindivanam Expressways Limited	Subsidiary
31	GMR Tuni Anakapalli Expressways Limited	Subsidiary
32	GMR Ambala Chandigarh Expressways Private Limited	Subsidiary
33	GMR Pochanpalli Expressways Limited	Subsidiary
34	GMR Hyderabad Vijayawada Expressways Private Limited	Subsidiary
35	GMR Chennai Outer Ring Road Private Limited	Subsidiary
36	Raxa Security Services Limited	Subsidiary
37	GMR Kishangarh Udaipur Ahmedabad Expressways Limited	Subsidiary
38	GMR Highways Projects Private Limited	Subsidiary
39	GMR Hyderabad International Airport Limited	Subsidiary
40	Gateways for India Airports Private Limited	Subsidiary
41	Hyderabad Menzies Air Cargo Private Limited	Subsidiary
42	Hyderabad Airport Security Services Limited	Subsidiary
43	GMR Hyderabad Airport Resource Management Limited	Subsidiary
44	GMR Hyderabad Aerotropolis Limited	Subsidiary
45	GMR Hyderabad Aviation SEZ Limited	Subsidiary
46	GMR Hyderabad Multiproduct SEZ Limited	Subsidiary
47	GMR Aerospace Engineering Limited	Subsidiary
48	GMR Aero Technic Limited	Subsidiary
49	Hyderabad Duty Free Retail Limited	Subsidiary
50	GMR Airport Developers Limited	Subsidiary
51	GMR Airport Handling Services Company Limited	Subsidiary
52	GMR Hotels and Resorts Limited	Subsidiary
53	GMR Hyderabad Airport Power Distribution Limited	Subsidiary
54	Delhi International Airport Private Limited	Subsidiary
55	Delhi Aerotropolis Private Limited	Subsidiary
56	Delhi Duty Free Services Private Limited	Subsidiary
57	Delhi Airport Parking Services Private Limited	Subsidiary
58	GMR Airports Limited	Subsidiary

Sl. No.	Name of the entity	Nature of relationship
59	GMR Aviation Private Limited	Subsidiary
60	GMR Krishnagiri SEZ Limited	Subsidiary
61	Advika Properties Private Limited	Subsidiary
62	Aklima Properties Private Limited	Subsidiary
63	Amartya Properties Private Limited	Subsidiary
64	Baruni Properties Private Limited	Subsidiary
65	Bougainvillea Properties Private Limited	Subsidiary
66	Camelia Properties Private Limited	Subsidiary
67	Deepesh Properties Private Limited	Subsidiary
68	Eila Properties Private Limited	Subsidiary
69	Gerbera Properties Private Limited	Subsidiary
70	Lakshmi Priya Properties Private Limited	Subsidiary
71	Honeysuckle Properties Private Limited	Subsidiary
72	Idika Properties Private Limited	Subsidiary
73	Krishnapriya Properties Private Limited	Subsidiary
74	Larkspur Properties Private Limited	Subsidiary
75	Nadira Properties Private Limited	Subsidiary
76	Padmapriya Properties Private Limited	Subsidiary
77	Prakalpa Properties Private Limited	Subsidiary
78	Purnachandra Properties Private Limited	Subsidiary
79	Shreyadita Properties Private Limited	Subsidiary
80	Pranesh Properties Private Limited	Subsidiary
81	Sreepa Properties Private Limited	Subsidiary
82	Radhapriya Properties Private Limited	Subsidiary
83	Asteria Real Estates Private Limited	Subsidiary
84	GMR Hosur Industrial City Private Limited	Subsidiary
85	Namitha Real Estates Private Limited	Subsidiary
86	Honey Flower Estates Private Limited	Subsidiary
87	GMR Hosur EMC Private Limited	Subsidiary
88	GMR SEZ and Port Holdings Private Limited	Subsidiary
89	East Godavari Power Distribution Company Private Limited	Subsidiary
90	Suzone Properties Private Limited	Subsidiary
91	GMR Utilities Private Limited	Subsidiary
92	Lilliam Properties Private Limited	Subsidiary
93	GMR Corporate Affairs Private Limited	Subsidiary
94	Dhruvi Securities Private Limited	Subsidiary
95	Kakinada SEZ Private Limited	Subsidiary
96	GMR Business Process and Services Private Limited	Subsidiary
97	Asia Pacific Flight Training Academy Limited	Jointly controlled entity
98	Laqshya Hyderabad Airport Media Private Limited	Jointly controlled entity
99	Delhi Aviation Services Private Limited	Jointly controlled entity
100	Travel Food Services (Delhi Terminal 3) Private Limited	Jointly controlled entity
101	Delhi Aviation Fuel Facility Private Limited	Jointly controlled entity
102	Celebi Delhi Cargo Terminal Management India Private Limited	Jointly controlled entity
103	Wipro Airport IT Services Limited	Jointly controlled entity
104	TIM Delhi Airport Advertising Private Limited	Jointly controlled entity
105	GMR OSE Hungund Hospet Highways Private Limited	Associate

Consolidated balance sheet as at March 31, 2016

	Notes	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity and Liabilities			
Shareholders' funds			
Share capital	3	603.59	1,572.80
Reserves and surplus	4	4,356.74	4,305.77
Money received against share warrants	3 (h)	-	141.75
		4,960.33	6,020.32
Preference shares issued by subsidiaries	38	984.25	984.25
Share application pending allotment		-	889.66
Minority interest		1,644.03	1,765.50
Non-current liabilities			
Long-term borrowings	5	37,413.35	38,738.96
Deferred tax liability (net)	48	81.00	73.36
Trade payables	6	29.14	21.03
Other long-term liabilities	6	2,186.57	2,064.07
Long-term provisions	7	104.00	59.39
		39,814.06	40,956.81
Current liabilities			
Short-term borrowings	8	1,741.10	3,511.18
Trade payables	9	1,946.83	2,035.08
Other current liabilities	9	15,785.80	10,378.56
Short-term provisions	7	295.39	271.20
		19,769.12	16,196.02
Total		**67,171.79**	**66,812.56**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	37,685.64	23,760.52
Intangible assets	11	9,543.38	10,422.23
Capital work-in-progress	31 (a)	4,053.46	16,838.99
Intangible assets under development	31 (b)	526.69	408.45
Non-current investments	12	132.94	210.86
Deferred tax asset (net)	48	70.93	19.04
Long-term loans and advances	13	2,306.74	2,384.75
Trade receivables	14	43.17	97.16
Other non-current assets	15	3,347.99	3,949.41
		57,710.94	58,091.41
Current assets			
Current investments	16	1,841.13	1,201.82
Inventories	17	469.30	304.85
Trade receivables	14	2,468.32	1,624.27
Cash and bank balances	18	3,121.32	3,904.04
Short-term loans and advances	13	787.83	587.19
Other current assets	15	772.95	1,098.98
		9,460.85	8,721.15
Total		**67,171.79**	**66,812.56**
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 number: 101049W / E300004
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Consolidated statement of profit and loss for the year ended March 31, 2016

	Notes	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Income			
Revenue from operations:			
Sales / income from operations	19	13,248.18	10,935.25
Other operating income	20	109.48	152.43
Other income	21	454.27	327.46
Total (A)		**13,811.93**	**11,415.14**
Expenses			
Revenue share paid / payable to concessionaire grantors		2,412.29	2,064.86
Consumption of fuel		2,525.96	2,091.06
Cost of materials consumed	22	38.56	46.81
Purchase of traded goods	23	840.02	1,044.18
(Increase) / decrease in stock in trade	24	(32.81)	(20.00)
Sub-contracting expenses		628.39	565.51
Employee benefits expenses	25	664.80	619.65
Other expenses	26	2,035.81	2,120.97
Depreciation and amortisation expenses	27	2,266.16	1,812.53
Finance costs	28	4,057.69	3,571.86
Total (B)		**15,436.87**	**13,917.43**
(Loss) / profit before exceptional items, tax expenses, minority interest and share of (loss) / profit of associates (A) - (B)		**(1,624.94)**	**(2,502.29)**
Exceptional items - (losses)/ gains (net)	29	(149.79)	(304.12)
(Loss) / profit before tax expenses, minority interest and share of (loss) / profit of associates		**(1,774.73)**	**(2,806.41)**
(Loss) / profit from continuing operations before tax expenses, minority interest and share of (loss)/ profit of associates		(1,474.57)	(2,769.85)
Tax expenses of continuing operations			
Current tax		285.45	125.53
Tax adjustments for prior years		(6.35)	(1.53)
Less: MAT credit entitlement		(10.93)	(4.80)
Deferred tax expense / (credit)		(45.31)	32.96
(Loss) / profit from continuing operations after tax expenses and before minority interest and share of (loss)/ profit of associates		**(1,697.43)**	**(2,922.01)**
Share of (loss) / profit of associates (net)		(5.52)	(12.98)
Minority interest - share of loss / (profit) from continuing operations		(188.46)	220.41
(Loss)/ profit after minority interest and share of (loss)/ profit of associates from continuing operations (C)		**(1,891.41)**	**(2,714.58)**
(Loss) / profit from discontinuing operations before tax expenses and minority interest	30 (i)	(300.16)	(36.56)
Tax expenses of discontinuing operations			
Current tax		1.35	0.41
Tax adjustments for prior years		-	0.05
Less: MAT credit entitlement		-	0.16
Deferred tax expense / (credit)		-	0.03
(Loss) / profit from discontinuing operations after tax expenses and before minority interest		**(301.51)**	**(37.21)**
Minority interest - share of loss / (profit) from discontinuing operations		31.92	18.50
(Loss) / profit after minority interest from discontinuing operations (D)		**(269.59)**	**(18.71)**
(Loss) / profit after minority interest and share of (loss) / profit of associates from continuing and discontinuing operations (C+D)		**(2,161.00)**	**(2,733.29)**
Earnings per equity share (₹) - Basic and diluted (per equity share of ₹ 1 each)	32	(3.82)	(6.46)
Earnings per equity share (₹) from continuing operations - Basic and diluted (per equity share of ₹ 1 each)	32	(3.34)	(6.41)
Earnings per equity share (₹) from discontinuing operations - Basic and diluted (per equity share of ₹ 1 each)	32	(0.48)	(0.04)
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 number: 101049W / E300004
Chartered Accountants

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Consolidated cash flow statement for the year ended March 31, 2016

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
(Loss) / profit from continuing operations before tax expenses, minority interest and share of (loss) / profit of associates	(1,474.57)	(2,769.85)
(Loss) / profit from discontinuing operations before tax expenses and minority interest	(300.16)	(36.56)
Profit / (loss) before tax expenses and minority interest	**(1,774.73)**	**(2,806.41)**
Adjustments to reconcile (loss) / profit before tax to net cash flows		
Depreciation / amortisation of continuing operations	2,128.74	1,771.86
Depreciation / amortisation of discontinuing operations	137.42	40.67
Adjustments to the carrying amount of current investments	0.82	3.72
Adjustments to the carrying amount of long-term investments	-	0.05
Loss on derivative contracts (including provisions for mark-to-market loss)	-	27.25
Loss on account of provision towards claims recoverable	-	130.99
Provisions no longer required, written back	(41.58)	(21.45)
Impairment / other write off of tangible / intangible assets pertaining to continuing operations	168.85	122.16
Provision for dimunition in value of investments in an associate	39.22	-
(Profit)/ loss on sale of fixed assets	(0.21)	(2.03)
Provision / write off of doubtful advances and trade receivables	10.21	33.64
Effect of changes in exchange rates	12.35	10.93
Net gain on sale of investments	(140.10)	(61.07)
Profit on sale of subsidiaries / jointly controlled entities	(2.31)	(34.44)
Finance costs	3,963.82	3,403.05
Amortisation of ancillary borrowing costs	93.87	168.81
Breakage cost of interest rate swap	-	91.83
Interest income	(311.68)	(291.07)
Dividend income on current investments	-	(0.04)
Operating profit before working capital changes	**4,284.69**	**2,588.45**
Movements in working capital :		
Increase / (decrease) in trade payables and other liabilities	418.21	529.12
Increase / (decrease) in provisions	49.27	(19.01)
(Increase) / decrease in trade receivables	(749.82)	41.45
(Increase) / decrease in inventories	(161.66)	37.22
(Increase) / decrease in other assets	48.74	(18.64)
(Increase) / decrease in loans and advances	(222.15)	(35.93)
Cash generated from operations	**3,667.29**	**3,122.66**
Direct taxes paid (net of refunds)	(312.52)	(207.84)
Net cash flow from operating activities (A)	**3,354.77**	**2,914.82**
CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES		
Purchase of fixed assets and cost incurred towards assets under construction / development	(2,242.13)	(3,805.09)
Proceeds from sale of fixed assets	0.99	5.70
Proceeds from sale of stake in jointly controlled entities /subsidiaries	17.38	1,560.18
Purchase of long-term investments	-	(0.56)
Sale / (purchase) of current investments (net)	(440.26)	(437.79)
Loans given to / (repaid by) others	28.84	25.75
Purchase consideration paid on acquisition /additional stake in subsidiary companies / jointly contolled entities	(732.43)	(97.06)
(Investments) / redemption of bank deposits (net) (having original maturity of more than three months)	1,244.61	(704.79)
Interest received	325.02	289.13
Dividend received	-	0.04
Net cash flow used in investing activities (B)	**(1,797.98)**	**(3,164.49)**

Consolidated cash flow statement for the year ended March 31, 2016 (Contd.)

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium and net of related securities issue expenses)	493.41	1,441.56
(Repayment)/Proceeds from issue of share warrants / share application pending allotment	-	1,031.41
Redemption of preference shares (including redemption out of securities premium)	-	(329.59)
Redemption premium on debentures, preference shares and related security issue expenses	(288.32)	(312.47)
Issue of common stock in consolidated entities (including share application money)	-	14.68
Proceeds from borrowings	7,595.86	11,481.53
Repayment of borrowings	(5,798.51)	(9,277.87)
Finance costs paid	(3,650.62)	(3,448.95)
Breakage cost of interest rate swap	-	(91.83)
Dividend paid (including dividend distribution taxes)	(18.78)	(60.15)
Net cash flow (used in) / from financing activities (C)	**(1,666.96)**	**448.32**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	(110.18)	198.65
Cash and cash equivalents as at April 1,	1,698.12	1,494.31
Cash and cash equivalents on acquisitions during the year	7.08	0.95
Cash and cash equivalents on account of sale of subsidiaries / jointly controlled entities during the year	(10.24)	(2.91)
Effect of exchange differences on cash and cash equivalents held in foreign currency	23.46	7.12
Cash and cash equivalents as at March 31,	**1,608.24**	**1,698.12**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand / credit card collection	8.23	9.81
Cheques/ drafts on hand	18.76	8.49
With banks:		
- on current account	693.41	1,206.26
- on deposit account (having original maturity of less than or equal to three months)	887.84	473.56
Total cash and cash equivalents	**1,608.24**	**1,698.12**

Notes:

1. The above consolidated cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014.
2. The above consolidated cash flow statement has been compiled from and is based on the consolidated balance sheet as at March 31, 2016 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 connection with the borrowings made by the Group.
4. Current account includes balances in Exchange Earner's Foreign Currency ('EEFC') Accounts.
5. Current account includes unclaimed dividend of ₹ 0.27 crore (March 31, 2015: ₹ 0.27 crore) and ₹ 0.01 crore (March 31, 2015: ₹ 9.91 crore) towards DSRA maintained by the Company with a bank. Includes ₹ Nil (March 31, 2015: ₹ 347.65 crore) towards share application money for issue of rights shares. The funds are received in an escrow account and are restricted till the allotment of equity shares pursuant to the right issue. Refer note 3(g).
6. Refer note 5 and 8 for certain refinancing of loans done by the Group during the years ended March 31, 2016 and March 31, 2015. Such refinancing has not been considered in the above cash flow statement.
7. Previous year figures have been regrouped and reclassified to confirm to those of the current year. Refer note 56.

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Notes to the consolidated financial statements for the year ended March 31, 2016

1. CORPORATE INFORMATION

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

Power sector

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

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 and Cebu 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 the respective state governments for carrying out these projects.

Construction business

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

Others

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

2. PRINCIPLES OF CONSOLIDATION

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

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

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

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

(₹ in crore)

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2016	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net assets * As at				Net profit / (loss) * For the year ended			
				March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	As % of consolidated net assets	March 31, 2015	As % of consolidated net assets	March 31, 2016	As % of consolidated profit or loss	March 31, 2015	As % of consolidated profit or loss
1	GMR Infrastructure Limited (GIL)	India	Holding Company					(4,673.00)	-61.58%	(2,650.29)	-27.44%	(366.78)	18.35%	(453.18)	15.31%
2	GMR Energy Limited (GEL)	India	Subsidiary	92.60%	92.60%	92.60%	92.60%	(2,500.06)	-32.94%	(2,428.98)	-25.15%	(275.39)	13.78%	(366.56)	12.39%
3	GMR Power Corporation Limited (GPCL)	India	Subsidiary	47.23%	47.23%	51.00%	51.00%	(357.93)	-4.72%	(250.47)	-2.59%	(146.67)	7.34%	(75.83)	2.56%
4	GMR Vemagiri Power Generation Limited (GVPGL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	519.87	6.85%	622.36	6.44%	(31.69)	1.59%	(38.05)	1.29%
5	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	255.18	3.36%	274.97	2.85%	(25.90)	1.30%	(13.33)	0.45%
6	GMR Mining & Energy Private Limited (GMEL)	India	Subsidiary	87.41%	87.41%	100.00%	100.00%	(0.14)	0.00%	(0.13)	0.00%	(0.14)	0.01%	(0.35)	0.01%
7	GMR Kamalanga Energy Limited (GKEL)	India	Subsidiary	79.63%	79.63%	85.99%	85.99%	1,201.30	15.83%	1,468.14	15.20%	(680.29)	34.03%	(1,071.90)	36.22%
8	Himtal Hydro Power Company Private Limited (HHPPL)	Nepal	Subsidiary	75.93%	75.93%	82.00%	82.00%	48.38	0.64%	51.03	0.53%	(0.04)	0.00%	(0.23)	0.01%
9	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Subsidiary	92.97%	92.97%	100.00%	100.00%	36.47	0.48%	39.52	0.41%	(0.18)	0.01%	(0.32)	0.01%
10	GMR Lion Energy Limited (GLEL)	Mauritius	Subsidiary	92.97%	92.97%	100.00%	100.00%	(0.07)	0.00%	0.10	0.00%	(0.91)	0.05%	(1.32)	0.04%
11	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Subsidiary	67.87%	67.87%	73.00%	73.00%	39.83	0.52%	45.91	0.48%	(2.02)	0.10%	(0.31)	0.01%
12	GMR Energy Trading Limited (GETL)	India	Subsidiary	98.59%	98.59%	100.00%	100.00%	24.35	0.32%	(166.83)	-1.73%	839.35	-41.99%	340.15	-11.49%
13	GMR Consulting Services Private Limited (GCSPL)	India	Subsidiary	91.67%	91.67%	99.00%	99.00%	1.13	0.01%	0.65	0.01%	(2.66)	0.13%	(7.53)	0.25%
14	GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	0.01	0.00%	3.13	0.03%	(3.08)	0.15%	(0.02)	0.00%
15	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	443.19	5.84%	428.35	4.43%	(1.11)	0.06%	(0.78)	0.03%
16	GMR Londa Hydropower Private Limited (GLHPPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	0.57	0.01%	55.48	0.57%	(55.72)	2.79%	(0.05)	0.00%
17	GMR Kakinada Energy Private Limited (GKEPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	(0.54)	-0.01%	0.29	0.00%	(0.76)	0.04%	(0.01)	0.00%
18	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Jointly controlled entity	16.10%	16.10%	17.39%	17.39%	(0.29)	0.00%	(0.58)	-0.01%	0.00%	0.00%	(0.02)	0.00%
19	GMR Chhattisgarh Energy Limited (GCHEPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	2,837.76	37.39%	2,701.85	27.97%	(582.81)	29.16%	(65.53)	2.21%
20	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	92.97%	92.97%	100.00%	100.00%	(0.09)	0.00%	(1.19)	-0.01%	(0.19)	0.01%	(5.04)	0.17%

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(₹ in crore)

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2016	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net assets * As at				Net profit / (loss) * For the year ended			
				March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	As % of consolidated net assets	March 31, 2015	As % of consolidated net assets	March 31, 2016	As % of consolidated profit or loss	March 31, 2015	As % of consolidated profit or loss
21	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary	92.97%	92.97%	100.00%	100.00%	(93.92)	-1.24%	(180.05)	-1.86%	(1.70)	0.09%	(7.70)	0.26%
22	PT Dwikarya Sejati Utma (PTDSU)	Indonesia	Subsidiary	92.97%	92.97%	100.00%	100.00%								
23	PT Duta Sarana Internusa (PTDSI)	Indonesia	Subsidiary	92.97%	92.97%	100.00%	100.00%	270.45	3.56%	455.33	4.71%	(99.43)	4.97%	(1.71)	0.06%
24	PT Barasentosa Lestari (PTBSL)	Indonesia	Subsidiary	92.97%	92.97%	100.00%	100.00%								
25	GMR Rajahmundry Energy Limited (GREL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	897.77	11.83%	1,143.88	11.84%	(257.08)	12.86%	(4.33)	0.15%
26	SJK Powergen Limited (SJK)	India	Subsidiary	64.82%	64.82%	70.00%	70.00%	78.86	1.04%	136.81	1.42%	(3.64)	0.18%	(62.99)	2.13%
27	PT Unsoco (PT)	Indonesia	Subsidiary	92.97%	92.97%	100.00%	100.00%	0.13	0.00%	0.12	0.00%	-	0.00%	-	0.00%
28	GMR Warora Energy Limited (GWEL) (formerly known as EMCO Energy Limited)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	(198.83)	-2.62%	222.82	2.31%	(441.70)	22.10%	(482.78)	16.31%
29	Homeland Energy Group Limited (HEGL)	Canada	Subsidiary[1]	-	51.60%	-	55.72%	-	-	1.53	0.02%	-	-	(24.36)	0.82%
30	GMR Maharashtra Energy Limited (GMAEL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	7.17	0.09%	7.13	0.07%	(0.03)	0.00%	(0.02)	0.00%
31	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
32	PT Roundhill Capital Indonesia (RCI)	Indonesia	Jointly controlled entity	27.62%	27.62%	29.70%	29.70%								
33	PT Borneo Indobara (BIB)	Indonesia	Jointly controlled entity	27.36%	27.36%	29.43%	29.43%								
34	PT Kuansing Inti Makmur (KIM)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
35	PT Karya Cemerlang Persada (KCP)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
36	PT Bungo Bara Utama (BBU)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
37	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
38	PT Berkat Nusantara Permai (BNP)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%	3,163.17	41.68%	3,029.14	31.36%	(35.64)	1.78%	(10.62)	0.36%
39	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								

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(₹ in crore)

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40	PT Trisula Kencana Sakti (TKS)	Indonesia	Jointly controlled entity	19.52%	19.52%	21.00%	21.00%								
41	GEMS Trading Resources Pte Limited (GEMSCR) (Formerly known as GEMS Coal Resources Pte Limited)	Singapore	Jointly controlled entity	27.89%	27.89%	30.00%	30.00%								
42	PT Bumi Anugerah Semesta (BAS)	Indonesia	Jointly controlled entity[2]	27.89%	22.31%	30.00%	24.00%								
43	PT GEMS Energy Indonesia (PTGEI)	Indonesia	Jointly controlled entity[3]	27.89%	-	30.00%	-								
44	Shanghai Jingguang Energy Co Ltd (SJECL)	China	Jointly controlled entity[3]	27.89%	-	30.00%	-								
45	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	(35.50)	-0.47%	11.93	0.12%	(4.30)	0.22%	(0.56)	0.02%
46	GMR Rajam Solar Power Private Limited (GRSPPL) (formerly known as GMR Uttar Pradesh Energy Private Limited)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	2.10	0.03%	0.16	0.00%	(0.05)	0.00%	(0.01)	0.00%
47	GMR Hosur Energy Limited (GHOEL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	(1.53)	-0.02%	3.59	0.04%	(4.69)	0.23%	(0.68)	0.02%
48	GMR Gujarat Solar Power Private Limited (GGSPPL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	88.81	1.17%	93.28	0.97%	(6.11)	0.31%	(11.27)	0.38%
49	Karnali Transmission Company Private Limited (KTCPL)	Nepal	Subsidiary	92.97%	92.97%	100.00%	100.00%	2.15	0.03%	1.49	0.02%	(0.01)	0.00%	(0.01)	0.00%
50	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	Subsidiary	92.97%	92.97%	100.00%	100.00%	2.72	0.04%	2.11	0.02%	(0.01)	0.00%	(0.01)	0.00%
51	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	0.20	0.00%	0.20	0.00%	(0.01)	0.00%	(0.01)	0.00%
52	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	0.34	0.00%	0.34	0.00%	(0.01)	0.00%	(0.01)	0.00%
53	GMR Renewable Energy Limited (GREEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	30.95	0.41%	11.78	0.12%	1.88	-0.09%	(0.21)	0.01%
54	Aravali Transmission Service Company Limited (ATSCL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	24.08	0.32%	26.74	0.28%	(2.19)	0.11%	0.33	-0.01%
55	Maru Transmission Service Company Limited (MTSCL)	India	Subsidiary	92.60%	92.60%	100.00%	100.00%	70.19	0.92%	67.28	0.70%	5.41	-0.27%	1.29	-0.04%
56	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	1.25	0.02%	1.30	0.01%	(0.33)	0.02%	(0.54)	0.02%

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(₹ in crore)

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57	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%	(522.55)	-6.89%	(494.47)	-5.12%	(33.24)	1.66%	(21.05)	0.71%
58	GMR Coal Resources Pte Limited (GCRPL)	Singapore	Subsidiary	92.97%	92.97%	100.00%	100.00%	(2,592.66)	-34.17%	(2,379.79)	-24.64%	(143.71)	7.19%	(140.71)	4.75%
59	GMR Power Infra Limited (GPIL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.47	0.07%	5.84	0.06%	(0.23)	0.01%	(0.63)	0.02%
60	GMR Highways Limited (GMRHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	114.34	1.51%	(35.00)	-0.36%	(129.80)	6.49%	(64.52)	2.18%
61	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	India	Subsidiary	85.75%	85.75%	100.00%	100.00%	(79.34)	-1.05%	(72.09)	-0.75%	16.26	-0.81%	14.63	-0.49%
62	GMR Tuni Anakapalli Expressways Limited (GTAEPL)	India	Subsidiary	85.75%	85.75%	100.00%	100.00%	(31.99)	-0.42%	(36.91)	-0.38%	6.52	-0.33%	4.54	-0.15%
63	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	98.08%	98.08%	100.00%	100.00%	187.61	2.47%	210.06	2.17%	(21.29)	1.07%	(44.41)	1.50%
64	Jadcherla Expressways Private Limited (JEPL)	India	Associate	25.98%	25.98%	26.00%	26.00%	-	-	-	-	-	-	-	-
65	GMR Pochanpalli Expressways Limited (GPEL)	India	Subsidiary	99.96%	99.96%	100.00%	100.00%	72.93	0.96%	95.64	0.99%	(0.10)	0.01%	(20.20)	0.68%
66	Ulundurpet Expressways Private Limited (UEPL)	India	Associate	25.97%	25.97%	26.00%	26.00%	-	-	-	-	-	-	-	-
67	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%	380.52	5.01%	460.91	4.77%	(100.06)	5.01%	(88.68)	3.00%
68	GMR Chennai Outer Ring Road Private Limited (GCORRPL)	India	Subsidiary	89.26%	89.26%	90.00%	90.00%	163.94	2.16%	183.29	1.90%	(18.51)	0.93%	(20.87)	0.71%
69	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	India	Associate[4,13]	36.00%	51.00%	36.00%	51.00%	-	-	164.60	1.70%	28.22	-1.41%	(42.70)	1.44%
70	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	603.17	7.95%	602.99	6.24%	(6.32)	0.32%	(130.62)	4.41%
71	GMR Highways Projects Private Limited (GHPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-	-	0.01	0.00%	-	-	-	-
72	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary	61.20%	61.20%	63.00%	63.00%	23.41	0.31%	3.33	0.03%	(2.09)	0.10%	(246.94)	8.34%
73	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%	2.21	0.03%	2.11	0.02%	0.10	-0.01%	0.42	-0.01%
74	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	India	Subsidiary	31.21%	31.21%	51.00%	51.00%	70.19	0.92%	56.45	0.58%	46.72	-2.34%	38.68	-1.31%
75	Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	(12.35)	-0.16%	(25.24)	-0.26%	0.18	-0.01%	0.03	0.00%

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76	GMR Hyderabad Airport Resource Management Limited (GHARML)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	0.02	0.00%	0.04	0.00%	-	-	-	-
77	GMR Hyderabad Aerotropolis Limited (HAPL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	29.71	0.39%	31.96	0.33%	(2.11)	0.11%	0.25	-0.01%
78	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	25.99	0.34%	35.96	0.37%	(8.84)	0.44%	(5.97)	0.20%
79	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	0.01	0.00%	0.01	0.00%	-	-	-	-
80	GMR Aerospace Engineering Limited (GAEL) (formerly known as MAS GMR Aerospace Engineering Company Private Limited)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	(265.52)	-3.50%	(228.17)	-2.36%	(44.04)	2.20%	(31.04)	1.05%
81	GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	166.72	2.20%	179.76	1.86%	(9.19)	0.46%	(16.63)	0.56%
82	Hyderabad Duty Free Retail Limited (HDFRL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	29.01	0.38%	24.78	0.26%	34.88	-1.74%	22.36	-0.76%
83	GMR Airport Developers Limited (GADL)	India	Subsidiary	97.15%	97.15%	100.00%	100.00%	(62.79)	-0.83%	(81.72)	-0.85%	(56.90)	2.85%	(62.37)	2.11%
84	GMR Airport Handling Services Company Limited (GAHSCL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	0.02	0.00%	0.03	0.00%	-	-	-	-
85	Asia Pacific Flight Training Academy Limited (APFT)	India	Jointly controlled entity	24.51%	24.51%	40.04%	40.04%	(0.03)	0.00%	(0.02)	0.00%	(0.02)	0.00%	(1.22)	0.04%
86	GADL International Limited (GADLIL)	Isle of Man	Subsidiary	97.15%	97.15%	100.00%	100.00%	30.22	0.40%	11.93	0.12%	(1.42)	0.07%	(3.25)	0.11%
87	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary	97.15%	97.15%	100.00%	100.00%	0.26	0.00%	0.46	0.00%	(0.22)	0.01%	(0.18)	0.01%
88	GMR Hotels and Resorts Limited (GHRL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	24.21	0.32%	31.28	0.32%	(13.61)	0.68%	(18.69)	0.63%
89	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	India	Jointly controlled entity	29.99%	29.99%	49.00%	49.00%	19.44	0.26%	17.56	0.18%	15.92	-0.80%	13.04	-0.44%
90	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)	India	Subsidiary	61.20%	61.20%	100.00%	100.00%	0.03	0.00%	0.03	0.00%	-	-	-	-
91	Delhi International Airport Private Limited (DIAL)	India	Subsidiary[5]	62.18%	52.46%	64.00%	54.00%	2,704.11	35.63%	1,870.15	19.36%	31.28	-1.56%	(168.17)	5.68%
92	Delhi Aviation Services Private Limited (DASPL)	India	Jointly controlled entity[6]	31.09%	26.23%	50.00%	50.00%	13.66	0.18%	10.72	0.11%	6.07	-0.30%	2.76	-0.09%

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93	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary[6]	62.18%	52.46%	100.00%	100.00%	0.09	0.00%	0.09	0.00%	-	-	(0.01)	0.00%
94	East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Associate[6]	30.46%	25.70%	48.99%	48.99%	-	-	0.04	0.00%	-	-	-	-
95	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Jointly controlled entity[6]	24.87%	20.98%	40.00%	40.00%	2.51	0.03%	1.02	0.01%	8.34	-0.42%	6.08	-0.21%
96	Devyani Food Street Private Limited (DFSPL)	India	Jointly controlled entity[7, 12]	-	-	-	-	-	-	-	-	-	-	15.86	-0.54%
97	Delhi Duty Free Services Private Limited (DDFS)	India	Subsidiary[6]	47.57%	42.72%	66.93%	66.93%	19.78	0.26%	(11.97)	-0.12%	453.84	-22.70%	345.56	-11.68%
98	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Jointly controlled entity[6]	16.17%	13.64%	26.00%	26.00%	19.38	0.26%	16.51	0.17%	13.92	-0.70%	10.77	-0.36%
99	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	India	Jointly controlled entity[6]	16.17%	13.64%	26.00%	26.00%	27.43	0.36%	22.54	0.23%	41.04	-2.05%	40.60	-1.37%
100	Delhi Cargo Service Center Private Limited (DCSCPL)	India	Jointly controlled entity[7, 12]	-	-	-	-	-	-	-	-	-	-	11.10	-0.38%
101	Wipro Airport IT Services Limited (WAISL)	India	Jointly controlled entity[6]	16.17%	13.64%	26.00%	26.00%	3.76	0.05%	1.48	0.02%	(9.92)	0.50%	(10.13)	0.34%
102	Delhi Airport Parking Services Private Limited (DAPSL)	India	Subsidiary[6]	71.13%	66.28%	90.00%	90.00%	121.35	1.60%	113.07	1.17%	25.00	-1.25%	6.47	-0.22%
103	TIM Delhi Airport Advertising Private Limited (TIM)	India	Jointly controlled entity[6]	31.03%	26.18%	49.90%	49.90%	25.59	0.34%	12.57	0.13%	72.37	-3.62%	65.17	-2.20%
104	GMR Airports Limited (GAL)	India	Subsidiary	97.15%	97.15%	97.15%	97.15%	98.16	1.29%	556.83	5.76%	24.97	-1.25%	23.37	-0.79%
105	GMR Male International Airport Private Limited (GMIAL)	Maldives	Subsidiary	76.99%	76.99%	77.00%	77.00%	132.72	1.75%	65.38	0.68%	(22.59)	1.13%	(12.66)	0.43%
106	GMR Male Retail Private Limited (GMRPL)	Maldives	Subsidiary[8]	96.66%	96.66%	99.50%	99.50%	-	-	0.04	0.00%	0.08	0.00%	(0.01)	0.00%
107	GMR Airports (Malta) Limited (GMRAML)	Malta	Subsidiary[8]	97.15%	97.15%	100.00%	100.00%	-	-	0.10	0.00%	0.32	-0.02%	(1.97)	0.07%
108	GMR Airport Global Limited (GAGL)	Isle of Man	Subsidiary	97.15%	97.15%	100.00%	100.00%	2.53	0.03%	8.92	0.09%	(6.77)	0.34%	0.87	-0.03%
109	GMR Airports (Mauritius) Limited (GALM)	Mauritius	Subsidiary	97.15%	97.15%	100.00%	100.00%	1.14	0.02%	(29.28)	-0.30%	46.94	-2.35%	(25.52)	0.86%
110	GMR Megawide Cebu Airport Corporation (GMCAC)	Philippines	Jointly controlled entity	40.00%	40.00%	40.00%	40.00%	298.81	3.94%	299.52	3.10%	29.79	-1.49%	(4.16)	0.14%

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Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2016	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net assets * As at				Net profit / (loss) * For the year ended			
				March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	As % of consolidated net assets	March 31, 2015	As % of consolidated net assets	March 31, 2016	As % of consolidated profit or loss	March 31, 2015	As % of consolidated profit or loss
111	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	135.16	1.78%	127.55	1.32%	(33.93)	1.70%	(25.46)	0.86%
112	GMR Krishnagiri SEZ Limited (GKSEZ)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	374.63	4.94%	344.80	3.57%	(0.41)	0.02%	(0.31)	0.01%
113	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.98	0.09%	6.98	0.07%	-	-	(0.01)	0.00%
114	Aklima Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	4.12	0.05%	4.12	0.04%	-	-	(0.01)	0.00%
115	Amartya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	7.50	0.10%	7.52	0.08%	(0.03)	0.00%	0.13	0.00%
116	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.57	0.07%	5.56	0.06%	-	-	(0.01)	0.00%
117	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.06	0.08%	6.10	0.06%	(0.01)	0.00%	(0.01)	0.00%
118	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.70	0.08%	5.87	0.06%	-	-	(0.04)	0.00%
119	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	10.96	0.14%	7.99	0.08%	-	-	(0.01)	0.00%
120	Eila Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	8.45	0.11%	8.44	0.09%	(0.01)	0.00%	(0.01)	0.00%
121	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.42	0.08%	6.60	0.07%	0.01	0.00%	0.02	0.00%
122	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.99	0.09%	7.28	0.08%	(0.01)	0.00%	(0.01)	0.00%
123	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	9.25	0.12%	7.75	0.08%	-	-	(0.01)	0.00%
124	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.33	0.08%	6.33	0.07%	-	-	(0.02)	0.00%
125	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.30	0.08%	6.30	0.07%	-	-	(0.03)	0.00%
126	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.27	0.08%	6.28	0.07%	(0.02)	0.00%	(0.13)	0.00%
127	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.46	0.09%	6.59	0.07%	(0.02)	0.00%	-	-
128	Padmapriya Properties Private Limited (PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	12.76	0.17%	19.26	0.20%	(0.02)	0.00%	0.04	0.00%
129	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.78	0.09%	6.89	0.07%	-	-	(0.01)	0.00%
130	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	6.54	0.09%	6.54	0.07%	-	-	(0.04)	0.00%
131	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.24	0.07%	5.24	0.05%	-	-	(0.02)	0.00%
132	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	7.12	0.09%	7.13	0.07%	(0.01)	0.00%	(0.02)	0.00%

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(₹ in crore)

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2016	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net assets * As at				Net profit / (loss) * For the year ended			
				March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	As % of consolidated net assets	March 31, 2015	As % of consolidated net assets	March 31, 2016	As % of consolidated profit or loss	March 31, 2015	As % of consolidated profit or loss
133	Sreepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.14	0.07%	5.06	0.05%	(0.02)	0.00%	0.09	0.00%
134	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	14.02	0.18%	8.17	0.08%	(0.01)	0.00%	(0.01)	0.00%
135	Asteria Real Estates Private Limited (AREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	3.96	0.05%	3.97	0.04%	-	-	0.25	-0.01%
136	GMR Hosur Industrial City Private Limited (GHICL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	9.50	0.13%	9.20	0.10%	-	-	(0.03)	0.00%
137	Namitha Real Estates Private Limited (NREPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	11.00	0.14%	8.23	0.09%	(0.04)	0.00%	(0.01)	0.00%
138	Honey Flower Estates Private Limited (HFEPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	40.01	0.53%	40.10	0.42%	0.36	-0.02%	(0.85)	0.03%
139	GMR Hosur EMC Private Limited (GHEMCPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	5.89	0.08%	5.25	0.05%	-	-	(0.05)	0.00%
140	GMR SEZ and Port Holdings Private Limited (GSPHPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	205.01	2.70%	156.37	1.62%	11.94	-0.60%	(2.45)	0.08%
141	East Godavari Power Distribution Company Private Limited (EGPDCPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	-	-	0.01	0.00%	-	-	-	-
142	Suzone Properties Private Limited (SUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	7.64	0.10%	8.00	0.08%	(0.02)	0.00%	(0.01)	0.00%
143	GMR Utilities Private Limited (GUPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.01	0.00%	0.01	0.00%	-	-	-	-
144	Lilliam Properties Private Limited (LPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	4.10	0.05%	4.09	0.04%	-	-	(0.01)	0.00%
145	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	52.64	0.69%	15.09	0.16%	(1.35)	0.07%	(0.21)	0.01%
146	Dhruvi Securities Private Limited (DSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	275.05	3.62%	556.00	5.76%	20.30	-1.02%	27.98	-0.95%
147	Kakinada SEZ Private Limited (KSPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%	1,361.33	17.94%	617.70	6.39%	(0.62)	0.03%	(0.42)	0.01%
148	GMR Business Process and Services Private Limited (GBPSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%	16.66	0.22%	0.91	0.01%	(0.28)	0.01%	(0.91)	0.03%
149	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	134.34	1.77%	31.15	0.32%	(18.93)	0.95%	(20.10)	0.68%
150	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%	458.86	6.05%	611.47	6.33%	4.88	-0.24%	5.67	-0.19%
151	GMR Infrastructure Overseas (Malta) Limited (GIOSL)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%	3.74	0.05%	4.41	0.05%	(0.62)	0.03%	9.71	-0.33%
152	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%	8.38	0.11%	19.56	0.20%	(22.90)	1.15%	(23.46)	0.79%
153	Limak GMR Construction JV (CJV)	Turkey	Jointly controlled entity	50.00%	50.00%	50.00%	50.00%	0.15	0.00%	0.47	0.00%	(0.28)	0.01%	(0.46)	0.02%

Notes to the consolidated financial statements for the year ended March 31, 2016

(₹ in crore)

Sl. No.	Name of the entity	Country of incorporation	Relationship as at March 31, 2016	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net assets * As at				Net profit / (loss) * For the year ended			
				March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	As % of consolidated net assets	March 31, 2015	As % of consolidated net assets	March 31, 2016	As % of consolidated profit or loss	March 31, 2015	As % of consolidated profit or loss
154	GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	(0.58)	-0.01%	(0.39)	0.00%	(0.21)	0.01%	(0.63)	0.02%
155	GMR Energy (Global) Limited (GEGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%	0.07	0.00%	0.28	0.00%	(0.18)	0.01%	(0.02)	0.00%
156	Raxa Securities Service Limited (RSSL)	India	Subsidiary[9]	100.00%	-	100.00%	-	235.43	3.10%	-	-	(40.58)	2.03%	-	-
157	Indo Tausch Trading DMCC (Indo Tausch)	United Arab Emirates	Subsidiary[10]	100.00%	-	100.00%	-	1.84	0.02%	-	-	-	-	-	-
158	Megawide GISPL Construction JV (MGCJV)	Philippines	Jointly controlled entity[11]	50.00%	-	50.00%	-	41.58	0.55%	-	-	1.47	-0.07%	-	-
159	GMR Infrastructure Overseas Limited (GIOL)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%	1.55	0.02%	3.93	0.04%	(2.54)	0.13%	(0.16)	0.01%

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

The reporting dates of the subsidiaries and jointly controlled entities coincide with that of the parent Company except in case of HEGL (refer Sl. No. 29), PTGEMS and its subsidiaries and jointly controlled entities (refer Sl. No. 31 to 44 above), GMCAC (refer Sl. No. 110 above) and MGCJV (refer Sl. No. 158) whose financial statements for the year ended on and as at December 31, 2015 were considered for the purpose of consolidated financial statements of the Group. The amounts for net assets / (liabilities) and net profit / (loss) of PTDSU and its subsidiaries (refer Sl. No. 22 to 24 above) and PTGEMS and its subsidiaries and jointly controlled entities have been presented on a consolidated basis.

The financial statements of other subsidiaries / jointly controlled entities/ associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2016.

Notes:

1 Subsidiary disposed off during the year

2 Increase of stake in BAS by PTGEMS

3 Subsidiaries of PTGEMS incorporated during the year.

4 Consequent to dilution of stake during the year ended March 31, 2016, GOSEHHHPL ceased to be a subsidiary and became an associate. Refer note 30(a). Also refer note 13 below.

5 Increase in percentage of voting right and effective ownership consequent to additional investment in DIAL during the year.

6 Increase in effective ownership consequent to note 5 above.

7 Jointly controlled entities disposed off during the previous year. Refer note 30(f). Also refer note 12 below.

8 Subsidiaries liquidated during the year

9 Subsidiary acquired during the year.

10 Subsidiary incorporated during the year.

11 Jointly controlled entity incorporated during the year.

12 The amounts disclosed with respect to net profit / (loss) in the table above comprises of the net profit / (loss) from the operations of such entities till the date of disposal and net profit / (loss) (including adjustments on account of consolidation) from such disposal.

13 The amounts disclosed with respect to net profit / (loss) in the table above comprises of the net profit / (loss) from the operations of such entity till the date of dilution of stake by the Group and net profit / (loss) (including adjustments on account of consolidation) pursuant to dilution of such stake.

Notes to the consolidated financial statements for the year ended March 31, 2016

2.1. Significant accounting policies

i. Change in accounting policy

Component accounting

The Group has adopted component accounting as required under Schedule II to the Act from April 1, 2015 for domestic entities. The Group was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Act, the Group has changed the manner of depreciation for its fixed assets. Now, the Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the principal asset. These components are depreciated over their useful lives; the principal asset is depreciated over the life of such asset. The Group has used transitional provisions of Schedule II to the Act to adjust the impact of component accounting arising on its first application. If a component has Nil remaining useful life on the date of component accounting becoming effective, i.e., April 1, 2015, its carrying amount, after retaining any residual value, is charged to the consolidated statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on April 1, 2015, is depreciated over their remaining useful lives.

Had the Group continued to use the earlier policy of depreciating fixed assets, the depreciation expenses and losses after tax before minority interest for the year ended March 31, 2016 would have been lower by ₹ 70.15 crore.

ii. Change in accounting estimate

Amortization of intangible assets

Upto March 31, 2015, DIAL amortized upfront fee and other costs paid to Airport Authority of India ('AAI') over the initial and extended periods of Operation, Management and Development Agreement ('OMDA'),i.e., 60 years.

However, DIAL, considering the prevalent regulatory and economic conditions, has revisited and revised the estimate for amortizing the upfront fees and other cost paid to AAI over the initial period of 30 years of OMDA prospectively.

Had DIAL continued to use the earlier estimate of amortizing the intangible assets, the amortization expenses and losses after tax of the Group before minority interest for the year ended March 31, 2016 would have been lower by ₹ 11.93 crore.

Depreciation of certain power assets

Upto March 31, 2015, GKEL depreciated all its fixed assets as per Central Electricity Regulatory Commission ('CERC') Regulations.

During the year ended March 31, 2016, GKEL has changed the method of depreciation with respect to Boiler, Turbine and Generator ('BTG') of its Unit I and Unit II and transmission lines to the rates as per Schedule II to the Act.

Had GKEL continued to use the earlier estimate of depreciating its above mentioned fixed assets, the depreciation expenses and losses after tax of the Group before minority interest for the year ended March 31, 2016 would have been higher by ₹ 30.30 crore.

a) Use of estimates

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

b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Power sector business:

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

Notes to the consolidated financial statements for the year ended March 31, 2016

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

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

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

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

Development of highways:

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

Revenue share paid / payable to concessionaire grantors:

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

Airport sector business:

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

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

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

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

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

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

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

Revenue from flight training operations related to aircraft flying hour's fee is recognized on accrual basis based on actual flying hours of flying

Notes to the consolidated financial statements for the year ended March 31, 2016

training imparted during the period and revenue from fees for other training courses is recognized on accrual basis across the training period on straight line basis.

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

Revenue share paid / payable to concessionaire grantors:

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

Construction business:

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

Others:

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

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

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

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

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

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

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

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

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

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

c) Operation and maintenance contracts

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

Notes to the consolidated financial statements for the year ended March 31, 2016

rate. Periodical minimum payments are accounted for as and when due. Amounts payable under PRWST are charged to the statement of profit and loss on an accrual basis.

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

d) Fixed assets

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

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

The Group adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with the MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

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

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

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

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

Research and development cost:

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

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale

ii. The Group's intention to complete the asset

iii. The Group's ability to use or sell the asset

iv. The asset will generate future economic benefits

v. The availability of adequate resources to complete the development and to use or sell the asset

vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

Exploration and evaluation expenditure:

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

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

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

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

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

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

Expenditure on mines under construction:

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

Producing mines:

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

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

f) Stripping costs

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

Stripping activity (included in mining properties under intangible assets) conducted during the production phase may provide two benefits: (i) ore that is processed into inventory in the current period and (ii) improved access to the ore body in future periods. To the extent that benefit from the stripping activity is realized in the form of inventory produced, the Group accounts for the costs of that stripping activity as 'Inventories' in accordance with AS - 2. To the extent the benefit is improved access to ore, the Group recognizes these costs as a stripping activity asset, if, and only if, all the following criteria are met; it is probable that the future economic benefits (improved access to the ore body) associated with the stripping activity will flow to the entity; the entity can identify the component of the ore body for which access has been improved; and the costs relating to the stripping activity associated with that component can be measured reliably.

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

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, the Group uses an allocation basis that is based on a relevant production measure. This production measure is calculated for the identified component of the ore body, and is used as a

Notes to the consolidated financial statements for the year ended March 31, 2016

benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the actual versus expected volume of waste extracted.

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

g) Leases

For lessee:

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

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

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

For lessor:

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

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

h) Depreciation on tangible assets

In case of entities under CERC Regulations:

In case of GKEL, depreciation on plant and machinery (other than BTG of Unit I and Unit II and transmission lines) 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'). BTG of Unit 1 and Unit 2 and transmission lines of GKEL are depreciated at the rates as per Schedule II to the Act.

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

Other entities:

For other domestic subsidiaries, jointly controlled entities and associates in the energy sector, the depreciation on the tangible fixed assets is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act except in case of plant and machinery where the life of the asset is considered as 25 years as prescribed by CERC being the regulatory authority in the energy sector, as against 40 years as per Schedule II of the Act. Further, the management has estimated the useful lives of asset individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

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

For entities other than aforesaid domestic subsidiaries, jointly controlled entities and associates, the depreciation on the tangible fixed assets is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act.

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

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

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

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

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

i) Amortization of intangible assets

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

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

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

Carriageways related to toll based road projects are amortized based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of MCA notification dated April 17, 2012 and in terms of the amendments to the Schedule II of the Act vide MCA notification dated March 31, 2014.

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 amortized over the concession period, ranging from 17.5 to 25 years and 25 to 30 years respectively, which is beyond the maximum period of 10 years as specified in AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

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

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

j) Impairment of tangible and intangible assets

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

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

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

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

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

k) Investments

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

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

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

l) Inventories

Inventories are valued as follows:

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 overheads and are measured at lower of cost and net realisable value.

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 and are measured at lower of cost and net realisable value.

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

m) Employee benefits

i. Defined contribution plans

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

ii. Defined benefit plans

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

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

iii. Other long term employee benefits

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

Notes to the consolidated financial statements for the year ended March 31, 2016

iv. Short term employee benefits

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

n) Foreign currency transactions

Foreign currency transactions and balances

i. Initial recognition

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

ii. Conversion

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

iii. Exchange differences

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

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

For the purpose of 2 and 3 above, the Group treats a foreign currency monetary item as 'long-term foreign currency monetary item' if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

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

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

v. Translation of integral and non-integral foreign operations

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

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.

o) Earnings per share

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

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

p) Government grants and subsidies

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

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

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

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

q) Taxes on income

Tax expense comprises 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.

Notes to the consolidated financial statements for the year ended March 31, 2016

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 tax liability 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.

r) Segment reporting policies

Identification of segments:

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

Inter segment transfers:

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

Allocation of common costs:

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

Unallocated items:

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

Segment accounting policies:

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

s) Provisions

A provision is recognised when the Group has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Notes to the consolidated financial statements for the year ended March 31, 2016

t) Derivative instruments

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

u) Shares / debentures issue expenses and premium on redemption

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

v) Cash and cash equivalents

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

w) Borrowing costs

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

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

x) Contingent liabilities

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

y) Corporate Social Responsibility (CSR) expenditure

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

Notes to the consolidated financial statements for the year ended March 31, 2016

3 SHARE CAPITAL

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Authorised shares		
13,500,000,000 (March 31, 2015: 7,500,000,000) equity shares of ₹ 1 each	1,350.00	750.00
6,000,000 (March 31, 2015: Nil) preference shares of ₹ 1,000 each	600.00	-
Nil (March 31, 2015: 6,000,000) Compulsorily Convertible Preference Shares ('CCPS' or 'preference shares') of ₹ 1,000 each ('Series A CCPS')	-	600.00
Nil (March 31, 2015: 6,000,000) CCPS of ₹ 1,000 each ('Series B CCPS')	-	600.00
Issued, subscribed and fully paid-up shares		
6,035,945,275 (March 31, 2015: 4,361,247,379) equity shares of ₹ 1 each	603.59	436.13
Nil (March 31, 2015: 5,683,351) Series A CCPS of ₹ 1,000 each	-	568.33
Nil (March 31, 2015: 5,683,353) Series B CCPS of ₹ 1,000 each	-	568.34
Forfeiture of shares		
Nil (March 31, 2015: 4,500) equity shares of ₹ 1 each not fully paid-up [₹ Nil (March 31, 2015: ₹ 2,250)]	-	0.00
Total issued, subscribed and paid-up share capital	**603.59**	**1,572.80**

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

Equity shares	March 31, 2016		March 31, 2015	
	Number	₹ in Crore	Number	₹ in Crore
At the beginning of the year	4,361,247,379	436.13	3,892,434,782	389.24
Add: Issued during the year [refer note 3(i)]	-	-	468,817,097	46.89
Add: Issued during the year [refer note 3(g)]	934,553,010	93.46	-	-
Add : Converted from Series A CCPS and Series B CCPS during the year (refer note 3(c))	740,144,886	74.00	-	-
Less: Forfeited during the year [₹ Nil (March 31, 2015: ₹ 2,250)]	-	-	(4,500)	(0.00)
Outstanding at the end of the year	**6,035,945,275**	**603.59**	**4,361,247,379**	**436.13**

Preference shares	March 31, 2016		March 31, 2015	
	Number	₹ in Crore	Number	₹ in Crore
At the beginning of the year				
a) Series A CCPS of ₹ 1,000 each	5,683,351	568.33	5,683,351	568.33
b) Series B CCPS of ₹ 1,000 each	5,683,353	568.34	5,683,353	568.34
Less: Converted into equity shares during the year				
a) Series A CCPS of ₹ 1,000 each	5,683,351	568.33	-	-
b) Series B CCPS of ₹ 1,000 each	5,683,353	568.34	-	-
Outstanding at the end of the year				
a) Series A CCPS of ₹ 1,000 each	-	-	5,683,351	568.33
b) Series B CCPS of ₹ 1,000 each	-	-	5,683,353	568.34

b) Terms / rights attached to equity shares

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

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

c) Terms / rights attached to CCPS:

During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 CCPS of face value of ₹ 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS were convertible into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations') on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date. Pursuant to the approval of the Management Committee of the Board of Directors dated August 26, 2015 and September 26, 2015, the Company approved the allotment for conversion of aforesaid Series A CCPS into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including Securities premium of ₹ 13.93 per equity share) respectively.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

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

	March 31, 2016 Number	March 31, 2015 Number
GMR Holdings Private Limited ('GHPL'), the Holding Company		
Equity shares of ₹ 1 each, fully paid up	2,852,072,962	2,752,091,862
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	31,321,815	31,321,815
GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	23,400,000	23,400,000
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	17,999,800	17,999,800
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	805,635,166	52,973,443
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	100,000	100,000

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

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
During the year ended March 31, 2016, 5,683,351 of Series A CCPS and 5,683,353 of Series B CCPS of face value of ₹ 1,000 each have been converted into 359,478,241 and 380,666,645 equity shares respectively of the Company (Refer note 3(c))	74.00	-

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

Equity shares	March 31, 2016		March 31, 2015	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 1 each fully paid				
GHPL	2,852,072,962	47.25%	2,752,091,862	63.10%
GBC	805,635,166	13.35%	52,973,443	1.21%
Series A CCPS of ₹ 1,000 each				
Dunearn Investments (Mauritius) Pte Limited	-	-	3,944,084	69.40%
IDFC Limited*	-	-	209,550	3.69%
GKFF Ventures*	-	-	272,415	4.79%
Premier Edu-Infra Solutions Private Limited*	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	1,047,752	18.43%
Series B CCPS of ₹ 1,000 each				
Dunearn Investments (Mauritius) Pte Limited	-	-	3,944,085	69.40%
IDFC Limited*	-	-	2,09,550	3.69%
GKFF Ventures*	-	-	272,416	4.79%
Premier Edu-Infra Solutions Private Limited*	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	1,047,752	18.43%

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

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

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

The details of utilization of rights issue as at March 31, 2016 is stated below :

₹ in Crore

Particulars	Amount proposed to be utilised from Net proceeds	Amount utilised	Balance Amount as at March 31, 2016
Full or partial repayment or prepayment of borrowings and payment of interest, prepayment penalty or premium on borrowings	1,035.00	1,035.00	-
Extend facilities to Company's subsidiary towards part repayment of the subsidiary's borrowings	215.00	215.00	-
General corporate purpose	131.98	131.98	-
Issue related expenses	19.85	19.85	-
Total	**1,401.83**	**1,401.83**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2016

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

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

4 RESERVES AND SURPLUS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Capital reserve on forfeiture		
Balance as per the last financial statements	-	-
Add: Transfer on forfeiture of equity share warrants [refer note 3(h)]	141.75	-
Closing balance	**141.75**	**-**
Capital reserve on consolidation (as per the last financial statements)	**125.87**	**125.87**
Capital reserve on acquisition (as per the last financial statements) [refer note 4(a)]	**3.41**	**3.41**
Capital reserve (government grant) (as per the last financial statements) [refer note 4(e)]	**65.49**	**65.49**
Capital redemption reserve (as per the last financial statements)	**28.53**	**28.53**
Debenture redemption reserve [refer note 4(c)]		
Balance as per the last financial statements	175.47	172.36
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	38.49	49.36
Less: Amount transferred to surplus / (deficit) in the statement of profit and loss on redemption of debentures	(34.38)	(46.25)
Closing balance	**179.58**	**175.47**
Employee stock option outstanding		
Balance as per the last financial statements	-	0.96
Less: Employee stock compensation for options forfeited during the year	-	(0.96)
Closing balance	**-**	**-**
Securities premium account		
Balance as per the last financial statements	7,468.07	6,460.49
Add: Transferred during the year on conversion of CCPS into equity shares [Refer note 3(c)]	1,062.66	-
Add: Received during the year on issue of equity shares [Refer note 3(g) and 3(i)]	1,308.37	1,429.89
Less: Utilised towards debenture / share issue expenses, debenture / preference shares redemption premium and redemption of preference shares (net of taxes and MAT credit)	(266.78)	(450.20)
Less: Utilised towards expenses on issue of foreign currency convertible bonds by the Company	(39.43)	-
Add / (less): Transfer from / (transfer to) minority interest	-	27.89
Closing balance	**9,532.89**	**7,468.07**
Foreign currency translation reserve		
Balance as per the last financial statements	433.85	419.06
Movement during the year	24.07	14.79
Closing balance	**457.92**	**433.85**
Foreign currency monetary items translation difference account		
Balance as per the last financial statements	(0.05)	2.37
Movement during the year [Refer note 35(ii)]	(0.88)	(2.42)
Closing balance	**(0.93)**	**(0.05)**

Notes to the consolidated financial statements for the year ended March 31, 2016

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act [refer note 4(b)]		
Balance as per the last financial statements	12.02	0.20
Add: Amount transferred from surplus / (deficit) in the statement of profit and loss	7.50	11.82
Closing balance	**19.52**	**12.02**
(Deficit) / surplus in the statement of profit and loss		
Balance as per the last financial statements	(4,006.89)	(1,183.56)
(Loss) / profit for the year	(2,161.00)	(2,733.29)
Appropriations		
Add: Transfer from debenture redemption reserve	34.38	46.25
Less: Transfer to debenture redemption reserve	(38.49)	(49.36)
Less: Redemption premium to preference shareholders [refer note 38(i) and 38(ii) respectively]	-	(13.39)
Add / (less): Transfer of (profit) / loss to minority on dilution of interest in subsidiaries / jointly controlled entities	-	(7.81)
Less: Equity dividend [refer note 4(f)]	-	(4.69)
Less: Tax on equity dividend [refer note 4(f)]	-	(0.80)
Less: Net book value of assets whose useful life have expired as at April 1, 2014 as per the Companies Act, 2013 (net of deferred tax of ₹ 7.35 crore)	-	(36.92)
Less: Transferred to special reserve u/s.45-IC of RBI Act [refer note 4(b)]	(7.50)	(11.82)
Less: Proposed preference share dividend [refer note 4(d)]	(0.01)	(0.01)
Less: Dividend distribution tax on proposed preference share dividend (₹ 10,302) (March 31, 2015: ₹ 23,129) [refer note 4(d)]	(0.00)	(0.00)
Less: Preference share dividend declared by a subsidiary	(2.16)	(2.16)
Less: Dividend distribution tax on preference share dividend declared by subsidiaries	(15.62)	(10.29)
Less: Employee stock compensation for options forfeited during the previous year	-	0.96
Net (deficit) / surplus in the statement of profit and loss	**(6,197.29)**	**(4,006.89)**
Total reserves and surplus	**4,356.74**	**4,305.77**

Note 4(a)

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

Note 4(b)

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

Note 4(c)

In view of losses incurred, GWEL, GEL and GPEPL have not transferred amounts to Debenture Redemption Reserve from its surplus / (deficit) in the statement of profit and loss.

Note 4(d)

The Board of Directors of the Company have recommended a dividend on preference shares at the rate of 0.001% on a prorata basis (March 31, 2015: 0.001%) on Series A CCPS and Series B CCPS for the year ended March 31, 2016.

Note 4(e)

During the year ended March 31, 2006, GHIAL had received a grant of ₹ 107.00 crore from Government of Telangana ['formerly Government of Andhra Pradesh ('GoAP')] towards Advance Development Fund Grant, as per the State Support Agreement. This is in the nature of financial support for the project and accordingly, the Group's share amounting to ₹ 67.41 crore as at April 1, 2011 was included in Capital reserve (government grant). During the year ended March 31, 2012, pursuant to dilution in Group's effective holding in GHIAL, ₹ 1.92 crore was transferred to minority interest.

Note 4(f)

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

Notes to the consolidated financial statements for the year ended March 31, 2016

5 LONG-TERM BORROWINGS

Particulars	Non-current portion		Current maturities	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Bonds / debentures				
Debentures (secured)	1,809.79	2,111.54	234.25	212.73
Foreign currency senior notes (secured)	1,927.98	1,820.86	-	-
Foreign currency convertible bonds (unsecured)	2,003.10	-	-	-
Term loans				
Indian rupee term loans from banks (secured)	22,327.13	21,990.70	4,649.84	1,592.08
Indian rupee term loans from financial institutions (secured)	5,323.71	7,290.68	288.42	452.55
Indian rupee term loans from others (secured)	0.12	0.18	0.05	0.05
Foreign currency loans from banks (secured)	2,596.91	3,998.31	4,783.64	2,499.65
Foreign currency loans from financial institutions (secured)	674.38	636.91	-	-
Indian rupee term loans from banks (unsecured)	-	62.50	-	125.00
Indian rupee term loans from financial institutions (unsecured)	0.06	0.14	-	-
Indian rupee term loans from others (unsecured)	11.39	13.76	2.27	1.65
Foreign currency loans from banks (unsecured)	323.00	312.08	7.51	3.15
Foreign currency loans from others (unsecured)	33.01	6.51	-	-
Indian rupee term loans against development fees (secured)	-	89.06	84.00	456.20
Supplier's credit (secured)	19.69	37.11	19.69	18.56
Supplier's credit (unsecured)	48.00	48.00	-	-
Other loans				
Bills discounted (secured)	-	-	-	134.70
Finance lease obligation (secured)	0.03	0.32	0.68	0.31
Negative grant (unsecured) (Refer note 36)	-	5.25	66.41	61.16
From the State Government of Telangana ('GoT') (unsecured)	315.05	315.05	-	-
	37,413.35	**38,738.96**	**10,136.76**	**5,557.79**
The above amount includes				
Secured borrowings	34,679.74	37,975.67	10,060.57	5,366.83
Unsecured borrowings	2,733.61	763.29	76.19	190.96
Amount disclosed under the head 'Other current liabilities' (Refer note 9)	-	-	(10,136.76)	(5,557.79)
Net amount	**37,413.35**	**38,738.96**	**-**	**-**

1 During the year ended March 31, 2012, GEL had issued 8,000 secured, redeemable and non-convertible debentures ('NCD') of ₹ 0.10 crore (₹ 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between GEL and ICICI; and (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by GEL with ICICI. These debentures are redeemable at a premium yielding 14.25% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.25% p.a. in thirty seven quarterly unequal instalments commencing from March 2012. As at March 31, 2016, GEL has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.08 crore (₹ 830,000) (March 31, 2015: ₹ 0.10 crore (₹ 967,500)) per debenture. These secured, redeemable and non-convertible debentures are listed on the Wholesale Debt Segment of National Stock Exchange of India Limited.

2 During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non-convertible debentures of ₹ 0.10 crore each to ICICI ('Tranche 1'). During the year ended March 31, 2013, the Company had further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non-convertible debentures of ₹ 0.10 crore each ('Tranche 2'). These debentures are secured by way of first ranking: (a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL's excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI; and (e) exclusive charge over DSRA maintained by the Company with ICICI. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 2012. As at March 31, 2016, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 0.08 crore (₹ 830,000) (March 31, 2015: ₹ 0.10 crore (₹ 967,500)) per debenture.

Notes to the consolidated financial statements for the year ended March 31, 2016

3 Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by GPEL amounting to ₹ 475.04 crore (March 31, 2015: ₹ 507.77 crore) bear an interest rate of 9.38% p.a. and are secured by way of first charge over all assets of GPEL, both movable (including future annuity receivable) and immovable properties, both present and future, excluding project assets (unless permitted by National Highways Authority of India ('NHAI') under the Concession agreement). These debentures are redeemable in thirty four unequal half yearly instalments commencing from April 2010 and ending in October 2026.

4 Secured, redeemable and non-convertible debentures of ₹ 0.10 crore each issued by GWEL amounting to ₹ 75.00 crore (March 31, 2015: ₹ 75.00 crore) are secured by way of first pari-passu charge by way of mortgage on all the immovable properties and hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and other movable assets and further secured by first charge/ hypothecation of book debts, operating cash flows, receivables, other current assets, revenues whatsoever in nature, present and future, assignment on all project related documents, all benefits incidental to the project as well as rights under letter of credit or such other security to be provided by the procurer of power under the terms of PPA and pledge of shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. These debentures carry an interest rate of 12.15% p.a. Further additional coupon rate to the extent of 0.25% p.a. will be payable for every notch below the agreed rating of NCD. These debentures are repayable in 3 equal instalments in September 2022, September 2023 and November 2023. These secured, redeemable and non-convertible debentures are listed on the Bombay Stock Exchange.

5 During the year ended March 31, 2015, DIAL had issued 6.125% Senior Secured Foreign Currency Notes ('Notes') of ₹ 1,927.98 crore (March 31, 2015: ₹ 1,820.86 crore) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax (March 31, 2015: 6.125% p.a. plus applicable withholding tax). The Notes are due for repayment in February 2022. The Notes are secured by a first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account ('TRA'), any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

6 Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted FCCBs of USD 30.00 Crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing Date upto close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at ₹ 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/ USD. The Company needs to take necessary steps incase the bondholders direct the Company to list the FCCBs on the Singapore Exchange Trading Limited.

7 Secured Indian rupee term loan from a bank of ₹ 83.34 crore (March 31, 2015: ₹ 208.33 crore) of KSPL is secured by pari passu first charge on land and buildings appurtenant thereon and first ranking exclusive charge over DSRA. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate of 9.35% p.a. plus spread of 5.50% p.a. (March 31, 2015: 10.00% p.a. plus spread of 5.50% p.a.) and is repayable in 12 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. October 2014.

8 Secured Indian rupee term loan from a bank of ₹ 125.00 crore (March 31, 2015: ₹ 179.75 crore) of the Company is secured by a first charge over certain immovable properties, aircrafts, lien marked fixed deposit and an exclusive charge on loans and advances provided by the Company out of this loan facility, charge over 30% shares held by GHPL in GMR Sports Private Limited ('GSPL'), a fellow subsidiary and non-disposable undertaking with regard to 19% of shareholding of GHPL in GSPL. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. and is repayable in five equal quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016.

9 Secured Indian rupee term loan from a bank of ₹ Nil (March 31, 2015: ₹ 50.00 crore) of the Company was secured by 10% of cash margin on the outstanding amount in form of lien on fixed deposits in favour of the lender and an exclusive charge on loans and advances provided by the Company created out of this facility. The loan carried an interest rate of base rate of lender plus spread of 0.85% p.a. (March 31, 2015: base rate of lender plus spread of 0.85% p.a.) and was repayable in 6 equal quarterly instalments commencing from March 2014. During the year ended March 31, 2016 the Company has repaid the loan in full.

10 Secured Indian rupee term loans from banks of ₹ 124.79 crore (March 31, 2015: ₹ 131.79 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

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demands, trade receivables, all cash flows and receivables and proceeds of GHRL. Further the loan is secured by corporate guarantee given by GHIAL. The loans carry an interest rate of 12.20% p.a. (March 31, 2015: 12.75% p.a.). The loans are repayable in 48 unequal quarterly instalments commencing from December 2012.

11 Secured Indian rupee term loans from banks and financial institutions of ₹ 1,637.14 crore (March 31, 2015: ₹ 1,679.39 crore) of GHVEPL are secured by way of pari passu first charge over GHVEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims of GHVEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GHVEPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and collection of tolls unless restricted by NHAI under the concession agreement and by way of pledge of 1,300,000 equity shares and 7,733,000 preference shares held by GMRHL in GHVEPL. The loans carry an interest rate of 11.00% to 11.25% p.a. (March 31, 2015: 11.25% p.a.) and are repayable in forty six unequal quarterly instalments commencing from April 2013. As at March 31, 2016, GHVEPL has defaulted in the payment of interest of ₹ 35.52 crore (March 31, 2015: ₹ Nil) for the months of February and March 2016 (March 31, 2015: Nil).

12 Secured Indian rupee term loans from a bank of ₹ 35.00 crore (March 31, 2015: ₹ 35.00 crore) of GHVEPL is secured by way of first pari passu charge on the same securities offered as security for the Project Loan mentioned in point 11 above and is repayable in thirty six monthly instalments commencing after 24 months from the date of first disbursement i.e. March 2014. The loan carries an interest rate of 2.75% over bank's base rate.

13 Secured Indian rupee term loans from banks of ₹ 254.54 crore (March 31, 2015: ₹ 255.25 crore) of GACEPL are secured by way of pari passu first charge over GACEPL's immovable properties and 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 100% equity shares of GACEPL held by the Company, GEL and GMRHL. During the year ended March 31, 2016, the loans have been restructured. As per the revised terms, the loans carry an interest at bank's base rate plus spread which shall be reset yearly and are repayable in 42 unequal quarterly instalments with the last instalment due in September 2025 (March 31, 2015: 48 unequal quarterly instalments commencing from August 2010.).

14 Secured Indian rupee term loans from banks of ₹ 168.43 crore (March 31, 2015: ₹ 205.33 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 GTTEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTTEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee by GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carry an interest rate of 8.25% p.a.± 10% spread now fixed at 9.08% p.a. w.e.f May 2015 (March 31, 2015: 7.50% p.a. ± 10% spread fixed at 8.25% p.a.) and are repayable in 29 unequal half yearly instalments commencing from November 2005.

15 Secured Indian rupee term loans from banks of ₹ 673.74 crore (March 31, 2015: ₹ 695.25 crore) of GCORRPL are secured by way of first charge on all immovable and movable properties of GCORRPL, both present and future; assignment of all rights, titles and interests in respect of all assets (as permitted by Concession Agreement) and a first charge on all revenues and receivables and by way of pledge of 26% of paid up equity capital of GCORRPL held by the shareholders. Further secured by way of pari passu charge over GCORRPL's movable properties, both present and future, including plant and machinery; rights, title, interest, benefit, claims of GCORRPL 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 GCORRPL in respect of monies lying to the credit of TRA and other accounts and substitution agreements and receipts of annuity unless restricted by Government of Tamil Nadu under the Concession Agreement. The loans carry an interest of 11.00% to 11.25% p.a. (March 31, 2015: 11.25% p.a.) subject to reset from time to time. During the year ended March 31, 2015, GCORRPL had undertaken negotiation with the lenders pursuant to which, the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 27 unequal half yearly instalments commencing from June 2014.

16 Secured Indian rupee term loans from banks of ₹ 130.70 crore (March 31, 2015: ₹ 159.20 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 letter of credit 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 rate of 8.25% ± 10% spread now fixed at 9.08% p.a. (March 31, 2015: 7.50% p.a. ± 10% spread fixed at 8.25% p.a.) and are repayable in 29 unequal half yearly instalments commencing from November 2005.

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17 Secured Indian rupee term loans from banks and financial institutions of ₹ Nil (March 31, 2015: ₹ 1,080.00 crore) of GOSEHHHPL were secured by way of hypothecation of all movable assets of GOSEHHHPL both present and future, first charge / assignment on all intangible assets of GOSEHHHPL but not limited to goodwill, right and undertakings, both present and future, uncalled capital of GOSEHHHPL both present and future, GOSEHHHPL's bank accounts including debt service escrow accounts and first charge / assignment / security interest on GOSEHHHPL's rights, title and interest in the project documents including the substitution agreement. Further these loans were secured by way of pledge of 51% of the equity shares of GOSEHHHPL held by its shareholders. The loans carried an interest rate ranging from 10.50% to 11.25% p.a. (March 31, 2015: ranging from 11.15% to 11.25% p.a.) with annual reset and were repayable in 46 unequal quarterly instalments from July 2015 to October 2026. Pursuant to the divestment as detailed in note 30(a), GOSEHHHPL ceased to be a subsidiary during the year ended March 31, 2016 and accordingly the Group has not consolidated financial statements of GOSEHHHPL in these consolidated financial statements.

18 Secured Indian rupee term loans from banks and financial institutions of ₹ 2,964.31 crore (March 31, 2015: ₹ 2,971.97 crore) of DIAL are secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further by the pledge of requisite shares of DIAL held by GAL and Fraport AG Frankfurt Airport Services Worldwide ('FAG') (shareholders of DIAL). The rupee term loans from banks and financial institutions carry an interest rate at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranges from 10.50% to 11.75% p.a. (March 31, 2015: 10.70% to 11.75% p.a.). Indian rupee term loans from banks of ₹ 2,170.31 crore are repayable in 48 quarterly unequal instalments commencing from June 2016 till March 2028 (March 31, 2015: 52 quarterly unequal instalments commencing from June 2015 till March 2028) and from financial institution of ₹ 794.00 crore is repayable in 32 quarterly unequal instalments commencing from June 2016 till September 2023 (March 31, 2015: 36 quarterly unequal instalments commencing from June 2015 till March 2024).

19 Secured Indian rupee term loan from a bank of ₹ 146.87 crore (March 31, 2015: ₹ 173.15 crore) of DDFS is secured by hypothecation of DDFS`s entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form and manner satisfactory to the banks. Further secured by a first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institutions) and pledge of 30% of sponsors' shareholding in DDFS worth ₹ 24.00 crore in accordance with section 19(2) and 19(3) of the Banking Regulation Act and an escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 10.60% p.a. (March 31, 2015: 11.75% p.a.). The loan of ₹ 146.40 crore is repayable in 36 unequal quarterly instalments commencing from December 2011 to September 2020 and the balance loan of ₹ 0.47 crore is repayable in 11 equal quarterly instalments commencing from June 2015 to December 2017.

20 Secured Indian rupee term loans from banks and financial institutions and foreign currency loans including the interest rate swap ('IRS') arrangement from banks of ₹ 1,797.44 crore (March 31, 2015: ₹ 1,733.43 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land (to an extent of 2,136.46 acres (March 31, 2015: to an extent of 2,044 acres and 29 guntas)), freehold land of 8.82 acres (March 31, 2015: Nil) and first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future, as well as assignment of all right, title, interest, benefits, claims and demands available under the concession agreement and other project documents, security interest in the TRA, DSRA and further secured by pledge of 16.41 crore and 2.87 crore equity shares, both present and future, held or to be held, upto 51% of the paid up share capital of GHIAL, as the case may be, by both, GAL and MAHB (Mauritius) Private Limited respectively. The foreign currency loans from banks of ₹ 548.18 crore (March 31, 2015: ₹ 574.16 crore) carry an interest rate of LIBOR plus agreed spread; however GHIAL has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 8.30% p.a. (March 31, 2015: 8.30% p.a.). The Indian rupee term loans from banks and financial institutions of ₹ 1,249.26 crore (March 31, 2015: ₹ 1,159.27 crore) carry interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate ranges from 10.50% to 11.25% p.a. (March 31, 2015: 10.90% to 11.40% p.a.). During the year ended March 31, 2015, the secured Indian rupee term loan from banks and financial institutions were refinanced with a moratorium of two years in repayment of loans beginning from September 2014. Out of the above, Indian rupee term loans from banks and financial institutions are repayable in 52 quarterly instalments beginning from July 2016. The secured foreign currency loan from a bank is repayable in 56 quarterly instalments beginning from July 2010.

21 Secured Indian rupee term loan from a bank of ₹ 24.97 crore (March 31, 2015: ₹ 32.32 crore) of CDCTM is secured against charge on fixed assets to the extent permitted by concession agreement and surplus account in accordance with an escrow agreement entered with the bank. The loan carries an interest rate of base rate plus 1.00% plus term premia (March 31, 2015: base rate plus 1.25% to 1.50% plus term premia). The loan is partially repayable in 28 equal quarterly instalments commencing from June 2012 and the balance portion is repayable in 20 equal quarterly instalments commencing from September 2014.

22 Secured Indian rupee term loans from banks of ₹ 3,608.73 crore (March 31, 2015: ₹ 2,479.41 crore) of GREL and from financial institutions of ₹ Nil (March 31, 2015: ₹ 563.17 crore) 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.

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These loans are further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto and further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future, secured by way of pledge of ₹ 115.70 crore (March 31, 2015: ₹ 52.00 crore) equity shares of GREL held by GEL. The rate of interest for loans from banks is the base rate of lead bank plus 100 bbps except in case of two banks, for which the interest rates range from 12.84% to 14.25% p.a. and the rate of interest on loans from financial institution was 12.84% to 13.39% p.a. Further, refer note 30(c) regarding the partial conversion of GREL's long term borrowings under Strategic Debt Restructuring Scheme ('SDR') and the proposed flexible structuring (5/25 scheme) of the remaining borrowings. Further, pursuant to the SDR, the Group has classified the rupee term loans of GREL as current maturities of long term borrowings. As at March 31, 2016, GREL has defaulted in the payment of interest of ₹ 175.79 crore (March 31, 2015: ₹ 24.86 crore) for a period from October 2015 to March 2016 (March 31, 2015: November 2014 to February 2015).

23 Secured Indian rupee term loans from banks of ₹ 4,212.40 crore (March 31, 2015: ₹ 3,303.65 crore) and from financial institutions of ₹ Nil (March 31, 2015: ₹ 576.48 crore) of GKEL are secured by first mortgage and charge by way of registered mortgage in favour of the lenders / security trustees of all the immovable properties of GKEL, present and future, a first charge by way of hypothecation of all GKEL's movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, present and future, GKEL's stock of raw materials, semi-finished and finished goods and consumable goods, a first charge on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising present and future, intangibles, goodwill, uncalled capital, present and future, a 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 85.99% (March 31, 2015: 81.44%) of the total 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 including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The interest rate ranges from 12.10% to 13.75% p.a. (March 31, 2015: 12.65% to 14.10% p.a.). Further, pursuant to the RBI's Framework for Revitalising Distressed Assets in the Economy dated January 30, 2014 (including the SDR Scheme dated June 8, 2015), the rupee term loans are repayable in 66 equal quarterly instalments commencing from October 2017. As at March 31, 2016, GKEL has defaulted on the payment of interest of ₹ 79.21 crore (March 31, 2015: ₹ 78.91 crore) for the months February 2016 and March 2016 (March 31, 2015: February 2015 and March 2015).

24 Secured Indian rupee term loans from banks and financial institutions of ₹ 7,234.37 crore (March 31, 2015: ₹ 5,996.85 crore) of GCHEPL are secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on, all GCHEPL's immovable properties both present and future, all the movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, intangible goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature wherever arising including Clean Development Mechanism ('CDM') benefits of GCHEPL both present and future, all the rights, titles, interest, benefits, claims and demands whatsoever of GCHEPL in the project documents (including PPA's/ MOU for sale of power, package/ construction contracts, Operation and Maintenance related agreements, land lease agreements, fuel supply contracts/ long term linkages, services contracts, mining lease, vesting order, coal mine development and production agreement etc.) all as amended varied or supplemented from time to time; and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCHEPL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCHEPL and other rights, claims etc. and pledge of shares held by the promoters/ sponsors constituting 51% of preference and equity shares of GCHEPL which shall be reduced to 26% of shares on repayment of half of the loans subject to the compliance of conditions put forth by the consortium of rupee lenders, cost overrun lenders and foreign currency lenders. All the securities shall rank pari passu among all the rupee lenders, cost overrun and mining capex lenders, foreign currency lenders aggregating to ₹ 8,977.00 crore and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) to the extent of ₹ 1,054.00 crore and the lenders participating in the performance guarantee of ₹ 455.00 crore and on second charge basis with lenders providing customs / excise bank guarantee and loan equivalent risk limits of ₹ 1,163.00 crore. The loans carry an interest rate ranging from 12.75% to 13.75% p.a. (March 31, 2015: 13.40% p.a.) except for one lender which charges the rate prevailing at each rupee disbursement which ranges from 13.25% to 19.00% p.a. During the year ended March 31, 2015, GCHEPL had undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. GCHEPL shall repay 70% of the loans from banks and financial institutions (other than funding for mining capex) in 40 equal quarterly instalments commencing from February 2017 and the balance 30% by way of a single instalment on March 2027, except for one lender to whom the loan is to be repaid in 60 equal quarterly instalments commencing from April 2017 to January 2032. In respect of Mining capex funding, the principal of 69.33% shall be repaid in 55 structured quarterly instalments commencing from June 2017 with the balance amount of debt is to be refinanced in March 2031 as per the sanction letter, with the refinanced debt to be repaid in next 4 years. As at March 31, 2016, GCHEPL has defaulted on the payment of interest of ₹ 135.17 crore (March 31, 2015: ₹ 131.19 crore) for a period from April 2015 to March 2016 (March 31, 2015: January 2015 to March 2015).

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25 Secured Indian rupee term loans from banks and financial institutions of ₹ 3,418.32 crore (March 31, 2015: ₹ 3,115.56 crore) of GWEL except term loans under subservient charges are secured by way of a first charge by registered mortgage of all the immovable properties (present and future) and by hypothecation of movable assets including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods. Further, secured by way of a first charge on book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future, retention account, escrow account, DSRA and any other bank account, assignment / hypothecation on all rights, titles, interest, profit, benefits, claims, demand whatsoever of GWEL in the project documents/ clearances pertaining to the project / letter of credit / guarantee / performance bond/ corporate guarantee/ bank guarantee / provided by any party to the project documents as amended from time to time. Further, the loan is secured by pledge of equity shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. Rupee term loan from a bank of ₹ 200.00 crore is secured by a subservient charge with existing lenders on all the movable properties including but not limited to plant and machinery spares, tools, spares and accessories of the project and other movables both present and future. During the year ended March 31, 2015, GWEL had undertaken refinancing of existing loans pursuant to which the loans carry an interest rate of base rate plus 215 bbps (presently 11.45% p.a.) and the loans are repayable after a moratorium of 18 months with first instalment becoming due from June 2016, further 72% of the loans are repayable in 54 unequal structured quarterly instalments and balance 28% are repayable in September 2029 by way of refinancing. Rupee term loan from a bank of ₹ 105.00 crore (March 31, 2015: ₹ 105.00 crore) is repayable in 20 equal quarterly instalments commencing from July 2016 and carries a rate of interest ranging from 13.00% to 15.35% p.a. Further rupee term loan from a bank of ₹ 100.00 crore is repayable in 72 unequal quarterly instalments commencing from June 2016 and rupee term loan from a bank of ₹ 95.00 crore is repayable in 31 unequal quarterly instalments commencing from September 2017. These loans carry an interest rate ranging of 11.65% and 13.50% p.a. respectively. Certain banks/ financial institution which did not participate in refinancing of existing loan amounting to ₹ Nil (March 31, 2015: ₹ 999.17 crore) would be repaid to the extent of 70.09% in 43 equal quarterly instalments commencing from the end of moratorium period i.e. August 2014 and the balance of 29.91% by way of single instalment in May 2025. These loans carried an interest of 12.85% p.a. These loans were prepaid during the year on refinancing. The loan from a financial institution of ₹ 100.00 crore (March 31, 2015: ₹ Nil) is repayable in 20 equal quarterly instalments commencing from April 2017 and carries an interest rate of 13.00% p.a.

26 Secured Indian rupee term loans from banks and financial institutions of ₹ 196.53 crore (March 31, 2015: ₹ 215.13 crore) of GGSPPL except in case of one bank are secured by way of pledge of shares aggregating 51% of the total paid up capital of GGSPPL and first charge by way of mortgage of immovable properties of GGSPPL. Further, rupee term loan from the remaining one bank is secured by a subservient charge/ hypothecation/ mortgage/ assignment/ security interest on all movable and immovable assets present and future in favour of lender or security trustee. The rate of interest in case of loans from banks ranges from 12.00% p.a. to 14.35% p.a. (March 31, 2015;12.50% to 13.00% p.a.) and in case of loans from financial institution, the rate of interest is 12.00% p.a. (March 31, 2015: 12.00% to 12.62% p.a.). During the year ended March 31, 2015, GGSPPL had undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans from banks and financial institutions are repayable in 47 unequal quarterly instalments commencing from July 2012 to January 2024, except in case of one bank, which is repayable in 36 quarterly instalments by March 2024.

27 Secured Indian rupee term loans from banks of ₹ 81.20 crore (March 31, 2015: ₹ 92.35 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 share capital of MTSCL and all rights, titles, permits and interests of MTSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries interest rate in the range of base rate plus spread of 2.75% to 6.00% p.a. (March 31, 2015: base rate plus spread of 2.75% to 3.00% p.a.). Rupee term loan of ₹ 64.71 crore is repayable in 28 quarterly instalments commencing from March 2014 and loan of ₹ 16.49 crore is repayable in 48 quarterly instalments commencing from June 2015. Pursuant to the memorandum of understanding ('MOU') as detailed in note 30(b), the Group has classified the borrowings of MTSCL as current maturities of long term borrowings.

28 Secured Indian rupee term loans from banks of ₹ 21.45 crore (March 31, 2015: ₹ 23.87 crore) of ATSCL are secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired; movable current assets both present and future; pledge of shares representing 30% of the total equity share capital of ATSCL and all rights, titles, permits, and interests of ATSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries interest rate in the range of base rate plus spread of 2.75% p.a. to 6.00% p.a. (March 31, 2015: base rate plus spread of 2.75% p.a. to 3.00% p.a.). Rupee term loan of ₹ 9.81 crore is repayable in 28 quarterly instalments commencing from March 2014 and loan of ₹ 11.64 crore is repayable in 48 quarterly instalments commencing from June 2015. Pursuant to the MOU as detailed in note 30(b), the Group has classified the borrowings of ATSCL as current maturities of long term borrowings.

29 Secured Indian rupee term loans from banks of ₹ 14.30 crore (March 31, 2015: ₹ 18.70 crore) of DASPL are secured by exclusive charge on movable fixed assets of DASPL, entire current assets of DASPL and DASPL's escrow account receivables. The loans carry interest rate at base rate plus 0.90% p.a. (March 31, 2015: BPLR minus 2.75% p.a.) which is subject to reset at the end of agreed interval. The loans are repayable in 32 quarterly instalments commencing from July 2011 till April 2019.

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30 Secured Indian rupee term loans from banks of ₹ 12.28 crore (March 31, 2015: ₹ 26.56 crore) of HASSL are secured by an equitable mortgage of leasehold right and title in respect of leasehold land belonging to GHIAL and other immovable properties and first charge on all movables, including movable machinery, machinery spares, tools, accessories, furniture, fixtures, vehicles and other movable assets, book debts, operating cash flows, receivables, intangibles, uncalled capital, commissions, revenues, present and future and assignment of all claims and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.38 crore equity shares of HASSL held by GHIAL. The loans carry interest rate at RBI Prime Lending Rate ('PLR') plus 3.00% p.a. The loans are repayable in 21 equal quarterly instalments commencing from March 2012.

31 Secured Indian rupee term loans from banks of ₹ 55.20 crore (March 31, 2015: ₹ 49.78 crore) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and an exclusive charge on all movable and immovable assets, operating cash flows, book debts, receivables, commissions, revenue of whatsoever nature, both present and future, and an exclusive charge on all bank accounts of the project, including TRA, escrow accounts etc. During the year ended March 31, 2015, the rupee term loan was restructured at an interest rate of 11.00% p.a. as against an earlier rate of 12.00% p.a. Further, on account of restructuring, GHASL got the additional term loan facility by way of additional funded interest term loan ('FITL'). Further, GHASL also got the moratorium of two years for repayment of loans (term loan and FITL) repayable over 32 unequal quarterly instalments beginning from June 2017 as against an earlier repayment term of over 40 unequal quarterly instalments beginning from November 2013.

32 Secured Indian rupee term loans (including FITL) from banks of ₹ 281.99 crore (March 31, 2015: ₹ 257.53 crore) of GAEL are secured by first pari-passu charge (a) by way of equitable mortgage of leasehold rights of land of GAEL and GATL to the extent of 16.46 acres on which MRO facilities are constructed with all the buildings, structures, etc. on such land; (b) hypothecation of all the movable assets of the GAEL and the subsidiary, GATL, including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets; (c) book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of GAEL and GATL; (d) all rights, title, interests, benefits, claims and demands whatsoever of GAEL and GATL, with respect to the insurance contracts; (e) on all the bank accounts of GAEL and GATL; (f) pledge of 51% of paid up share capital of GAEL held by GHIAL; and (g) unconditional and irrevocable corporate guarantee of GHIAL pari passu among the lenders for their respective term loans and funded interest term loan. The loans carry interest rate of 11.00% p.a. (March 31, 2015: 11.00% p.a.). During the year ended March 31, 2015, rupee term loans from banks were restructured with a moratorium period of two years in repayment of loan. The loans are repayable in 40 quarterly unequal instalments beginning from June 2016 as against earlier repayment term of 40 quarterly unequal instalments beginning from February 2014. Further, the interest for a period of 25 months commencing from March 2014 was converted into FITL and the FITL is repayable in 28 quarterly unequal instalments beginning from June 2016. During the year ended March 31, 2016, GAEL has also entered in to an agreement with a bank to obtain Loan Equivalent Risk (LER) facility for the cross currency arrangements which is secured by a second charge over the fixed and current assets, both present and future. Further, terms loans of ₹ 87.77 crore have been swapped by way of cross currency arrangement with the bank pursuant to which the principal of ₹ 87.77 crore has been swapped for an equivalent USD 1.30 crore and interest on such loan from 11.00% to 5.22% on the applicable USD amount. Additionally the interest on loans of ₹ 190.61 crore has been swapped by way of cross currency arrangement with a bank pursuant to which interest of 11.00% has been swapped to 9.78% p.a. on the applicable equivalent USD 2.83 crore on such effective date.

33 Secured Indian rupee term loans from banks of ₹ 28.50 crore (March 31, 2015: ₹ 33.93 crore) of DAFF are secured by a charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL. The rate of interest is base rate of the lender (March 31, 2015: base rate of the lender plus 0.05% to 0.30% p.a.). The loans were taken in two tranches, the first tranche is repayable in 48 quarterly instalments commencing from July 2011 and the second tranche is repayable in 20 quarterly instalments, calculated based on actual disbursements.

34 Secured Indian rupee term loans from banks of ₹ 136.04 crore (March 31, 2015: ₹ 139.86 crore) of DAPSL are secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of pledge of 30% of the issued and paid up capital of DAPSL, to be pledged at all the times during the tenure of loan. The loans carry interest rate ranging from 10.55% to 11.25% p.a. (March 31, 2015: 11.25% to 12.25% p.a.) subject to reset at the end of every 12 months from the date of first disbursement. The loans were earlier repayable in 36 unequal quarterly instalments commencing from April 2011, however pursuant to refinancing the loans are repayable in 38 quarterly structured instalments commencing from October 2015.

35 Secured Indian rupee term loans from banks of ₹ 2.58 crore (March 31, 2015: ₹ 3.72 crore) of TFS are secured by pledge of 30% of the shareholding in TFS and by way of lien on escrow account. The rate of interest ranges from 11.25% to 13.00% p.a. The loans are repayable in 28 equal quarterly instalments commencing from July 2011.

36 Secured Indian rupee term loans from a bank of ₹ 2.80 crore (March 31, 2015: ₹ 5.40 crore) of HDFRL is secured by current assets including stock and such other movables, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts and pledge of 30% of shares of total equity held by GHIAL. As on March 31, 2016, HDFRL has pledged 0.51 crore (March 31, 2015: 0.51 crore) equity shares as per the sanction terms. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval. The loan carries interest rate ranging from 11.25% to 11.75% p.a. (March 31, 2015: 11.75% to 12.50% p.a.). The loan

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is repayable in 22 unequal quarterly instalments commencing from March 2012 till March 2017. During the year ended March 31, 2016, HDFRL has entered into a cross currency swap agreement with a bank to receive equivalent USD 0.09 crore for the loan amount at the interest rate of 5.88% p.a. on the applicable USD amount.

37 Secured Indian rupee term loans from banks of ₹ 5.37 crore (March 31, 2015: ₹ 6.66 crore) of TIM are secured by a charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM, both present and future, under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of ₹ 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lender, if any. The loans carry interest rate ranging from 9.40% to 11.75% p.a. (March 31, 2015: 11.75% p.a.). The loans are repayable in three tranches, the first tranche is repayable in 24 equal quarterly instalments commencing from December 2011, the second tranche is repayable in 16 equal quarterly instalments commencing from May 2014 and the third tranche is repayable in 42 equal monthly instalments commencing from July 2016.

38 Secured Indian rupee term loans from banks and financial institutions of ₹ 425.10 crore (March 31, 2015: ₹ 245.12 crore) of GBHHPL are secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA and other reserves and any other bank accounts of GBHHPL both present and future. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of GBHHPL in the project documents. Further secured by way of pledge of 51% of its equity shares held by GEL. The loans from banks carry interest rate of base rate of the respective lender, plus 300 bbps to 330 bbps (March 31, 2015: base rate of respective lender plus 300 bbps to 330 bbps) and the loans from financial institutions carry interest rate of PLR of the respective lender minus 225 bbps except in case of one financial institution, which charges interest rate as per the respective lenders interest rate. The loans are repayable in 54 unequal quarterly instalments commencing from March 2019.

39 Secured Indian rupee term loan from a bank of ₹ 87.50 crore (March 31, 2015: ₹ 92.50 crore) of GADL is secured by first exclusive charge on GADL's loans and advances, current assets, cash flows and interest on inter corporate deposits/ sub debt including corporate guarantee from the Company and GAL. The loan is repayable in 28 quarterly instalments commencing from December 2013 and carries an interest rate ranging from 11.75% to 12.25% p.a. (March 31, 2015: 12.25% p.a.).

40 Secured Indian rupee term loan from a bank of ₹ 500.00 crore (March 31, 2015: ₹ 800.00 crore) of the Company is secured by (a) subservient charge on the immovable properties and movable assets of GWEL both present and future; (b) subservient charge on non-agricultural land in the State of Andhra Pradesh ('AP') of KSPL; (c) pledge of Nil (March 31, 2015: 46.00 crore) equity shares of the Company, held by GHPL; (d) pledge of 23% equity shares of GWEL held by GEL; (e) pledge of 30% equity shares of GCHEPL held by GEL; (f) pledge over 30% of equity shares of GEL held by GREEL; and (g) subservient charge on immovable properties situated in the State of Gujarat (both present and future) and all movable assets of GGSPPL. The loan carries an interest rate of base rate of lender plus spread of 4.75% p.a. (March 31, 2015: base rate of lender plus spread of 4.75% p.a.) The loan is repayable in twelve structured quarterly instalments commencing from April 2021 and ending in January 2024 as per the revised agreement dated May 27, 2016. There are certain mandatory prepayment events agreed with the bank including further issue of equity shares / divestments of stake in certain entities.

41 Secured Indian rupee term loan from a bank of ₹ 64.75 crore (March 31, 2015: ₹ 70.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of 6.71 crore equity shares of ₹ 1 each of the Company, held by GHPL and (d) Corporate guarantee of GHPL. The loan carries an interest rate of base rate of lender plus spread of 0.85% p.a. (March 31, 2015: base rate of lender plus spread of 0.85% p.a.) and is repayable in 10 structured quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

42 Secured Indian rupee term loan from a bank of ₹ 120.00 crore (March 31, 2015: ₹ 120.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) exclusive charge on assets provided by the Company created out of this facility; (c) pledge of shares of the Company on completion of 18 months from the date of first disbursement to cover the outstanding amount of loan facility less amount of fixed deposit as stated aforesaid on such date; and (d) cross collaterisation with existing securities of the Company with the lender. The loan carries an interest rate of base rate of lender plus spread of 1.50% p.a. (March 31, 2015: base rate of lender plus spread of 1.50% p.a.). The loan is repayable in 8 equal quarterly instalments commencing from January 2018 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of 18 months from the date of first disbursement and every 3 months thereafter.

43 Secured Indian rupee term loan from a bank of ₹ 87.08 crore (March 31, 2015: ₹ 90.00 crore) of the Company is secured by (a) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender; (b) cross collaterisation with existing securities available to the lender under various facilities extended to the Group by the lender; (c) pledge over 8.3% shareholding of GEL held by the Company; (d) an exclusive charge on assets created out of underlying facility by GISPL in favour of lender approved correspondent bank; (e) pledge on CCPS invested by GISPL in GCRPL in favour of lender approved correspondent bank; (f) cash flows of GISPL from the underlying contract with the Company or its subsidiaries to be escrowed / charged in favour of lender approved correspondent bank; (g) exclusive charge on loans given to

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GEL, and / or exclusive charge on all the movable/immovable fixed assets of RSSL and / or charge on other assets acceptable to the lender to cover the outstanding loan amount; and (h) DSRA covering interest payment for the first 3 months. The loan carries an interest rate of base rate of lender plus spread of 1.25% p.a. (March 31, 2015: base rate of lender plus spread of 1.25% p.a.) The loan is repayable in 14 unequal semi-annual instalments commencing after 12 months from the date of first disbursement.

44 Secured Indian rupee term loan from a bank of ₹ 75.39 crore (March 31, 2015: ₹ 171.01 crore) of the Company is secured by an exclusive first mortgage and charge on (a) residential property of Mr. G.B.S Raju at Bengaluru; (b) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL'); (c) non-agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at AP; (d) certain immovable property owned by D G Buildwell Private Limited ('DGBPL') in New Delhi; (e) office space of Grandhi Enterprises Private Limited ('GREPL') at Mumbai; (f) an irrevocable and unconditional guarantee of GREPL, BIPL, DGBPL and HJPPL limited to the extent of the value of their property as stated aforesaid; (g) non-agricultural lands of Mr. G. M. Rao; (h) commercial apartment owned by HFEPL; and (i) an irrevocable and unconditional guarantee of GHPL, BIPL and HFEPL and demand promissory note equal to principal amount of the loan and interest payable on the loan. The loan carries an interest rate of base rate of lender plus applicable spread of 3.25% p.a. and is repayable in 13 equal quarterly instalments commencing from July 2015 as per the revised agreement dated April 10, 2015.

45 Secured Indian rupee term loan from a bank of ₹ 225.00 crore (March 31, 2015: ₹ 250.00 crore) of the Company is secured by (a) residual charge over all current assets and movable fixed assets both present and future; (b) first charge over loans and advances both present and future (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding; (c) second charge over cash flows of both present and future of GMRHL; (d) an exclusive charge over rights and interest of the Group in IBC Knowledge Park property at Bengaluru and (e) pledge of 30% shares of GMRHL; and (f) DSRA covering interest payment for the first three months. The loan carries an interest rate of base rate of lender plus spread of 1.05% p.a. (March 31, 2015: base rate of lender plus spread of 1.05% p.a.) and is repayable in 6 structured quarterly instalments commencing from March 2017 as per the revised agreement dated May 23, 2016. There are certain mandatory prepayment events agreed with the bank including further issue of equity shares/ divestments of stake in certain entities.

46 Secured Indian rupee term loan from a bank of ₹ 180.00 crore (March 31, 2015: ₹ 225.00 crore) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposits lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at ₹ 300.00 crore; and (d) non disposable undertaking of the shares of the Company held by GHPL of ₹ 60.00 crore. The loan carries interest of bank's base rate plus 1.00% p.a. (March 31, 2015: bank's base rate plus 1.00% p.a.) and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

47 Secured Indian rupee term loan from a bank of ₹ 264.00 crore (March 31, 2015: ₹ 330.00 crore) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) cash margin of 10% of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL, valued at ₹ 210.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on immovable fixed assets owned by GEL or any associate company/ group company/ promoters, such that a cover of 0.5x of the outstanding facility amount (net of fixed deposit margin) is maintained throughout the tenure of the facility; and (f) pledge of 25% equity shares of GVPGL held by GEL. The loan carries interest rate of bank's base rate plus 1.00% p.a. (March 31, 2015: bank's base rate plus 1.00% p.a.) and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The bank has a put option for full or part of the facility amount at the end of 24 months from the date of first disbursement and every 3 months thereafter.

48 Secured Indian rupee term loan from a bank of ₹ 408.86 crore (March 31, 2015: ₹ 475.00 crore) of GEL is secured by (a) exclusive charge on assets created out of the loan facility; (b) 10% DSRA of outstanding facility amount in the form of fixed deposit lien marked in favour of the lenders; (c) pledge of shares of GEL valued at ₹ 260.00 crore; (d) corporate guarantee of the Company; (e) exclusive charge by way of mortgage on office space at Bandra Kurla complex, Mumbai; (f) pledge of 30% shares of GPCL; and (g) non-disposable undertaking of 21% shareholding of GPCL held by GEL. The loan carries interest rate of bank's base rate plus 1.25% p.a. (March 31, 2015: base rate plus 1.25% p.a.) and is repayable in 16 unequal quarterly instalments commencing after 15 months from the date of first disbursement. The lender has a put option for full or part of the facility amount at the end of 36 months from the date of first disbursement and every 3 months thereafter.

49 Secured Indian rupee term loan from a bank of ₹ 150.00 crore (March 31, 2015: ₹ 150.00 crore) of GEL is secured by pledge of total paid up equity share capital of GEL held by the Company for an amount equivalent to the loan facility, subject to Banking Regulation Act, 1949 and corporate guarantee by the Company guaranteeing the repayment of the loan and payment of interest and other charges thereon. The loan carries interest rate of base rate of the bank plus 2.00% floating spread (March 31, 2015: base rate of the bank plus 2.00% floating spread) with reset option as stipulated by the lender from time to time and is repayable after 3 years from the drawdown date.

50 Secured loan from a bank of ₹ 0.38 crore (March 31, 2015: ₹ 0.50 crore) of the Company are secured on certain vehicles of the Company. The loan carries an interest rate of 10.00% p.a. (March 31, 2015: 10.00% p.a.). The loan is repayable in 60 equal monthly instalments commencing from October 2013.

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51 Indian rupee term loan from a bank of ₹ 18.17 crore (March 31, 2015: ₹ Nil) of GVPGL is secured by way of fixed deposits and corporate guarantees of GREEL. The loan is repayable in seven equal quarterly instalments from the end of 3 months from the date of first disbursement of the facility and carries an interest of bank's base rate plus spread of 1.25% p.a.

52 Secured Indian rupee term loan from a bank of ₹ 3.48 crore (March 31, 2015: ₹ Nil) of PAPPL is secured by 20.03 acres of immovable property of PAPPL. The loan carries a floating rate of 10.90% p.a. and is repayable in 108 monthly instalments commencing from October 2015.

53 Secured Indian rupee term loan from a bank of ₹ 450.00 crore (March 31, 2015: ₹ Nil) of GAL is secured by exclusive first charge by way of hypothecation on GAL's movable fixed assets (except investments) and current assets, revenues and receivables, both present and future, monies lying in the accounts of GAL, including TRA. Further secured by pledge of 26% equity shares of GAL held by the Company, an unconditional and irrevocable corporate guarantee from the Company, non-disposal undertaking and power of attorney executed in favor of bank (to be executed for any acquisition of shares by GAL in DIAL beyond 54%). The loan carries interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The rate of interest is ranging from 10.70% to 10.25% p.a. (March 31, 2015: Nil). 76% of the loan is repayable in 15 quarterly equal instalments commencing from March 2017 till September, 2020. The balance 24% of the loan shall be repaid as a bullet repayment in September 2020.

54 Secured Indian rupee term loan from a bank of ₹ 285.00 crore (March 31, 2015: ₹ Nil) of the Company is secured by (a) 10% DSRA in the form of lien on fixed deposit in favor of the lender; (b) exclusive first charge on asset provided by the Company created out of the facility; (c) pledge over 5% shareholding of GEL held by the Company; (d) pledge over 26% of equity shares of GWEL held by GEL. The loan carries an interest rate of base rate of lender plus spread of 0.50% p.a. The loan is repayable in 14 structured quarterly instalments commencing from January 2017 as per the revised agreement dated May 23, 2016.

55 Secured Indian rupee term loan from a bank of ₹ 2.90 crore (March 31, 2015: ₹ Nil) of GRSPPL is secured by way of first charge on all the goods, book debts and all the other movable assets. The loan carries an interest rate of 13.25% p.a. and is repayable in 11 yearly instalments with initial gestation period of 12 months commencing from February 2017.

56 Secured Indian rupee term loan from a bank of ₹ 46.57 crore (March 31, 2015: ₹ 69.62 crore) of WAISL is secured by assignment of receivables of WAISL under Master Service Agreement ('MSA') and User agreements. The loan carries an interest rate calculated on the basis of 5 year lender benchmark rate prevailing on the date of each disbursement of the purchase consideration plus spread. The loan is repayable in monthly instalments commencing from January 2010 to December 2017.

57 Secured Indian rupee term loan from a financial institution of ₹ 600.00 crore (March 31, 2015: ₹ 700.00 crore) of the Company is secured by an exclusive first charge on barge mounted plant of GEL and pledge of 3.32 crore (March 31, 2015: 3.32 crore) equity shares of ₹ 1 each of the Company, held by GHPL. The loan carries an interest rate of 11.75% p.a. (March 31, 2015: 11.75% p.a.) and is repayable in 10 equated annual instalments commencing from December 2012.

58 Secured Indian rupee term loans from financial institutions of ₹ 100.00 crore (March 31, 2015: ₹ 250.00 crore) of GMRHL are secured by way of a pledge of 26% equity shares of GMRHL held by the Company. This term loan carries an interest rate of 13.00% p.a. for the first 13 months from the date of disbursement; 14.00% p.a. for the next 12 months from the end of 13 months from the date of first disbursement; 15.00% p.a. for the rest of the tenure of loan and the principal is repayable in a lumpsum within 37 months from the date of agreement i.e. March 2013.

59 Secured Indian rupee term loans from financial institutions of ₹ 15.85 crore (March 31, 2015: ₹ 20.72 crore) of GAPL are secured by way of hypothecation of aircrafts of GAPL and guarantee issued by the Company. The rate of interest ranges from 10.23% to 11.38% p.a. (March 31, 2015: 10.97% to 12.39% p.a.). The loan is repayable in quarterly instalments of ₹ 1.22 crore each with an option to preclose at the end of year 1 and thereafter on every interest reset date with 30 days written notice to the lender without any prepayment premium.

60 Secured Indian rupee term loan from a financial institution of ₹ 700.00 crore (March 31, 2015: ₹ 700.00 crore) of GEL is secured by way of first pari-passu charge on the land of KSPL and corporate guarantee given by the Company. The loan carries an interest of 12.00% p.a. (March 31, 2015: 12.00% p.a.) and is repayable in 6 equal instalments after the fifth year from the date of first disbursement. The loan was taken during the year ended March 31, 2013.

61 Secured Indian rupee term loan from a financial institution of ₹ 150.00 crore (March 31, 2015: ₹ 150.00 crore) of the Company is secured by exclusive first charge on land held by GKSEZ. The loan carries interest rate of 12.00% p.a. (March 31, 2015: 12.00% p.a.). The loan is repayable in 7 equal annual instalments commencing at the end of four years from the date of first disbursement.

62 Secured Indian rupee term loan from a financial institution of ₹ 28.75 crore (March 31, 2015: ₹ 36.93 crore) of the Company is secured by a charge on the assets of the Company. The loan carries interest rate of 14.75% p.a. linked with lender's base rate on reducing balance and is repayable in 57 monthly instalments commencing from April 2014.

63 Secured Indian rupee term loan from a financial institution of ₹ 195.00 crore (March 31, 2015: ₹ 195.00 crore) of the Company is secured by way of (a) first mortgage and charge on non-agriculture lands of SJK; (b) pledge of 2.00 crore equity shares of ₹ 1 each of the Company, held by GHPL and (c) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 crore held by the Company and

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in case of default in repayment of loan, the lender has the right to convert the loan into equity. The loan carries an interest rate of 14.25% p.a. (March 31, 2015: 14.25% p.a.) and is repayable in 18 quarterly instalments commencing from October, 2016.

64 Secured Indian rupee term loan from a financial institution of ₹ 260.00 crore (March 31, 2015: ₹ 260.00 crore) of the Company is secured by exclusive first charge on certain immovable properties located in the State of AP owned by NREPL, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi. The loan carries an interest rate of 12.15% p.a. (March 31, 2015: 12.15% p.a.). The loan is repayable in 6 equal annual instalments commencing at the end of five years from the date of first disbursement.

65 Secured rupee term loans from a financial institution of ₹ 9.74 crore (March 31, 2015: ₹ Nil) of GCHEPL is secured by exclusive/ first charge/ hypothecation of equipments borrowed under the loan consisting of movable assets/ equipments including movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future, whether installed or not and whether now lying loose or in cases or which are lying or stored in or about or shall be brought into or upon or be stored or be in GCHEPL's factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the customer or in the course of transit or on high seas or on order or delivery. The loan carries an interest rate of 16% per annum. The loan amount shall be repaid in 34 monthly instalments commencing from December 2015.

66 Secured Indian rupee loan from a financial institution of ₹ 55.42 crore (March 31, 2015: ₹ Nil) of SJK is secured by the way of (a) pledge on 1.70 crore equity shares of the Company; (b) pledge on 100% equity shares of GPEL; (c) pledge on 49% equity shares of GTAEPL; (d) pledge on 49% equity shares of GTTEPL; (e) pledge on 26% equity shares of GHVEPL; (f) First pari passu charge on loans and advances of the above mentioned road companies; (g) pledge on 21% equity shares of GMRHL; (h) pledge on 26% preference share capital of GMRHL; (i) charge by the way of mortgage on certain properties; and (j) charge by the way of mortgage on 82 acres of immovable property located at Maharashtra. The loan carries interest rate at lender's benchmark rate less spread of 6.00% p.a. The entire loan is repayable on bullet repayment on the date falling 36 months from the date of first disbursement i.e. September 2018.

67 Secured Indian rupee term loan from a financial institution of ₹ 150.00 crore (March 31, 2015: ₹ Nil) of KSPL is secured by pari passu first charge on land to the extent of 8,236.50 acres along with escrow of receivable from land leasing of 916 acres under Phase-I and lien on fixed deposit of ₹ 5.65 crore. Further secured by an irrevocable and unconditional guarantee given by the Company. The loan carries an interest rate of 11.70% p.a. plus spread of 2.75% and is repayable in 8 equal quarterly instalments commencing from the end of 27 months from the first drawdown date i.e. September 2017.

68 Secured loan from others of ₹ 0.17 crore (March 31, 2015: ₹ 0.23 crore) of the Company is secured by certain vehicles of the Company. The loan carries an interest rate of 10.33% p.a. (March 31, 2015: 10.33% p.a.) and is repayable in 60 equal monthly instalments commencing from April 2014.

69 Secured foreign currency loans from banks of ₹ 362.70 crore (March 31, 2015: ₹ 346.07 crore) of GKEL are secured by first ranking charge/ assignment / mortgage / hypothecation / security interest on pari passu basis on all the immovable (including land) and movable properties (excluding mining 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. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans including foreign currency loans and working capital lenders for an amount acceptable to the lenders. The rate of interest for each interest period is the rate p.a. which is aggregate of six months LIBOR and the applicable margin calculated at two business days prior to the relevant interest period. GKEL has to repay 1.00% p.a. of the total foreign currency loans drawdown amount commencing 12 months from the initial drawdown date for first four years and thereafter the balance amount is to be paid in 32 quarterly instalments from fifth year onwards.

70 Secured foreign currency loans from a bank of ₹ Nil (March 31, 2015: ₹ 144.81 crore) of GIML was secured by way of pledge of shares of GISPL held by GIML and further secured by way of corporate guarantee given by the Company. The rate of interest was LIBOR plus 6.45% (March 31, 2015: LIBOR plus 6.45%). The loan was repaid during the year ended March 31, 2016.

71 Secured foreign currency loan from a bank of ₹ 111.01 crore (March 31, 2015: ₹ 104.84 crore) of MTSCL is secured by way of 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 MTSCL; and all

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rights, titles, permits and interests of MTSCL in respect of all the assets, project documentation including all insurance contracts and clearances. The loan carries an interest at LIBOR plus 4.50% p.a. MTSCL has entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The effective rate of interest is 11.20% p.a. The entire foreign currency loan is repayable as a single instalment in May 2018. Pursuant to the MOU as detailed in note 30(b), the Group has classified the borrowings of MTSCL as current maturities of long term borrowings.

72 Secured foreign currency loans from banks of ₹ 577.24 crore (March 31, 2015: ₹ 575.39 crore) of DIAL are secured by first rank pari passu charge on all the future revenues, receivables, TRA, DSRA, major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further secured by the pledge of requisite shares held by the consortium of GAL and FAG (shareholders of DIAL). The loans carry an interest at 6 months LIBOR plus agreed spread of 480 bbps. However, DIAL had entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest, as per terms of the loan agreement. During the year ended March 31, 2015, DIAL had undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. The loans are repayable in 18 unequal half yearly instalments commencing from June 2016 to December 2024.

73 Secured foreign currency loans from banks of ₹ Nil (March 31, 2015: ₹ 84.10 crore) of GENBV was secured by pledge of shares of GENBV, pledge of 100% shares of PTDSU, PTDSI and PT, non-disposal undertaking from PTDSI and PT for their entire shareholding in PTBSL, non-disposal undertaking from GEL for its shareholding in GEML and non disposal undertaking of 100% shareholding of GEML in GECL and undertaking by the Group to retain 51% direct ownership and control in GEL. Further secured by way of an irrevocable and unconditional guarantee by the Company and charge over escrow of cash flows from PTDSU, PTDSI, PTBSL and PT including dividends and cash sweeps. The rate of interest was LIBOR plus 550 bbps. The loan was repayable in 3 equal annual instalments commencing from February 2013 and ending in February 2015. The loan was repaid in full during the year ended March 31, 2016.

74 Secured foreign currency loan from a bank of ₹ 110.77 crore (March 31, 2015: ₹ 104.62 crore) of ATSCL is secured by way of 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 interest of ATSCL in respect of all the assets, project documentation, including all insurance contracts and clearances. The loan carries an interest at LIBOR plus 4.50% p.a. ATSCL has entered into a contract to hedge the interest rate risk related to LIBOR and has entered into an IRS arrangement to convert floating rate of interest into fixed rate of interest. The effective rate of interest is 10.71% p.a. The entire foreign currency loan is repayable as a single instalment in December 2017. Pursuant to the MOU as detailed in note 30(b), the Group has classified the borrowings of ATSCL as current maturities of long term borrowings.

75 Secured foreign currency loans from banks of ₹ 2,528.98 crore (March 31, 2015: ₹ 2,388.46 crore) of GCRPL are secured by a charge over all tangible and intangible assets of GCRPL and a charge over the shares of GCRPL held by GEL and the Company. Further, secured by way of guarantee by the Company and a non-disposable undertaking with respect to shares held in PTGEMS by GCRPL. The loan carries interest rate of six month LIBOR plus 4.25% p.a. The term loans are repayable in 4 instalments of 5% of the loans within 24 months from the first utilisation date i.e. in October 2011, 10% within 36 months from the first utilisation date, 10% within 48 months from the first utilization date and the final instalment of 75% on the maturity date i.e. in October 2016. During the year ended March 31, 2016, GCRPL entered into an arrangement with the lenders to reschedule the loan repayment to over a period of 5 years. However pending the lender's final approval of the revised repayment terms, the loans have been classified as current maturities of long term borrowings as per the existing provisions of the facility agreement. As at March 31, 2016, GCRPL has defaulted in the payment of interest of ₹ 54.27 crore (March 31, 2015: ₹ Nil) for the period from August 2015 to March 2016 (March 31, 2015: Nil).

76 Secured foreign currency loans from banks amounting to ₹ 927.17 crore (March 31, 2015: ₹ 1,008.96 crore) of GMIAL are secured by first charge / assignment of all revenues and receivables of GMIAL from the project or otherwise, first charge of existing and future movable properties, all banks accounts including without limitation, the escrow accounts and each of the other accounts required to be created by GMIAL under any project document or contract, all intangible assets including but not limited to the goodwill, undertaking, uncalled capital and intellectual property rights, assignments of all the rights, titles, and interests of GMIAL from all contractors, insurances, licenses in, to and under all assets of the project, all project documents, which GMIAL is a party to including contractor guarantees, liquidated damages and all other contracts relating to the project, a first charge or assignment of all the rights, titles, interests, benefits, claims and demands whatsoever of GMIAL in any letter of credit, guarantee, performance bonds, provided by EPC contractors, or any party to the project documents, lender's security package listed in the project documents, including substitution rights and termination payments due in respect of the project in specified circumstances and pledge of 51% of the equity share capital of GMIAL. As per the direct agreement signed between Maldives Airport Company Limited ('MACL'), Government of Maldives ('GoM'), lenders and GMIAL, GoM has guaranteed the loan of GMIAL to the lenders. All the securities created would be shared on pari passu basis amongst the lenders participating in the facility and the lenders providing the operations and maintenance bonds, works bonds, capex LCs, working capital facilities and interest and currency hedge providers. The rate of interest is six months LIBOR plus 375 bbps. The loan was originally repayable in half yearly instalments commencing from June 2015. However, pursuant to the takeover of control of Ibrahim Nasir

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International Airport ('Male airport') by MACL/GoM, the bank has served a notice of events default on December 7, 2012 and has recalled the total loan outstanding. Accordingly, the loans have been classified as current maturities of long term borrowings. However, GMIAL is in the process of negotiating with the bank to defer the loan repayment till the process of arbitration is complete. During the year ended March 31, 2015 and March 31, 2016, GMIAL has undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled. As at March 31, 2016, the bank has extended the repayment of the loans till June 2016.

77 Secured foreign currency loan from a bank of ₹ 267.08 crore (March 31, 2015: ₹ 252.24 crore) of PTBSL is secured by a charge over insurance, inventory, plant and machinery, receivables of PTBSL and further secured by corporate guarantee from the Company. The loan carries an interest rate of LIBOR plus 6.07% p.a. and is repayable in 10 half yearly instalments commencing after 42 months from the first utilisation date.

78 Secured foreign currency loans from banks of ₹ 36.25 crore (March 31, 2015: ₹ 6.25 crore) of GUKPL is secured by mortgage of land and building existing or to be created in future owned by GUKPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender by GEL and also secured by way of acknowledgment letter from Government of Nepal through Investment Board of the Government of Nepal, as per Section 14.1 of Project Development Agreement of GUKPL's assignment/transfer of GUKPL's rights or benefits. Further secured by way of assignment of rights and benefits as per Section 14.1 of Project Development Agreement and hypothecation of entire work in progress. The bridge gap loan is for three years from the first disbursement date (i.e. December 2014 and February 2016) or till three months after financial closure whichever is earlier. The loan carries interest rate at 8.50% p.a. (March 31, 2015: 8.50% p.a.) The interest rate shall be reviewed semi-annually.

79 Secured foreign currency loan from a bank of ₹ 961.49 crore (March 31, 2015: ₹ 908.06 crore) of GIML is secured by certain fixed deposits of GIML and by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 200 bbps. The loan is repayable in June 2016.

80 Secured foreign currency loans from banks of ₹ 4.38 crore (March 31, 2015: ₹ Nil) of HHPPL is secured by mortgage of fixed assets existing or to be created in future owned by HHPPL in favor of the lender. Further, secured by way of letter of comfort in favor of the lender from GEL. The loan carries interest rate at 8.50% p.a. and the tenure of the loan is for 3.5 years from the first disbursement date i.e. June 2015 or till three months after financial closure whichever is earlier.

81 Secured foreign currency loan from a bank of ₹ 99.30 crore (March 31, 2015: ₹ Nil) of PTGEMS is secured by certain properties and equipments of PTGEMS and its subsidiaries; and pledge of shares and corporate guarantees from Group companies. The loan is repayable over a period of 10 years. The rate of interest is 10.00% p.a. subject to rate revisions from time to time.

82 Secured foreign currency loans from banks of ₹ 801.00 crore (March 31, 2015: ₹ Nil) of GMCAC are secured against the collateral security of all monies deposited by GMCAC and from time to time standing in the cash flow waterfall accounts; the project receivables; the proceeds of any asset and business insurance obtained by GMCAC, except for the proceeds of insurance policies arising from damage of any project assets; the project documents (accession agreement, technical service agreement and engineering and procurement contract); and the 100% of the total issued and outstanding capital stock of GMCAC. The loans carry a rate of interest of base rate plus credit spread for Philippines peso loans and LIBOR plus credit spread for USD loans. The loans shall be repayable in 12 unequal yearly instalments with the final instalment being paid 15 years after initial drawdown date.

83 Secured foreign currency loan from a financial institution of ₹ 674.38 crore (March 31, 2015: ₹ 636.91 crore) of GCHEPL is secured by first ranking charge by way of assignment / mortgage / hypothecation / security interest on pari passu basis on, all GCHEPL's immovable properties both present and future, all the movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other movable assets, intangible goodwill, uncalled capital, both present and future in relation to the project, all the book debts, operating cash flows, receivables, commission, revenues of whatsoever nature wherever arising including CDM benefits of GCHEPL both present and future, all the rights, titles, interest, benefits, claims and demands whatsoever of GCHEPL in the project documents (including PPA's/ MOU for sale of power, package/ construction contracts, operation and maintenance related agreements, land lease agreements, fuel supply contracts/ long term linkages, services contracts, mining lease, vesting order, coal mine development and production agreement etc.) all as amended varied or supplemented from time to time; and all insurance policies, performance bonds, contractors guarantees and any letter of credit provided by any party under the project documents, all the rights, titles, permits, clearances, licenses, approvals, consents, all intellectual property, interests and demands of GCHEPL in respect of the project documents and the escrow account, DSRA and any other bank accounts of GCHEPL and other rights, claims etc. and pledge of shares held by the promoters/ sponsors constituting 51% of preference and equity shares of GCHEPL which shall be reduced to 26% of shares on repayment of half of the loans subject to the compliance of conditions put forth by the consortium of rupee lenders, cost overrun lenders and foreign currency lender. All the securities shall rank pari passu among all the rupee lenders, cost overrun and mining capex lenders, foreign currency lender aggregating to ₹ 8,977.00 crore and the lenders participating in the bank borrowings for the working capital requirements (fund and non-fund based) to the extent of ₹ 1,054.00 crore and the lenders participating in the performance guarantee of ₹ 455.00 crore and on second charge basis with lenders providing customs/ excise bank guarantee and loan equivalent risk limits of ₹ 1,163.00 crore. The loan carries an interest rate of six months USD LIBOR plus margin that ranges from 215 bbps to 410 bbps (March 31, 2015: rate of six months USD LIBOR plus margin that ranges from 215 bbps to 410 bbps). During the year ended March 31, 2015, GCHEPL had undertaken negotiation with the lenders pursuant to which the repayment of the aforesaid loans has been rescheduled to be repaid in 68 structured quarterly instalments commencing from April 2017 to January 2034.

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84 Unsecured Indian rupee term loan from a bank of ₹ Nil (March 31, 2015: ₹ 187.50 crore) of GPCL was secured by second charge over all current assets (inventory, book debts, bank accounts and investments) and an exclusive charge over DSRA of GPCL subject to receipt of no objection from the existing working capital lenders. Pending receipt of no objection certificate from the existing lenders, the loan had been classified as unsecured during the year ended March 31, 2015. The above term loan was repayable in 8 equal quarterly instalments commencing from the end of 15 months from the date of first disbursement i.e. July 2013 and carried an interest rate of 14.60% p.a. (March 31, 2015: 14.60% p.a.). During the year ended March 31, 2016 the loan was repaid in full.

85 Unsecured Indian rupee loans from a financial institution of ₹ 0.06 crore (March 31, 2015: ₹ 0.14 crore) of WAISL carries an interest rate of 10.50% p.a. The loan is repayable in 72 equal monthly instalments commencing from January 2012 to December 2017.

86 Unsecured Indian rupee term loan from others of ₹ 12.96 crore (March 31, 2015: ₹ 14.51 crore) of Laqshya is interest free. The loan is repayable in 6 unequal annual instalments commencing from the financial year 2015-16.

87 Unsecured Indian rupee term loan from others of ₹ 0.70 crore (March 31, 2015: ₹ 0.90 crore) of HMACPL is interest free. The loan is repayable in 15 equal annual instalments of ₹ 0.10 crore each commencing from April 2009.

88 Unsecured foreign currency loan from a bank of ₹ 330.51 crore (March 31, 2015: ₹ 315.23 crore) of GISPL is secured by an irrecoverable and unconditional standby letter of credit up to a limit of USD 5.00 crore guaranteed by the Company. The loan carries an interest at 6 months LIBOR plus margin of 3.07% p.a. (March 31, 2015: interest at 6 months LIBOR plus margin of 3.07% p.a.) and is repayable over a period of 5 years over 9 instalments of 1% within 12 months from the first utilisation date, 1% within 18 months from the first utilisation date, 1.25% within 24 months from the first utilisation date, 2.50% within 30 months from the first utilisation date, 7.50% within 36 months from the first utilisation date, 9.25% within 42 months from the first utilisation date, 9.50% within 48 months from the first utilisation date, 9.50% within 54 months from the first utilisation date and a final instalment of 58.50% on the maturity period of 60 months.

89 Unsecured foreign currency loans from others of ₹ 6.90 crore (March 31, 2015: ₹ 6.51 crore) of CDCTM carries an interest rate of six month LIBOR rate plus spread of 500 bbps and is repayable in a single instalment on maturity i.e. May 2018.

90 Unsecured foreign currency term loans from others of ₹ 26.11 crore (March 31, 2015: ₹ Nil) of GMIAL taken from Malaysia Airports Holding Berhad, carries an interest rate of 14.00% p.a. and is repayable after a period of three years from the effective date i.e. January 2015.

91 Secured Indian rupee term loans from banks and financial institutions against development fees receipts of ₹ 84.00 crore (March 31, 2015: ₹ 545.26 crore) of DIAL are secured by pari passu first charge on development fees. The loans are repayable from collection of development fees receipts and the repayment commitments are as per the loan agreement. The loans carry fixed rate of interest at 11.95% p.a. (March 31, 2015: 11.50% p.a.).

92 Secured suppliers' credit of ₹ 39.38 crore (March 31, 2015: ₹ 55.67 crore) of GAPL is secured by way of hypothecation of aircrafts, guarantee issued by the Company and a bank guarantee given by GAPL. The rate of interest is six months LIBOR plus spread of 115 bbps. The interest rate is hedged at 3.66% p.a. The loan is repayable in 16 equal half yearly instalments commencing from April 2010.

93 Unsecured suppliers' credit of ₹ 48.00 crore (March 31, 2015: ₹ 48.00 crore) of GGSPPL represents interest free retention money repayable after 15 years i.e. within December 2026.

94 Bills discounted of ₹ Nil (March 31, 2015: ₹ 134.70 crore) of GEL were secured by first charge over the current assets of GEL and second charge over the entire fixed assets of GEL. The securities would be shared on a pari passu basis with existing charge holders. During the year ended March 31, 2016, a standby letter of credit has been invoked by the bank and the amount has been classified under short term borrowings. Refer note 8 (20)

95 Finance lease obligations of ₹ 0.66 crore (March 31, 2015: ₹ 0.63 crore) of GPCL are secured by underlying assets taken on finance lease arrangement. The lease term is of 5 years and it carries an interest of 10.00% p.a. (March 31, 2015: 10.00% p.a.).

96 Finance lease obligation of ₹ 0.05 crore (March 31, 2015: ₹ Nil) of TIM on account of vehicle lease is secured by hypothecation of vehicle. The interest rate implicit in the lease is 13.00% p.a. The loan is repayable in 36 unequal monthly instalments.

97 Negative grant of ₹ 66.41 crore (March 31, 2015: ₹ 66.41 crore) of GACEPL is interest free. Negative grant is repayable in unequal yearly instalments over the next 5 years. As at March 31, 2016, an amount of ₹ 61.16 crore (March 31, 2015: ₹ 34.95 crore) is due and GACEPL has obtained an interim stay order from the arbitration tribunal against the recovery of the negative grant till further orders. Refer note 36

98 Interest free loan from others of ₹ 315.05 crore (March 31, 2015: ₹ 315.05 crore) of GHIAL received from the State Government of Telangana (erstwhile State Government of Andhra Pradesh) is repayable in 5 equal instalments commencing from 16th anniversary of the commercial operations date of GHIAL i.e. March 2008.

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6 OTHER LONG-TERM LIABILITIES

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Trade payables	29.14	21.03
	29.14	**21.03**
Others		
Advance / deposits received from customers	315.23	252.82
Unearned revenue	13.26	17.37
Deposits / advances from concessionaires	104.33	6.66
Deposits / advances from commercial property developers	1,471.51	1,471.51
Concession fee payable	183.67	157.88
Non-trade payable (including retention money)	98.57	157.83
	2,186.57	**2,064.07**
	2,215.71	**2,085.10**

7 PROVISIONS

	Long-term		Short-term	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Provision for employee benefits				
Provision for gratuity (refer note 46)	10.94	6.89	1.57	0.55
Provision for leave benefits	-	-	70.64	64.74
Provision for voluntary retirement compensation (refer note 49)	34.90	52.50	17.61	18.26
Provision for other employee benefits	-	-	41.27	34.96
	45.84	**59.39**	**131.09**	**118.51**
Other provisions				
Provision for taxation (net)	-	-	50.44	38.41
Provision for wealth tax	-	-	-	0.01
Provision for debenture redemption premium	-	-	3.94	4.81
Provision for mark to market losses on derivative contracts	-	-	50.12	45.99
Provision for operation and maintenance (net of advances) (refer note 49)	58.16	-	53.71	56.39
Provision for tax on proposed equity dividend	-	-	5.98	6.42
Proposed preference dividend	-	-	-	0.55
Provision for tax on proposed preference dividend by a subsidiary	-	-	0.11	0.11
	58.16	**-**	**164.30**	**152.69**
	104.00	**59.39**	**295.39**	**271.20**

8 SHORT-TERM BORROWINGS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Secured:		
Cash credit and overdraft from banks	504.47	436.27
Letters of credit/ bills discounted	10.98	201.35
Indian rupee short term loans from banks	185.88	802.16
Foreign currency short term loans from banks	6.73	650.62
Indian rupee short term loans from financial institutions	246.02	388.76
Unsecured:		
Foreign currency short term loan from bank	360.56	772.48
Indian rupee short term loans from banks	425.42	258.50
Indian rupee short term loans from others	1.04	1.04
	1,741.10	**3,511.18**
The above amount includes		
Secured borrowings	954.08	2,479.16
Unsecured borrowings	787.02	1,032.02
	1,741.10	**3,511.18**

1 Cash credit from a bank of ₹ Nil (March 31, 2015: ₹ 0.03 crore) of GHIAL is secured by way of first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future and a second ranking charge by way of mortgage of leasehold right title, interest and benefit in respect of leasehold land (to an extent of 2,136.46 acres (March 31, 2015: to an extent of 2,044 acres and 29 guntas)), freehold land of 8.82 acres (March 31, 2015: Nil), but not limited to documents of title to the goods. The rate of interest was 12.10% p.a. (March 31, 2015: 12.75% p.a.).

Notes to the consolidated financial statements for the year ended March 31, 2016

2 Cash credit from a bank of ₹ Nil (March 31, 2015: ₹ 0.02 crore) of HDFRL is secured by way of pari passu charge on current assets including stock, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts, a pledge of 30% of shares of total equity share capital of HDFRL held by GHIAL. The rate of interest was ranging from 11.25% to 11.75% p.a. (March 31, 2015: 11.75% to 12.50% p.a.).

3 Cash credit from a bank of ₹ 0.98 crore (March 31, 2015: ₹ 0.54 crore) of TIM is secured by charge on entire book debts of TIM, bills whether documentary or clean, outstanding monies and receivables of TIM both present and future under escrow account. TIM has also given an undertaking to the bank for first right on security deposit of ₹ 17.47 crore (given to DIAL) so released by DIAL for appropriation towards dues of the lenders, if any. The rate of interest is ranging from 9.40% to 12.25% p.a. (March 31, 2015: 12.25% p.a.).

4 Cash credit from a bank of ₹ Nil (March 31, 2015: ₹ 2.95 crore) of GETL is secured by exclusive charge on current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest was ranging from 12.38% to 13.03% p.a. (March 31, 2015: 13.03% p.a.).

5 Cash credit from a bank of ₹ 0.95 crore (March 31, 2015: ₹ 0.18 crore) of GAPL is secured by way of a corporate guarantee from the Company and a charge over current assets of GAPL. The rate of interest is 14.35% p.a. (March 31, 2015: 14.35% p.a.).

6 Cash credit from a bank of ₹ 23.42 crore (March 31, 2015: ₹ 22.41 crore) of GATL is secured by first charge on entire current assets and cash flows including stocks, receivables, bank balances etc., first pari passu charge by way of extension of equitable mortgage of leasehold rights of land to the extent of 16.46 acres registered in the name of GAEL on which MRO facilities have been created along with all the buildings and structures, first pari passu charge by way of hypothecation of all the movable assets belonging to GATL and GAEL and including but not limited to plant and machinery, machinery spares, tools and accessories and corporate guarantee from GAEL. The rate of interest is base rate of the bank plus 3.95% p.a. (March 31, 2015: base rate of the bank plus 4.00% p.a.).

7 Cash credit from a bank of ₹ 4.24 crore (March 31, 2015: ₹ 4.96 crore) of GHRL is secured by way of first pari passu charge on entire current assets and cash flows including stocks, receivables, bank balances etc. with existing term lenders and collateral first pari passu charge by way of extension of equitable mortgage of the immovable properties and assets pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc. on such land. The rate of interest is ranging from base rate of the lender plus 2.50% to 3.80% p.a. (March 31, 2015: base rate of the lender plus 2.50% to 3.80% p.a.).

8 Cash credit from banks of ₹ 111.10 crore (March 31, 2015: ₹ 60.17 crore) of GKEL are secured by way of first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 85.99% (March 31, 2015: 51%) of the total paid up equity share capital of GKEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders including foreign currency loans and the lenders participating in the bank borrowings for the working capital requirements / bank guarantee facility to the extent as approved by the rupee lenders. The rate of interest is ranging from 11.90% to 14.00% p.a. (March 31, 2015: 12.50% to 13.50% p.a.).

9 Cash credit from banks of ₹ 237.48 crore (March 31, 2015: ₹ 148.58 crore) of GWEL are secured by way of a first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi-finished goods and consumable goods and by book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further, they are secured by pledge of shares representing 51% of the total paid up equity share capital of GWEL. The beneficial interest in the security shall rank pari passu among all the rupee lenders and the lenders participating in the bank borrowings for the working capital requirements/ bank guarantee facility to the extent as approved by the rupee lenders and secured bond holders. The rate of interest is ranging from base rate of the lender plus 2.25% p.a. (March 31, 2015: base rate of the lender plus 2.25% to 2.75% p.a.).

10 Cash credit from a bank of ₹ 5.32 crore (March 31, 2015: ₹ 0.28 crore) of DASPL is secured by exclusive charge on movable fixed assets of DASPL on WDV, entire current assets of DASPL and DASPL's escrow account receivables. The rate of interest is base rate plus 1.65% p.a. (March 31, 2015: bank prime lending rate minus 2.25% p.a.), which is subject to reset at the end of agreed interval.

11 Cash credit from banks of ₹ 19.90 crore (March 31, 2015: ₹ 24.68 crore) of DDFS are secured by first charge by way of hypothecation on DDFS's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank and first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institution), in a form and manner satisfactory to the bank and pledge of 30% of sponsors' shareholding in DDFS worth ₹ 24.00 crore in accordance with section 19(2) and 19(3) of

Notes to the consolidated financial statements for the year ended March 31, 2016

the Banking Regulation Act and escrow agreement between the bank and DDFS for first and exclusive charge on receivables. The rate of interest is 3.62% p.a. (March 31, 2015: 13.25% p.a.).

12 Cash Credit from a bank of ₹ 23.62 crore of RSSL is secured by receivables of RSSL and a lien on goods purchased against letter of credit of RSSL. The rate of interest is base rate of lender plus spread of 2.50% p.a.

13 Bank overdraft of ₹ Nil (March 31, 2015: ₹ 93.44 crore) of GPCL was secured by way of first charge on current assets (inventories and book debts) and second charge on movable assets (other than current assets) of GPCL. The beneficial interest in the security shall rank pari passu among rupee lender and lenders participating in the bank borrowings for the working capital requirements. The rate of interest was ranging from 13.00% to 15.50% p.a. (March 31, 2015: 13.00% to 15.50% p.a.).

14 Bank overdraft of ₹ 77.46 crore (March 31, 2015: ₹ 78.03 crore) of the Company is secured by a first charge on current assets of the EPC division of the Company and a lien on fixed deposits with banks amounting to ₹ 20.55 crore of the Company and the rate of interest is ranging from 13.00% to 13.75% p.a. (March 31, 2015: 13.00% to 13.75% p.a.).

15 Domestic letters of credit of ₹ Nil (March 31, 2015: ₹ 201.35 crore) of GCHEPL are sub limit to rupee term loans as per the facility agreement entered into by GCHEPL and are secured in the same manner and terms and conditions as that of rupee term loans of GCHEPL. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. Rate of interest of domestic letters of credit is ranging from 10.25% to 11.25% p.a. (March 31, 2015: 9.65% to 11.75% p.a.).

16 Bills discounted of ₹ 10.98 crore (March 31, 2015: ₹ Nil) of GVPGL are secured by first charge over the current assets of GVPGL and a corporate guarantee by GPCL. The rate of interest of bills discounted is 9.95% p.a.

17 Secured Indian rupee short term loans from banks of ₹ 9.41 crore (March 31, 2015: ₹ 262.80 crore) and financial institutions of ₹ Nil (March 31, 2015: ₹ 232.01 crore) of KSPL are secured by way of a charge on fixed deposits of PAPPL (March 31, 2015: fixed deposits of the Company and other group companies). The rate of interest is interest rate on fixed deposit plus 1.00% p.a. or base rate whichever is higher. As at March 31, 2015 KSPL had defaulted in the payment of interest of ₹ 3.36 crore for the months February 2015 and March 2015.

18 Secured Indian rupee short term loan from a bank of ₹ Nil (March 31, 2015: ₹ 2.94 crore) of GCAPL was secured against fixed deposits of GCAPL. The rate of interest was 10.25% p.a. (March 31, 2015: 10.25% p.a.).

19 Secured Indian rupee short term loan from a bank of ₹ Nil (March 31, 2015: ₹ 130.00 crore) of GEL was secured by 10% cash margin in the form of fixed deposit lien marked in favour of the bank. The rate of interest was base rate plus 1.25% p.a. and was repayable in eight equal quarterly instalments commencing from the end of 36th month from the date of first disbursement. GEL has prepaid loan aggregating to ₹ 50.00 crore, ₹ 150.00 crore and ₹ 130.00 crore during the years ended March 31, 2014, March 31, 2015 and March 31, 2016 respectively. Further, the bank had a put option for full or part of the facility amount at the end of 4.5 months from the date of first disbursement and every 3 months thereafter.

20 Refer note 5(94). A standby letter of credit has been invoked by the bank and the amount outstanding and due for payment as at March 31, 2016 is ₹ 84.69 crore. The same has been classified under short term borrowings. The loan carries an interest rate of 17.00% p.a. and is secured by a first charge over the current assets of GEL and a second charge over the entire fixed assets of GEL.

21 Secured Indian rupee short term loan from a bank of ₹ Nil (March 31, 2015: ₹ 2.20 crore) of CDCTM was secured against trade receivables including unbilled revenue. The rate of interest was ranging from 10.75% to 11.25% p.a. (March 31, 2015: 11.50% to 12.00% p.a.).

22 Secured Indian rupee short term loan from a bank of ₹ 18.75 crore (March 31, 2015: ₹ 5.15 crore) of GETL is secured by an exclusive charge over the current assets of GETL and an unconditional and irrevocable corporate guarantee by GEL and the Company. The rate of interest is ranging from 12.17% to 12.82% p.a. (March 31, 2015: 12.82%).

23 Secured Indian rupee short term loans from a bank of ₹ 0.01 crore (March 31, 2015: ₹ Nil) of DAFF is secured by way of charge on receivables / cash flows / revenue under escrow account, both present and future, after payment of statutory dues and license fees payable to DIAL and rate of interest is 9.65% p.a. (March 31, 2015: 10.30% p.a.).

24 Secured Indian rupee short term loan from banks of ₹ Nil (March 31, 2015: ₹ 140.79 crore) of GETL were secured against GPCL's bank deposits. The interest rate was ranging from 9.95% to 10.65% p.a. (March 31, 2015: 10.00% to 10.65% p.a.).

25 Secured Indian rupee short term loans from banks of ₹ 5.88 crore (March 31, 2015: ₹ 189.99 crore) of GEL are secured against fixed deposits of GPCL and GVPGL and the rate of interest is ranging from 9.75% to 10.80% p.a. (March 31, 2015: 9.75% to 12.00% p.a.)

Notes to the consolidated financial statements for the year ended March 31, 2016

26 Secured Indian rupee short term loans from banks of ₹ 55.69 crore (March 31, 2015: ₹ 68.29 crore) of DSPL are secured against fixed deposits of certain Group Companies. The rate of interest is ranging from 9.99% to 10.95% p.a. (March 31, 2015: 10.25% to 11.30% p.a.).

27 Secured Indian rupee short term loans from banks of ₹ 11.45 crore (March 31, 2015: ₹ Nil) 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 and 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 GREL in the project documents including all insurance contracts and clearances and all benefits incidental thereto; further secured by way of book debt, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill and uncalled capital, present and future; Further secured by way of pledge of 115.70 crore shares held by GEL. The rate of interest is base rate of lender plus 200 bbps.

28 Secured foreign currency short term loan from a bank of ₹ 6.73 crore (March 31, 2015: ₹ 9.55 crore) of PTGEMS bears an interest rate ranging from 5.25% to 5.50% p.a. (March 31, 2015: 5.25% to 5.50% p.a.) and is secured against trade receivables / inventories and margin money deposits of PTGEMS.

29 Secured foreign currency short term loans from a bank of ₹ Nil (March 31, 2015: ₹ 641.07 crore) of GMCAC was secured against the collateral security of all monies standing in the project debt accounts, all receivables under loans and advances extended by the assignor to GMCAC, all termination payments payable to GMCAC and sponsors under the concession agreement, the proceeds, products and fruits of all the foregoing and the 100% of the total issued and the outstanding capital of GMCAC. The rate of interest was 3.75% p.a.

30 Secured Indian rupee short term loans from a financial institution of ₹ 1.02 crore (March 31, 2015: ₹ 156.75 crore) of GEL is secured against (a) exclusive charge by way of pledge on 100% equity shares of GPEL; (b) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (d) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (e) cross collateralisation with existing securities (including pledge of the Company's shares, mortgage of properties, DSRA deposits and others at the sole discretion of the financial institution) offered for the existing facilities extended to the Group by the lender under the existing loan agreements; (f) corporate guarantee of GMRHL and (g) DSRA deposit of 1 quarter principal and interest obligations on roll over basis. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter has an option to require GEL to repay the entire loan. The rate of interest is lender's benchmark rate minus 4.00% p.a. spread (March 31, 2015: lender's benchmark rate plus 4.00% p.a. spread). The loan is repayable unequally over a period of four years, after a moratorium period of six months.

31 Secured Indian rupee short term loans from a financial institution of ₹ 245.00 crore (March 31, 2015: ₹ Nil) of GEL is secured against (a) exclusive charge by the way of pledge on 1.70 crore equity shares of the Company held by GHPL; (b) exclusive charge by way of pledge on 100% equity shares of GPEPL; (c) exclusive charge by way of pledge on 49% equity shares of GTAEPL; (d) exclusive charge by way of pledge on 49% equity shares of GTTEPL; (e) exclusive charge by way of pledge on 26% equity shares of GHVEPL; (f) First pari passu charge on loans and advances of the above mentioned road companies; (g) exclusive charge by the way of mortgage on certain immovable properties of GHPL; (h) exclusive charge by the way of mortgage immovable properties located at Maharashtra and (i) NDU on 11% equity shares of GAHL, held by the Company. The lender at the end of 6 months from the initial drawdown date and every 12 months thereafter has an option to require GEL to repay the entire loan. The rate of interest is lender's benchmark rate minus 4.00% p.a. spread. The loan is repayable in 36 equal monthly instalments, after a moratorium period of six months. GEL has defaulted in repayment of instalment amount ₹ 6.83 crore as at March 31, 2016.

32 Unsecured foreign currency short term loan from a bank of ₹ 360.56 crore (March 31, 2015: ₹ 340.52 crore) of GISPL is secured by a standby letter of credit provided by the Group, up to a limit of USD 5.50 crore and bears interest at 3 months LIBOR plus margin of 1.50% p.a. (March 31, 2015: 3 months LIBOR plus margin of 1.25% p.a.).

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

34 Unsecured Indian rupee short term loans from banks of ₹ 118.75 crore (March 31, 2015: ₹ 70.00 crore) of GETL carry an interest rate ranging from 10.70% to 11.40% p.a. (March 31, 2015: 11.30% p.a.).

35 Unsecured Indian rupee short term loans from a bank of ₹ 211.70 crore (March 31, 2015: ₹ 188.50 crore) of GBHPL carries an interest rate ranging from 10.55% to 11.40% p.a. (March 31, 2015: 11.30% p.a.)

36 Unsecured Indian rupee short term loans from a bank of ₹ 47.47 crore (March 31, 2015: ₹ Nil) of GEL carries interest rate ranging from 10.55% to 10.95% p.a.

Notes to the consolidated financial statements for the year ended March 31, 2016

37 Unsecured Indian rupee short term loans from a bank of ₹ 47.50 crore (March 31, 2015: ₹ Nil) of GBEPL carries interest rate of 10.95% p.a.

38 Unsecured short term loans from others of ₹ 1.04 crore (March 31, 2015: ₹ 1.04 crore) of WAISL taken from Wipro Limited, carries an interest rate of 10.00% p.a. (March 31, 2015: 10.00% p.a.).

9 OTHER CURRENT LIABILITIES

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Trade payables (including acceptances)	1,946.83	2,035.08
	1,946.83	**2,035.08**
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	10,136.76	5,557.79
Deposits / advances from concessionaires	14.14	11.68
Deposits / advances from commercial property developers	97.65	93.41
Interest accrued but not due on borrowings	233.89	202.13
Interest accrued and due on borrowings	510.15	238.32
Others		
Advances / deposits from customers	1,599.85	1,380.00
Non trade payables (including retention money)	2,798.82	2,583.71
Statutory dues payable	143.10	81.12
Unearned revenue	56.36	72.13
Development fee accrued (to the extent not utilised) (refer note 39)	4.15	41.17
Book Overdraft	-	22.76
Other liabilities	190.93	94.34
	15,785.80	**10,378.56**
	17,732.63	**12,413.64**

Notes to the consolidated financial statements for the year ended March 31, 2016

10. TANGIBLE ASSETS

(₹ in crore)

	Freehold land	Leasehold land	Runways, taxiways, aprons etc.	Buildings (including roads)	Bridges, Culverts, Bunders etc.	Plant and machinery	Leasehold improvements	Office equipments (including computers)	Furniture and fixtures (including electrical installations and equipments)	Vehicles and aircrafts	Leased assets - plant and machinery	Leased assets - vehicles	Total
Gross block													
Cost or Valuation													
As at April 1, 2014	290.71	203.26	2,739.57	7,897.87	-	16,719.38	280.55	601.82	374.44	330.33	2.46	0.07	29,440.46
Reclassification	-	18.74	(160.54)	(355.12)	394.19	(777.06)	(18.74)	(229.25)	1,127.22	-	-	-	(0.56)
Additions	81.81	27.62	7.01	55.99	-	505.80	5.87	16.44	19.23	2.91	-	-	722.68
Additions on inclusion of subsidiary companies / jointly controlled entities	9.57	-	-	176.89	-	58.68	-	2.81	13.49	0.10	-	-	261.54
Disposals	(4.30)	(1.00)	-	(2.16)	-	(3.74)	(1.66)	(23.35)	(5.90)	(6.08)	-	-	(48.19)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	(37.48)	-	(12.82)	(6.42)	(1.68)	(5.85)	-	-	-	(64.25)
Adjustments against development fund ('DF')	-	-	0.56	2.50	0.11	1.26	-	-	0.44	-	-	-	4.87
Exchange differences	0.01	0.37	15.35	63.19	2.17	55.31	(1.18)	2.14	11.84	2.79	-	-	151.99
Borrowing costs	-	-	-	2.37	-	88.19	-	-	-	-	-	-	90.56
Other adjustments	-	-	-	(28.56)	-	(75.52)	-	-	-	-	-	-	(104.08)
As at March 31, 2015	**377.80**	**248.99**	**2,601.95**	**7,775.49**	**396.47**	**16,559.48**	**258.42**	**368.93**	**1,534.91**	**330.05**	**2.46**	**0.07**	**30,455.02**
Reclassification	-	-	-	(14.60)	-	(15.92)	-	-	22.27	(18.90)	-	-	(27.15)
Additions	41.03	9.15	13.92	872.21	-	10,158.56	2.68	30.78	43.78	1.58	-	0.08	11,173.77
Additions on inclusion of subsidiary companies / jointly controlled entities	6.36	-	-	27.58	-	2.37	-	2.99	4.78	0.72	-	-	44.80
Disposals	(1.29)	(1.82)	-	(1.46)	-	(15.06)	(0.31)	(0.60)	(1.37)	(2.12)	-	-	(24.03)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	-	-	(0.25)	-	(0.22)	(0.09)	(0.57)	-	-	(1.13)
Adjustments against DF	-	-	0.57	2.58	0.11	1.29	-	-	0.46	-	-	-	5.01
Other adjustments	-	-	-	(0.93)	-	(1.07)	-	-	-	-	-	-	(2.00)
Exchange differences	0.02	2.63	21.28	89.49	3.04	374.18	0.86	2.69	16.68	2.99	-	-	513.86
Borrowing costs	-	-	-	322.69	-	3,840.16	-	-	-	-	-	-	4,162.85
As at March 31, 2016	**423.92**	**258.95**	**2,637.72**	**9,073.05**	**399.62**	**30,903.74**	**261.65**	**404.57**	**1,621.42**	**313.75**	**2.46**	**0.15**	**46,301.00**
Accumulated depreciation													
As at April 1, 2014	-	10.60	457.72	1,060.63	-	2,989.03	39.34	306.15	142.83	93.02	2.46	0.07	5,101.85
Reclassification	-	-	(9.77)	(53.27)	60.79	(182.06)	0.53	(47.25)	230.55	-	-	-	(0.48)
Charge for the year	-	8.41	107.87	330.38	13.17	791.69	14.28	39.91	196.10	24.69	-	-	1,526.50
Additions on inclusion of subsidiary companies / jointly controlled entities	-	-	-	27.59	-	10.17	-	1.16	4.05	0.03	-	-	43.00
Disposals	-	(0.03)	-	(0.35)	-	(1.01)	(1.62)	(16.94)	(4.04)	(4.30)	-	-	(28.29)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	(4.92)	-	(5.76)	(2.65)	(1.11)	(2.28)	-	-	-	(16.72)
Exchange differences	-	0.01	-	(0.57)	-	0.11	(0.50)	(0.02)	0.11	(0.01)	-	-	(0.87)
Other adjustments	-	-	-	-	-	2.24	-	41.42	0.05	0.16	-	-	43.87
As at March 31, 2015	**-**	**18.99**	**555.82**	**1,359.49**	**73.96**	**3,604.41**	**49.38**	**323.32**	**567.37**	**113.59**	**2.46**	**0.07**	**6,668.86**
Reclassification	-	-	-	3.68	-	6.02	-	0.02	4.99	(14.71)	-	-	-
Charge for the year	-	10.48	108.50	380.43	13.36	1,135.27	23.92	25.73	207.55	20.59	-	0.03	1,925.86
Additions on inclusion of subsidiary companies / jointly controlled entities	-	-	-	3.41	-	0.84	-	2.32	2.64	0.43	-	-	9.64
Disposals	-	-	-	(0.31)	-	(12.58)	(0.17)	(0.54)	(1.17)	(1.88)	-	-	(16.65)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	-	-	-	(0.07)	-	(0.16)	(0.03)	(0.23)	-	-	(0.49)
Exchange differences	-	0.77	-	0.75	-	0.34	(0.11)	0.33	0.35	0.07	-	-	2.50
As at March 31, 2016	**-**	**30.24**	**664.32**	**1,747.45**	**87.32**	**4,734.23**	**73.02**	**351.02**	**781.70**	**117.86**	**2.46**	**0.10**	**8,589.72**
Accumulated impairment													
As at April 1, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	18.00	-	-	-	-	-	-	18.00
Other adjustments	-	-	-	-	-	7.64	-	-	-	-	-	-	7.64
As at March 31, 2015	**-**	**-**	**-**	**-**	**-**	**25.64**	**-**	**-**	**-**	**-**	**-**	**-**	**25.64**
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2016	**-**	**-**	**-**	**-**		**25.64**	**-**	**-**	**-**	**-**	**-**	**-**	**25.64**
Net Block													
As at March 31, 2015	**377.80**	**230.00**	**2,046.13**	**6,416.00**	**322.51**	**12,929.43**	**209.04**	**45.61**	**967.54**	**216.46**	**-**	**-**	**23,760.52**
As at March 31, 2016	**423.92**	**228.71**	**1,973.40**	**7,325.60**	**312.30**	**26,143.87**	**188.63**	**53.55**	**839.72**	**195.89**	**-**	**0.05**	**37,685.64**

Notes to the consolidated financial statements for the year ended March 31, 2016

Notes:

1. Buildings (including roads) with a gross book value of ₹ 7,777.29 crore (March 31, 2015: ₹ 7,165.88 crore), runways, taxiways, aprons, bridges, culverts, bunders etc. are on leasehold land.
2. Additions on inclusion / additional stake in subsidiaries / jointly controlled entities includes:
   a. Gross block of ₹ 44.80 crore and accumulated depreciation of ₹ 9.64 crore pertaining to RSSL during the year ended March 31, 2016.
   b. Gross block of ₹ 99.98 crore and accumulated depreciation of ₹ 12.67 crore pertaining to GAEL during the year ended March 31, 2015.
   c. Gross block of ₹ 16.89 crore and accumulated depreciation of ₹ 2.47 crore pertaining to GATL during the year ended March 31, 2015.
   d. Gross block of ₹ 135.10 crore and accumulated depreciation of ₹ 27.86 crore pertaining to DAPSL during the year ended March 31, 2015.
   e. Gross block of ₹ 3.08 crore pertaining to LIPPL during the year ended March 31, 2015.
   f. Gross block of ₹ 6.49 crore pertaining to SUPPL during the year ended March 31, 2015.
3. Deletions on disposal / dilution of subsidiaries / jointly controlled entities includes:
   a. Gross block of ₹ 1.13 crore and accumulated depreciation of ₹ 0.49 crore pertaining to GOSEHHHPL during the year ended March 31, 2016.
   b. Gross block of ₹ 52.96 crore and accumulated depreciation of ₹ 11.71 crore pertaining to DCSCPL during the year ended March 31, 2015.
   c. Gross block of ₹ 11.29 crore and accumulated depreciation of ₹ 5.01 crore pertaining to DFSPL during the year ended March 31, 2015.
4. Disposals in Gross block includes ₹ 1.09 crore (March 31, 2015: ₹ 5.33 crore) pertaining to reversal of outstanding liabilities related to project construction which are no longer payable in case of GHIAL and reversal of accumulated depreciation thereon amounting to ₹ 0.17 crore (March 31, 2015: ₹ 5.08 crore) has been adjusted with the depreciation for the year ended March 31, 2016.
5. Disposals in gross block of ₹ 1.82 crore (March 31, 2015: ₹ Nil) and accumulated depreciation of ₹ Nil (March 31, 2015: ₹ Nil) of GKEL towards land surrendered to the extent of 39.43 acres to the statutory authorities in exchange of equal amount of lands. Pending receipt of new lands in exchange of surrendered land, GKEL has de-capitalised the value associated with the surrendered land and disclosed the same under 'Deposits / balances with statutory / government authorities' in the consolidated financial statements.
6. DF collection charges of ₹ 5.01 crore (March 31, 2015: ₹ 4.87 crore) paid towards development of aeronautical assets in DIAL is capitalised from the DF grant. Refer note 39(i).
7. Other adjustments / reclassifications in the gross block and accumulated depreciation includes:
   a. Adjustments in gross block of ₹ Nil (March 31, 2015: ₹ 24.47 crore) and accumulated depreciation of ₹ Nil (March 31, 2015: ₹ Nil) of DIAL towards reduction in liability in final settlement with vendors in respect of Terminal 3. The corresponding depreciation for the year ended March 31, 2015 has been adjusted with the depreciation charge for the year.
   b. Adjustments in gross block of ₹ Nil (March 31, 2015: ₹ 34.00 crore) in plant and machinery of GVPGL towards reduction in liability on final settlement of interest free 'Supplier's credit' of ₹ 61.00 Crore for ₹ 27.00 crore. As the facility was originally provided by Larsen and Toubro Limited (EPC contractor), the Group has adjusted the difference of ₹ 34.00 crore with 'Plant and machinery'. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   c. Reclassification of gross block ₹ Nil (March 31, 2015: ₹ 0.56 crore) and accumulated depreciation of ₹ Nil (March 31, 2015: ₹ 0.48 crore) from tangible assets to intangible assets.
   d. Reclassification of gross block ₹ 27.15 crore (March 31, 2015: ₹ Nil) and accumulated depreciation of ₹ Nil (March 31, 2015: ₹ Nil) in case of PTGEMS from tangible assets to intangible assets under development.
   e. De-capitalisation in GWEL of ₹ Nil (March 31, 2015: ₹ 26.08 crore) in plant and machinery on account of settlement with a capital vendor and refund received of ₹ Nil (March 31, 2015: ₹ 15.40 crore) from Power Grid Corporation of India Limited ('PGCIL') in respect of point of connection charges paid earlier. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   f. Adjustments in gross block of ₹ Nil (March 31, 2015: ₹ 4.13 crore) of GAEL on reversal of outstanding liabilities which are no longer payable. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2015.
   g. Adjustments in gross block of ₹ 0.98 crore (March 31, 2015: ₹ Nil) and accumulated depreciation of ₹ 0.46 crore (March 31, 2015: ₹ Nil) of GVPGL towards reduction in retention money payable on account of purchase of fixed assets. The corresponding depreciation for the year ended March 31, 2016 has been adjusted with the depreciation charge for the year.
   h. Adjustments in gross block of ₹ 1.02 crore (March 31, 2015: ₹ Nil) of DIAL on reversal of outstanding liabilities which are no longer payable. The corresponding depreciation has been adjusted with the depreciation charge for the year ended March 31, 2016.
   i. Other adjustments in accumulated depreciation includes:
      i. In accordance with the provisions of Schedule II of the Companies Act, 2013, the Group has revised the estimated useful lives of its fixed assets of its domestic companies with effect from April 01, 2014 except for certain power sector companies which are following the rates prescribed as per the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (except certain power sector Companies, as detailed in note 10(7)(i)(ii) below) and certain assets in Companies in airport sector as stated in note 10(7)(i)(iii) below. Accordingly, the net book value of the fixed assets as at April 01, 2014, is being depreciated on a prospective basis over the remaining useful

Notes to the consolidated financial statements for the year ended March 31, 2016

life, wherever applicable. This change in accounting estimate has resulted in increase in depreciation and amortization expenses for the year ended March 31, 2015 by ₹ 245.69 crore. Further, in case of fixed assets whose useful life on such reassessment had expired as of April 01, 2014, net book value of ₹ 44.27 crore (including tangible assets ₹ 43.87 crore and intangible assets ₹ 0.40 crore) is adjusted with the deficit in the consolidated statement of profit and loss as of April 01, 2014.

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

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

8. For change in accounting policy towards component accounting of fixed assets refer note 2.1(i).

9. Foreign exchange differences in gross block:

a. Foreign exchange gain of ₹ 8.54 crore (March 31, 2015: ₹ 4.65 crore) on account of the effect of translation of assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.

b. Foreign exchange loss of ₹ 505.32 crore (March 31, 2015: ₹ 147.34 crore) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets.

10. Depreciation for the year includes ₹ 7.60 crore (March 31, 2015: ₹ 11.66 crore) relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in note 31(a) and intangible assets under development in note 31 (b).

11. Foreign exchange differences in accumulated depreciation represents foreign exchange loss of ₹ 2.50 crore (March 31, 2015: ₹ 0.87 crore foreign exchange gain) 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.

12. GWEL has declared commercial operations of first phase of project on March 19, 2013 and second phase of the project on September 01, 2013. Accordingly the tangible assets and intangible assets have been capitalised on these dates based on the completion certified by the technical team of EMCO. Claims / Counter claims arising out of the project related EPC contracts and non-EPC contracts on account of delays in commissioning of the project and other reasons is pending settlement/ negotiations with the respective vendors. The management believes that any adjustments on account of aforesaid claims/counter claims by the vendors would be adjusted to the cost of the fixed assets in the year of settlement / crystallisation.

13. GKEL has declared commercial operation of Phase 1 of the project constituting Unit 1, 2 and 3 of 350 MW each on April 29, 2013, November 11, 2013 and March 24, 2014 respectively and accordingly the Buildings, Plant and machinery have been capitalised on the dates based on the completion certified by the technical team of GKEL. Certain common items of Phase 2 which is put to use along with Phase 1 have also been capitalised. Claims/ Counter claims arising out of the project related contracts including EPC contracts and non-EPC vendors on account of delays in commissioning of the project or any other reasons is pending settlement / negotiations with concerned vendors. GKEL has considered its best estimate of cost on the work completed based on the contract, work and purchase orders issued where the final bills are pending to be received /approved. Any adjustment on account of these contracts / bills would be adjusted to the cost of fixed asset in the year of settlement / crystallisation.

14. GCHEPL has declared commercial operations during the year ended March 31, 2016 and accordingly the Buildings, Plant and machinery have been capitalized based on the percentage of completion as certified by the Technical team of the GCHEPL considering contractual obligations and estimations. Claims/ Counter claims arising out of the project related contracts including EPC contracts and non-EPC contracts, on account of delays in commissioning of the project, or any other reason is pending settlement / negotiations with concerned parties. GCHEPL has considered its best estimate of cost on the work completed based on the contract, work and purchase orders issued where the final bills are pending to be received /approved. Any adjustment on account of these contracts/bills would be adjusted to the cost of fixed asset in the year of settlement / crystallization.

15. During the year ended March 31, 2015, impairment of plant and machinery of ₹ 25.64 crore (including ₹ 7.64 crore during the year ended March 31, 2014 transferred from capital work-in-progress) represents impairment of plant and machinery of ATSCL and GGSPL.

16. Additions to plant and machinery include trial run costs of GCHEPL and GREL of ₹ 174.47 crore and ₹ 71.52 crore respectively (March 31, 2015: ₹ Nil).

17. Refer note 30(c) and 30(b) as regards to Strategic Debt Restructuring ('SDR') in case of GREL and Memorandum of Understanding ('MoU') entered into by the Group in case of ATSCL and MTSCL respectively. The details relating to gross block, accumulated depreciation and accumulated impairment of aforementioned entities as at March 31, 2016 included in the above table are as below:

(₹ in crores)

Particulars	ATSCL	MTSCL	GREL	Total
Gross Block as at March 31, 2016	145.53	250.15	4,771.84	5,167.52
Accumulated Depreciation as at March 31, 2016	(11.57)	(25.85)	(95.84)	(133.26)
Accumulated Impairment as at March 31, 2016	(7.64)	-	-	(7.64)
Net Block as at March 31, 2016	**126.32**	**224.30**	**4,676.00**	**5,026.62**

Notes to the consolidated financial statements for the year ended March 31, 2016

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, 2014	3,561.17	499.48	108.09	5,990.18	172.84	17.03	10,348.79
Reclassification	-	-	0.56	-	-	-	0.56
Additions	188.82	789.89	3.09	282.53	60.95	0.58	1,325.86
Additions on inclusion of subsidiary companies / jointly controlled entities	-	-	4.40	-	-	17.60	22.00
Disposals	-	-	(0.01)	-	-	-	(0.01)
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	(1.30)	(0.43)	-	-	-	(1.73)
Exchange differences	94.41	27.80	0.04	-	3.05	-	125.30
Borrowing costs	-	-	-	70.43	-	-	70.43
Other adjustments	-	-	-	(0.93)	(27.22)	(3.85)	(32.00)
As at March 31, 2015	**3,844.40**	**1,315.87**	**115.74**	**6,342.21**	**209.62**	**31.36**	**11,859.20**
Additions	522.39	-	3.61	8.35	68.59	-	602.94
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	(0.05)	(1,263.09)	-	-	(1,263.14)
Exchange differences	170.37	(1.52)	0.25	-	10.68	-	179.78
As at March 31, 2016	**4,537.16**	**1,314.35**	**119.55**	**5,087.47**	**288.89**	**31.36**	**11,378.78**
Accumulated Amortization							
As at April 1, 2014	-	53.40	76.69	749.21	59.84	8.98	948.12
Reclassification	-	-	0.48	-	-	-	0.48
Charge for the year	38.56	13.78	14.24	200.06	28.98	2.80	298.42
Additions on inclusion / additional stake in subsidiaries / jointly controlled entities	-	-	2.96	-	-	10.58	13.54
Disposals	-	-	-	-	-	-	-
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	(1.30)	(0.38)	-	-	-	(1.68)
Exchange differences	-	0.18	-	-	1.05	-	1.23
Other adjustments	-	-	0.40	-	(21.30)	-	(20.90)
As at March 31, 2015	**38.56**	**66.06**	**94.39**	**949.27**	**68.57**	**22.36**	**1,239.21**
Charge for the year	38.56	26.69	8.80	213.28	54.91	6.12	348.36
Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities	-	-	(0.05)	(51.22)	-	-	(51.27)
Exchange differences	-	(4.37)	0.25	-	5.30	-	1.18
As at March 31, 2016	**77.12**	**88.38**	**103.39**	**1,111.33**	**128.78**	**28.48**	**1,537.48**
Accumulated impairment							
As at April 1, 2014	100.02	-	-	-	-	-	100.02
Charge for the year	97.74	-	-	-	-	-	97.74
As at March 31, 2015	**197.76**	**-**	**-**	**-**	**-**	**-**	**197.76**
Charge for the year	100.16	-	-	-	-	-	100.16
As at March 31, 2016	**297.92**	**-**	**-**	**-**	**-**	**-**	**297.92**
Net Block							
As at March 31, 2015	**3,608.08**	**1,249.81**	**21.35**	**5,392.94**	**141.05**	**9.00**	**10,422.23**
As at March 31, 2016	**4,162.12**	**1,225.97**	**16.16**	**3,976.14**	**160.11**	**2.88**	**9,543.38**

Notes:

1. Additions in goodwill for the year ended March 31, 2016 represents :
   a. ₹ 325.29 crore arising out of acquisition of additional stake of Malaysia Airports (Mauritius) Private Limited ('MAMPL') in DIAL by GAL.
   b. ₹ 197.10 crore arising out of acquisition of RSSL by GSPHPL.

Notes to the consolidated financial statements for the year ended March 31, 2016

2. Additions in goodwill for the year ended March 31, 2015 represents :
   a. Deferred Consideration ₹ 120.22 crore to the erstwhile shareholders of PTDSU as per share purchase agreement. Refer note 42(i)(a).
   b. ₹ 32.66 crore arising out of acquisition of additional stake in DAPSL by GISPL.
   c. ₹ 35.94 crore arising out of acquisition of additional stake in GAEL and GATL by GHIAL
3. Additions in airport concessionaire rights during the year ended March 31, 2015 represents bid premium paid by GMCAC to the Mactan-Cebu International Airport Authority and Department of Transportation and Communication, Republic of the Philippines for the Mactan-Cebu International Airport Project.
4. Additions on inclusion / additional stake in subsidiaries / jointly controlled entities in capitalised software and technical know-how, as applicable, includes:
   a. Gross block of ₹ 0.01 crore and accumulated amortisation of ₹ 0.01 crore pertaining to GAECL during the year ended March 31, 2015.
   b. Gross block of ₹ 21.85 crore and accumulated amortisation of ₹ 13.51 crore pertaining to GATL during the year ended March 31, 2015.
   c. Gross block of ₹ 0.14 crore and accumulated amortisation of ₹ 0.02 crore pertaining to DAPSL during the year ended March 31, 2015.
5. Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities during the year ended March 31, 2016 in carriageways and capitalised software includes Gross block of ₹ 1,263.14 crore and accumulated amortisation of ₹ 51.27 crore pertaining to GOSEHHHPL.
6. Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities during the year ended March 31, 2015 in airport concessionaire rights and capitalised software includes:
   a. Gross block of ₹ 1.44 crore and accumulated amortisation of ₹ 1.39 crore pertaining to DCSCPL.
   b. Gross block of ₹ 0.29 crore and accumulated amortisation of ₹ 0.29 crore pertaining to DFSPL.
7. Impairment of goodwill represents:
   a. ₹ 100.16 crore of PTDSU during the year ended March 31, 2016. For details refer note 42(i)(a).
   b. ₹ 61.80 crore of SJK during the year ended March 31, 2015. For details refer note 42 (ix).
   c. ₹ 35.94 crore of GAECL and GATL during the year ended March 31, 2015. For details refer note 40(iii).
8. Exchange difference in goodwill on consolidation represents foreign exchange gain of ₹ 170.37 crore (March 31, 2015: ₹ 94.41 crore) on account of effect of translation of goodwill arising out of consolidation of foreign subsidiaries / jointly controlled entities which are consolidated as non integral foreign operations as per the requirements of AS - 11.
9. Foreign exchange differences in gross block includes foreign exchange gain of ₹ 9.41 crore (March 31, 2015: ₹ 30.89 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.
10. Amortisation for the year includes ₹ 0.46 crore (March 31, 2015: ₹ 0.73 crore) relating to certain consolidated entities in the project stage, which are included in capital work-in-progress in note 31(a) and intangible assets under development in note 31(b).
11. Foreign exchange differences in accumulated amortisation represents foreign exchange loss of ₹ 1.19 crore (March 31, 2015: ₹ 1.23 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.
12. During the year ended March 31, 2015, the Group has reclassified gross block of ₹ 0.56 crore and accumulated amortisation of ₹ 0.48 crore from tangible assets to intangible assets.
13. Other adjustments in the gross block and accumulated amortisation includes:
    a. Gross block of ₹ 27.22 crore of PTGEMS and accumulated amortisation of ₹ 21.30 crore pertaining to PTGEMS as a result of change in the method of amortisation of stripping costs during the year ended March 31, 2015.
    b. Gross block of ₹ Nil (March 31, 2015: ₹ 3.85 crore) of GATL on reversal of outstanding liabilities which are no longer payable. The corresponding amortisation of ₹ Nil (March 31, 2015: ₹ 2.76 crore) has been adjusted with the amortisation for the current year.
    c. Gross block of ₹ Nil (March 31, 2015: ₹ 0.93 crore) of GHVEPL on reversal of outstanding liabilities which are no longer payable. The corresponding amortisation of ₹ Nil (March 31, 2015: ₹ 0.03 crore) has been adjusted with the amortisation for the current year.
14. During the year ended March 31, 2015, GOSEHHHPL had capitalised carriageways of ₹ 352.96 crore (including borrowing cost) pursuant to completion of construction of the remaining part of its carriageways.
15. Considering the fluctuation in coal prices globally, the management has decided to amortise goodwill pertaining to mining reserves on a systematic basis during the year ended March 31, 2015. Refer 2.1(i).
16. Refer note 30(c) as regards to SDR in case of GREL. The details included in the above schedule relating to gross block and accumulated amortisation is ₹ 0.56 crore and ₹ 0.39 crore respectively.

Notes to the consolidated financial statements for the year ended March 31, 2016

12 NON-CURRENT INVESTMENTS

			March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	Long term - at cost, unquoted			
A.	**In Equity shares of companies - Trade**			
	Vemagiri Power Services Limited			
	[5,000 (March 31, 2015: 5,000) equity shares of ₹ 10 each, fully paid up]		0.01	0.01
	Power Exchange India Limited			
	[4,000,000 (March 31, 2015: 4,000,000) equity shares of ₹ 10 each, fully paid up]		4.00	4.00
	Indian Highways Management Company Limited			
	[565,370 (March 31, 2015: 565,370) equity shares of ₹ 10 each, fully paid up]		0.56	0.56
B.	**Investment in equity shares of associates - Trade #**			
	JEPL (net off share of losses amounting to ₹ 7.29 crore till the date on which JEPL ceased to be a subsidiary and became an associate) [49,117,388 (March 31, 2015: 49,117,388) equity shares of ₹ 10 each, fully paid up]	41.83		
	Less: Share of losses	(13.49)	28.34	29.33
	UEPL* (net off share of losses amounting to ₹ 11.53 crore till the date on which UEPL ceased to be a subsidiary and became an associate) [68,783,615 (March 31, 2015: 68,783,615) equity shares of ₹ 10 each, fully paid up]	77.28		
	Less: Share of losses	(5.56)		
	Less: Provision for diminution in the value of investments	(39.22)	32.50	76.80
	GOSEHHHPL** (net off share of losses amounting to ₹ 46.62 crore till the date on which GOSEHHHPL ceased to be a subsidiary and became an associate) [82,823,000 (March 31, 2015: Nil) equity shares of ₹ 10 each, fully paid up]		36.20	-
	EDWPCPL (net off share of losses amounting to ₹ 0.07 crore till the date on which EDWPCPL ceased to be a subsidiary and became an associate) [7,839 (March 31, 2015: 7,839) equity shares of ₹ 10 each, fully paid up]	0.07		
	Less: Share of losses	(0.07)	-	0.06
C.	**In Equity shares of body corporates - Trade**			
	GMR Holding (Malta) Limited ('GHML')			
	[Nil (March 31, 2015: 58) equity shares of EURO 1 each] (₹ Nil (March 31, 2015: ₹ 3,924))		-	0.00
	PT DSSP Power Sumsel			
	[125 (March 31, 2015: 125) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%]		0.01	0.01
	PT Manggala Alam Lestari ('MAL')			
	[12,939 (March 31, 2015: 12,939) equity shares with nominal value of Indonesia Rupiah 1,000,000 each, Group's share being 30%]		0.01	0.03
D.	**In Debentures of companies - Trade**			
	Kakinada Infrastructure Holdings Private Limited ('KIHPL') ***			
	[100 (March 31, 2015: 100) 0.10% cumulative optionally convertible Debentures of ₹ 10,000,000 each]		100.00	100.00
E.	**In Equity shares of companies - Other than trade**			
	Business India Publications Limited			
	[5,000 (March 31, 2015: 5,000) equity shares of ₹ 10 each, fully paid up]		0.01	0.01
	Ujjivan Financial Services Private Limited			
	[Nil (March 31, 2015: 50,000) equity shares of ₹ 10 each, fully paid up]		-	0.05
	Total (A+B+C+D+E)		**201.64**	**210.86**
	Less: Current portion of non-current investments (March 31, 2015: ₹ 3,924) (refer note 16)		(68.70)	(0.00)
			132.94	**210.86**

Pursuant to the divestments of its investments in JEPL, UEPL and EDWPCPL by the Group during the year ended March 31, 2014 and in GOSEHHHPL during the year ended March 31, 2016, these entities ceased to be subsidiaries and have become associates.

* Refer note 41(iv) as regards investments in UEPL

** Refer note 30(a) as regards investments in GOSEHHHPL

*** During the year ended March 31, 2011, GSPHPL had invested ₹ 100.00 crore in KIHPL, a shareholder in KSPL, through cumulative optionally convertible debentures with coupon rate of 0.10% p.a. GSPHPL is entitled to exercise the option of conversion of the aforesaid debentures into equity shares of KIHPL at a mutually agreed valuation at any time not exceeding 36 months from the date of execution of the debenture agreement (March 18, 2011). This period had been extended by 18 months with effect from March 18, 2014. During the year ended March 31, 2016, this period has been further extended by 36 months from September 18, 2015. In the event GSPHPL does not exercise the option to convert the debentures into shares within the said period, the debentures shall be compulsorily converted by KIHPL into equity shares on expiry of the aforementioned period.

Notes:

1. Aggregate amount of non-current unquoted investments (excluding current portion of non-current investments) - ₹ 132.94 crore (March 31, 2015: ₹ 210.86 crore)

2. Aggregate provision for diminution in the value of non current investments - ₹ 0.05 crore (March 31, 2015: ₹ 0.05 crore)

Notes to the consolidated financial statements for the year ended March 31, 2016

13 LOANS AND ADVANCES

	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Capital advances				
Unsecured, considered good	1,080.76	1,221.64	-	-
(A)	**1,080.76**	**1,221.64**	**-**	**-**
Security deposit				
Unsecured, considered good	107.20	64.40	39.14	49.04
Unsecured, considered doubtful	0.31	0.31	-	-
	107.51	**64.71**	**39.14**	**49.04**
Provision for doubtful deposits	(0.31)	(0.31)	-	-
(B)	**107.20**	**64.40**	**39.14**	**49.04**
Advances recoverable in cash or kind				
Unsecured, considered good	161.36	211.79	575.63	362.45
Unsecured, considered doubtful	16.04	16.24	1.58	1.96
	177.40	**228.03**	**577.21**	**364.41**
Provision for doubtful advances	(16.04)	(16.24)	(1.58)	(1.96)
(C)	**161.36**	**211.79**	**575.63**	**362.45**
Other loans and advances				
Unsecured, considered good				
Advance income-tax (net), including paid under protest	345.12	299.40	-	-
MAT credit entitlement	162.31	153.00	-	-
Prepaid expenses	15.10	9.70	70.23	70.28
Loan to others	218.65	209.40	30.34	47.43
Loans to employees	1.15	3.40	12.63	9.17
Deposits / balances with statutory / government authorities	215.09	212.02	59.86	48.82
	957.42	**886.92**	**173.06**	**175.70**
Unsecured, considered doubtful				
Loans to others	49.32	49.32	-	-
Balances with statutory / government authorities	6.23	6.23	-	-
Loans to employees	-	-	3.80	-
	55.55	**55.55**	**3.80**	**-**
Provision for doubtful advances	(55.55)	(55.55)	(3.80)	-
(D)	**957.42**	**886.92**	**173.06**	**175.70**
Total (A+B+C+D)	**2,306.74**	**2,384.75**	**787.83**	**587.19**
Capital advances includes advances to related parties:				
GMR Projects Private Limited ('GPPL')	640.00	690.00	-	-
Polygon Enterprises Private Limited ('Polygon')	22.90	22.90	-	-
Security deposit includes deposits with related parties:				
GMR Family Fund Trust ('GFFT')	21.01	7.75	17.91	31.24
Corporate Infrastructure Services Limited ('CISL')	-	8.59	-	-
Raxa Security Services Limited ('RSSL')	-	6.13	-	0.60
G Varalakshmi	0.09	0.09	-	-
B Ramadevi	0.02	0.02	-	-
GPPL	-	0.02	-	-
Asia Pacific Flight Training Sdn Bhd ('APFTSB')	0.04	-	-	-
Advances recoverable in cash or kind includes advances to related parties:				
AAI	-	-	6.80	9.05
GFFT	-	-	-	0.21
GHPL	-	-	-	2.87
GMR Bannerghatta Properties Private Limited ('GBPPL')	1.11	1.11	-	-
RSSL	-	-	-	1.18
GPPL	-	-	-	0.53
WAISL	2.09	2.09	3.42	0.52
GMCAC	-	-	0.18	0.21
GEOKNO India Private Limited ('GEOKNO')	-	-	-	0.37
DAFF	-	-	0.11	0.11
TIM	-	-	0.13	0.04
CDCTM	-	-	0.12	0.05
DASPL	-	-	0.07	0.04
TFS	-	-	0.07	0.04

Notes to the consolidated financial statements for the year ended March 31, 2016

	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Yalorvin Limited (YL)	-	-	0.12	0.23
Loan to others includes loans to related parties:				
GWT	115.00	115.00	-	-
GPPL	-	10.00	10.00	-
Limak	-	-	-	0.24
RSSL	-	-	-	1.16
UEPL	74.43	74.43	-	-
JEPL	4.50	4.50	-	-
GOSSEHPL	20.08	-	-	-
GMR Varalakshmi Foundation ('GVF')	-	-	-	8.64
Laqshya	4.55	4.55	-	0.55

14 TRADE RECEIVABLES

	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	38.45	47.33	658.05	545.82
Unsecured, considered doubtful	1.72	7.64	34.00	31.97
	40.17	**54.97**	**692.05**	**577.79**
Provision for doubtful trade receivables	(1.72)	(7.64)	(34.00)	(31.97)
(A)	**38.45**	**47.33**	**658.05**	**545.82**
Other receivables				
Unsecured, considered good	4.72	49.83	1,810.27	1,078.45
Unsecured, considered doubtful	-	-	-	0.04
	4.72	**49.83**	**1,810.27**	**1,078.49**
Provision for doubtful trade receivables	-	-	-	(0.04)
(B)	**4.72**	**49.83**	**1,810.27**	**1,078.45**
Total (A+B)	**43.17**	**97.16**	**2,468.32**	**1,624.27**

15 OTHER ASSETS

	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 18)	1,806.83	2,283.68	-	-
(A)	**1,806.83**	**2,283.68**	**-**	**-**
Unamortised expenditure				
Ancillary cost of arranging the borrowings	305.71	424.86	132.23	116.56
(B)	**305.71**	**424.86**	**132.23**	**116.56**
Others, unsecured considered good unless stated otherwise				
Interest accrued on fixed deposits	7.37	7.67	52.04	65.51
Interest accrued on current investments	-	-	0.61	0.18
Development fund receivable (refer note 39)	-	106.35	83.99	456.20
Non trade receivables	1,228.08	1,126.85	101.72	91.10
Non trade receivables, considered doubtful	137.47	130.99	29.75	27.27
Grant receivable from authorities	-	-	0.04	0.04
Unbilled revenue	-	-	402.32	369.39
	1,372.92	**1,371.86**	**670.47**	**1,009.69**
Provision for doubtful non trade receivables [refer note 41(iii)]	(137.47)	(130.99)	(29.75)	(27.27)
(C)	**1,235.45**	**1,240.87**	**640.72**	**982.42**
Total (A+B+C)	**3,347.99**	**3,949.41**	**772.95**	**1,098.98**

Notes to the consolidated financial statements for the year ended March 31, 2016

16 CURRENT INVESTMENTS

			March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	Other than trade, quoted (valued at lower of cost and fair value)			
A.	**Investment in equity shares of companies**			
	Caracara Silver Inc.			
	[Nil (March 31, 2015: 2,116,451) unlimited common shares without par value]		-	0.06
	Western Uranium Corporation			
	[Nil (March 31, 2015: 14,861) common shares without par value]		-	0.36
		(i)	**-**	**0.42**
	Trade, unquoted			
A.	**Investment in equity shares of associates (refer note 12 for details)**			
	UEPL [68,783,615 (March 31, 2015: Nil) equity shares of ₹ 10 each, fully paid up]		32.50	-
	GOSEHHHPL [82,823,000 (March 31, 2015: Nil) equity shares of ₹ 10 each, fully paid up]		36.20	-
B.	**In Equity shares of body corporates**			
	GHML (refer note 12)		-	0.00
		(ii)	**68.70**	**0.00**
	Other than trade, unquoted			
A.	**Investment in mutual funds**			
	ICICI Prudential - Super Institutional Plan - Growth Option			
	[2,525,763 (March 31, 2015: 352,962) units of ₹ 100 each]		56.41	7.30
	Birla Sun Life Cash Plus - Institutional Premium Growth			
	[5,600,206 (March 31, 2015: 879,921) units of ₹ 100 each]		135.45	19.72
	Birla Sunlife Cash Plus - Growth - Regular Plan			
	[884,594 (March 31, 2015: 1,273,179) units of ₹ 100 each]		21.30	28.41
	IDFC Cash Fund - Growth - Regular Plan			
	[291,507 (March 31, 2015: 259,782) units of ₹ 1,000 each]		53.48	44.03
	SBI Premier Liquid Fund - Regular Plan - Growth			
	[1,040,238 (March 31, 2015: 572,784) units of ₹ 1,000 each]		246.02	125.49
	Axis Liquid Fund Growth			
	[833,505 (March 31, 2015: 686,364) units of ₹ 1,000 each]		138.89	106.09
	ICICI Prudential Liquid Regular Plan Growth			
	[15,076,863 (March 31, 2015: 1,230,627) units of ₹ 100 each]		334.60	25.40
	Sundaram Money Fund - Regular - Growth			
	[17,236,983 (March 31, 2015: 3,974,725) units of ₹ 10 each]		54.91	11.70
	IDFC Cash Fund-Super Institutional Plan C-Daily Dividend			
	[1,839 (March 31, 2015: 577,587) units of ₹ 1,000 each]		1.20	95.00
	Baroda Pioneer Liquid Fund - Plan A - Growth Option			
	[51,967 (March 31, 2015: 285,607) units of ₹ 1,000 each]		9.00	45.67
	Tata Liquid Fund Plan A - Growth			
	[Nil (March 31, 2015: 62,345) units of ₹ 1,000 each]		-	16.04
	Axis Liquid Institutional - Growth Option			
	[102,446 (March 31, 2015: Nil) units of ₹ 1,000 each]		17.15	-
	Kotak Liquid Fund Institutional Premium - Growth			
	[55,500 (March 31, 2015 : Nil) units of ₹ 1,000 each]		17.01	-
	HDFC Liquid Fund			
	[381,495 (March 31, 2015 : Nil) units of ₹ 1,000 each]		112.03	-
	Kotak Liquid Scheme			
	[204,512 (March 31, 2015 : Nil) units of ₹ 1,000 each]		62.60	-
	DSP Mutual Fund			
	[155,807 (March 31, 2015 : Nil) units of ₹ 1,000 each]		33.27	-
	DHFL Pramerica Liquid fund - Growth			
	[569,302 (March 31, 2015 : Nil) units of ₹ 100 each]		11.13	-
	SBI Treasury Advance Fund - Direct Plan - Growth			
	[17,928 (March 31, 2015 : Nil) units of ₹ 1,000 each]		3.00	-
	SBI Short Term Debt Fund			
	[6,242 (March 31, 2015 : Nil) units of ₹ 1,000 each]		1.26	-

Notes to the consolidated financial statements for the year ended March 31, 2016

		March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
B.	**Investments in venture capital funds:**		
	Faering Capital India Evolving Fund		
	[Nil (March 31, 2015: 90,358) units of ₹ 1,000 each]	-	9.15
	SREI Alternative Investment Managers Limited		
	[1,590,022 (March 31, 2015: Nil) units of ₹ 100 each]	16.06	-
	SREI Infrastructure Resurrection Fund		
	[1,935,000 (March 31, 2015: Nil) units of ₹ 100 each]	19.35	-
	SREI Infrastructure Project Development Capital		
	[2,000,000 (March 31, 2015: Nil) units of ₹ 100 each]	20.00	-
	Bharat Nirman Fund		
	[Nil (March 31, 2015: 1,500,000) units of ₹ 100 each]	-	15.00
C.	**Investment in hedge funds:**		
	Haussmann Holdings		
	[32 (March 31, 2015: 32) units of USD 2,555 each]	0.53	0.52
	Star Emerging Asia Fixed Income Fund		
	[9,998 (March 31, 2015: 9,998) units of USD 1,000 each]	67.64	63.06
	Harrington Capital Emerging Market Bonds Fund		
	[9,997 (March 31, 2015 : Nil) units of USD 1,000 each]	65.22	-
	Ilya Multisector Strategy Fund		
	[100,000 (March 31, 2015: 100,000) units of USD 100 each]	67.44	63.06
	Shs OPES Investments Limited Regular		
	[10,000 (March 31, 2015: Nil) units of USD 1,000 each]	65.40	-
D.	**Investment in other funds:**		
	CNC Global Opportunities Fund SPC		
	[Nil (March 2015: 63,500) Units of USD 1,000 each]	-	400.43
	Harrington Master		
	[4,863 (March 31, 2015 : 4,863) units of USD 1,000 each]	33.32	30.74
	Shs Global Emerging Strategies Fund Limited - The Amara Fund		
	[50,000 (March 2015: 50,000) Units of USD 100 each]	34.75	31.53
	Capital Emerging Markets Bond Fund		
	[Nil (March 31, 2015 : 9,998) units of USD 1,000 each]	-	63.06
	(iii)	**1,698.42**	**1,201.40**
E.	**Commercial Papers**		
	SREI Infrastructure Finance Limited		
	[1500 units (March 2015 : Nil) Units of ₹ 500,000 each]	74.01	-
	(iv)	**74.01**	**-**
	Total - (v) = (i)+(ii)+(iii) +(iv)	**1,841.13**	**1,201.82**

Notes:

1. Aggregate market value of current quoted investments - ₹ Nil (March 31, 2015: ₹ 0.42 crore)
2. Aggregate amount of current unquoted investments (including current portion of non-current investments) - ₹ 1,841.13 crore (March 31, 2015: ₹ 1,201.40 crore)
3. Aggregate provision for diminution in the value of current investments ₹ Nil (March 31, 2015: ₹ 0.80 crore)

Notes to the consolidated financial statements for the year ended March 31, 2016

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

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Raw materials (refer note 22)	189.62	95.08
Traded goods / finished goods	160.51	127.70
Stores, spares and components	119.17	82.07
	469.30	**304.85**

18 CASH AND BANK BALANCES

	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Cash and cash equivalents				
Cheques / drafts on hand	-	-	18.76	8.49
Cash on hand/ credit card collection	-	-	8.23	9.81
Balances with banks:				
– On current accounts ^^ **	0.28	10.18	693.41	1,206.26
– Deposits with original maturity of less than three months	-	-	887.84	473.56
	0.28	**10.18**	**1,608.24**	**1,698.12**
Other bank balances				
– Deposits with original maturity for more than 12 months	6.10	11.39	-	15.38
– Deposits with original maturity for more than 3 months but less than 12 months	103.60	-	472.57	822.39
– Restricted deposits * ^	1,696.85	2,262.11	1,040.51	1,368.15
	1,806.55	**2,273.50**	**1,513.08**	**2,205.92**
Amount disclosed under non-current assets (refer note 15)	1,806.83	2,283.68	-	-
	-	**-**	**3,121.32**	**3,904.04**

* Includes fixed deposits in GICL of ₹ 457.71 crore (March 31, 2015: ₹ 609.15 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that in spite of such economic difficulties the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus. Accordingly, the amount of deposit has been considered as non current.

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

^^ Includes unclaimed dividend of ₹ 0.27 crore (March 31, 2015: ₹ 0.27 crore) and ₹ 0.01 crore (March 31, 2015: ₹ 9.91 crore) towards DSRA maintained by the Company with ICICI. Includes ₹ Nil (March 31, 2015: ₹ 347.65 crore) towards share application money for issue of rights shares. The funds are received in an escrow account and are restricted till the allotment of equity shares pursuant to the right issue. Refer note 3(g).

^ 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, 2016

19 SALES / INCOME FROM OPERATIONS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Sale of products		
Power segment:		
Income from sale of electrical energy	4,280.51	3,067.99
Income from mining activities	511.22	455.70
	4,791.73	**3,523.69**
Traded goods		
Power segment:		
Income from sale of electrical energy	387.79	532.56
Income from coal trading	273.19	337.80
	660.98	**870.36**
Airport segment:		
Non-aeronautical		
Duty free items	1,019.20	859.65
	1,019.20	**859.65**
Sale of services / others		
Power segment:		
Electrical energy transmission charges	69.79	56.53
	69.79	**56.53**
Airport segment:		
Aeronautical	3,749.23	3,074.31
Non-aeronautical	1,359.81	1,094.71
Cargo operations	312.28	326.70
Income from commercial property development	100.06	108.36
	5,521.38	**4,604.08**
Roads segment:		
Annuity income from expressways	367.40	366.82
Toll income from expressways	394.01	374.92
	761.41	**741.74**
EPC segment:		
Construction revenue	179.13	86.84
	179.13	**86.84**
Others segment:		
Income from hospitality services	55.96	49.70
Income from management and other services	188.60	142.66
	244.56	**192.36**
Sales / income from operations	**13,248.18**	**10,935.25**

20 OTHER OPERATING INCOME

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Interest income on		
Bank deposits	99.17	116.37
Current investments	-	6.61
Sale of certified emission reductions	-	0.35
Dividend income on current investments	-	0.04
Net gain on sale of current investments	7.95	24.58
Others	2.36	4.48
	109.48	**152.43**

Notes to the consolidated financial statements for the year ended March 31, 2016

21 OTHER INCOME

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Interest income on		
Bank deposits	153.06	136.49
Others	59.45	31.60
Provisions no longer required, written back	41.58	21.45
Net gain on sale of current investments	132.15	36.49
Exchange differences (net)	19.42	-
Profit on sale of fixed assets (net)	0.21	2.03
Lease income	8.77	8.51
Income from management fees	11.84	41.00
Miscellaneous income [net of expenses directly attributable to such income are of ₹ 0.25 crore (March 31, 2015: ₹ Nil)]	27.79	49.89
	454.27	**327.46**

22 COST OF MATERIALS CONSUMED

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Inventory at the beginning of the year	95.08	114.02
Add: Purchases	133.10	27.87
	228.18	**141.89**
Less: Inventory at the end of the year (refer note 17)	189.62	95.08
	38.56	**46.81**

23 PURCHASE OF TRADED GOODS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Purchase of electrical energy	211.21	427.45
Purchase of coal for trading	232.15	257.31
Purchase of duty free items	396.66	359.42
	840.02	**1,044.18**

24 (INCREASE) / DECREASE IN STOCK IN TRADE

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Stock as at April 1,	127.70	107.70
Less: Stock as at March 31,	160.51	127.70
	(32.81)	**(20.00)**

25 EMPLOYEE BENEFITS EXPENSES

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Salaries, wages and bonus	575.79	544.18
Contribution to provident and other funds	42.06	36.69
Gratuity expenses (refer note 46)	8.69	8.20
Staff welfare expenses	38.26	30.58
	664.80	**619.65**

Notes to the consolidated financial statements for the year ended March 31, 2016

26 OTHER EXPENSES

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Consumption of stores and spares	67.86	64.93
Electricity and water charges	248.07	207.37
Prompt payment rebate	39.52	26.32
Open access charges paid	149.89	107.02
Airport service charges / operator fees	138.60	128.42
Cargo handling charges	16.85	14.36
Freight	17.64	20.73
Rent [includes land lease rentals of ₹ 9.46 crore (March 31, 2015: ₹ 10.20 crore)]	70.26	84.33
Rates and taxes	71.66	76.24
Insurance	45.52	42.32
Repairs and maintenance		
Plant and machinery	179.76	160.71
Buildings	42.63	31.99
Others	142.44	138.28
Manpower hire charges	70.60	52.24
Advertising and sales promotion	27.01	32.13
Transmission and distribution charges	115.33	169.49
Travelling and conveyance	55.26	54.13
Communication costs	10.10	9.99
Printing and stationery	6.78	6.08
Legal and professional fees	327.98	356.10
Directors' sitting fees	2.71	1.96
Adjustments to the carrying amount of current investments	0.82	3.72
Adjustments to the carrying amount of long term investments	-	0.05
Loss on derivative contracts (including provisions for mark-to-market loss)	-	27.25
Provision / write off of doubtful advances and trade receivables	10.21	33.64
Exchange differences (net)	-	52.90
Donation (includes corporate social responsibility expenditure)	35.88	40.18
Fixed assets written off / loss on sale of fixed assets	4.55	4.05
Office maintenance	35.23	39.68
Security expenses	16.43	30.91
Logo fees	3.03	5.00
Impairment of intangible assets under development	-	2.37
Miscellaneous expenses	83.19	96.08
	2,035.81	**2,120.97**

27 DEPRECIATION AND AMORTISATION EXPENSES

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Depreciation of tangible assets	1,918.26	1,514.84
Amortisation of intangible assets	347.90	297.69
	2,266.16	**1,812.53**

28 FINANCE COSTS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Interest	3,802.57	3,255.34
Bank charges	159.63	147.71
Amortisation of ancillary borrowing costs	93.87	168.81
Mark to market loss on derivative instruments	1.62	-
	4,057.69	**3,571.86**

Notes to the consolidated financial statements for the year ended March 31, 2016

29 EXCEPTIONAL ITEMS - (LOSSES) / GAINS

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Provision for dimunition in value of investments in an associate [refer note 41(iv)]	(39.22)	-
Loss on impairment of assets in subsidiaries [refer note 42(i)(a), note 42(xiii), note 40(iii), note 42(iv) and 42(ix)]	(164.30)	(115.74)
Reimbursement of expenses pertaining to earlier years received by a subsidiary [refer note 37 (iv)]	51.42	-
Profit on sale of subsidiaries / jointly controlled entities [refer note 30(a) and note 30(f)]	2.31	34.44
Breakage cost of interest rate swap [refer note 40 (x)]	-	(91.83)
Loss on account of provision towards claims recoverable (including prior period expenditure of ₹ 124.43 crore) [refer note 41(iii)]	-	(130.99)
	(149.79)	**(304.12)**

30. DISCONTINUING OPERATIONS

a. During the year ended March 31, 2016, the Company along with its subsidiary GMRHL entered into a Share Purchase Agreement with Oriental Structural Engineers Private Limited, Oriental Tollways Private Limited and Orbit Infraventures LLP for divestment of 117,300,000 equity shares of ₹ 10 each, representing their 51.00% stake in GOSEHHHPL for a sale consideration of ₹ 59.14 crore. As at March 31, 2016, 34,477,000 shares have been transferred and the Group has realized a profit of ₹ 2.31 crore on such sale of shares, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016. Further, as at March 31, 2016, the Group has provided an interest free loan of ₹ 20.08 crore which is repayable by August 31, 2016. Pursuant to the aforesaid transfer the Group has accounted for the remaining investment in GOSEHHHPL as an associate in accordance with AS-13 'Accounting for Investments'.

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

b. During the year ended March 31, 2016, GEL has entered into an MOU for divestment of its 100% equity stake in MTSCL and ATSCL for a consideration of ₹ 100.35 crore. The consideration is subject to certain working capital and debt related adjustments. The management of the Group is confident of completion of the transaction in the immediate future and is of the view that the consideration (after necessary adjustments) will be higher than the carrying value of the net assets in these companies and accordingly, no adjustments have been made to the accompanying consolidated financial statements for the year ended March 31, 2016.

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

c. During the year ended March 31, 2016, under a Framework for Revitalising Distressed Assets in the Economy, Reserve Bank of India ('RBI') has issued SDR, under which the lenders have to collectively hold 51% or more of the equity shares in the Company with distressed assets. In respect of GREL, due to the operations at sub optimal level of Plant Load Factor ('PLF') based on e-RLNG gas, the current operational income was not sufficient for servicing the entire debt obligations. In view of the same, the lenders' consortium decided to invoke SDR to convert part of the debt outstanding into equity and to undertake flexible structuring of balance debt post conversion as a Corrective Action Plan for improving viability and revival of the project. Pursuant to the scheme, borrowings aggregating to ₹ 1,308.57 crore and interest accrued thereon amounting to ₹ 105.42 crore has been converted into equity shares of GREL subsequent to the year ended March 31, 2016 for 55% stake in equity share capital of GREL.

Post conversion, balance external borrowings would be subject to flexible structuring (5/25 scheme) for repayment of the same over a period of 20.50 years comprising of moratorium period of 1.75 years and structured quarterly repayment period of 18.75 years.

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

d. 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 International Airport ('MIA') for a period of 25 years ('the Concession Agreement'). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the concession agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement. It was also stated that MACL would take over the possession and control of MIA within 7 days of the said letter.

Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. This has resulted in GMIAL's principal activity becoming impossible from the date of takeover. The matter is currently

Notes to the consolidated financial statements for the year ended March 31, 2016

under arbitration and the procedural meeting was held on April 10, 2013. On June 18, 2014, the tribunal delivered its award declaring that the Concession Agreement was not void ab initio and is valid and binding on the parties. Further, the tribunal declared that the Government of Maldives ('GoM') and MACL are jointly and severally liable to GMIAL for loss caused by repudiation of the contract. The quantum of the damages is yet to be decided and the damages are limited to the sum which would have been recovered under clause 19.4.3 (b) had the concession agreement been terminated on grounds of public interest pursuant to clause 19.2.1 (h). On November 26, 2014, GoM and MACL, served a letter on the tribunal and on GMIAL asserting that the parties to the arbitration have different interpretations of the limitation in Paragraph 167(1)(g) of the aforesaid award of the tribunal ('preliminary issue') and the timetable had been agreed by the parties for hearing of the preliminary issue in the first half of 2015.

On June 17, 2015, the tribunal issued its decision, in respect of the preliminary issue stating that the limit to damages recoverable in the aforementioned award was intended to apply from the date of concession agreement has been repudiated and also that the limit to recoverable damages identified in the aforementioned award means all damages recoverable by GMIAL and not only contractually contemplated damages. Accordingly, on October 1, 2015, GMIAL served the amended schedule of loss to the tribunal and a five day hearing has now been set for the quantum hearing from August 8 to August 12, 2016. In view of the aforesaid matter, GMIAL continues to reflect assets amounting to ₹ 1,594.68 crore (USD 23.88 crore) including claim recoverable of ₹ 1,273.14 crore (USD 19.08 crore) at their carrying values as at March 31, 2016, net of assets written off of ₹ 202.61 crore during the year ended March 31, 2013. GMIAL's ability to continue its future business operations and consequential impact on net assets / guarantees given by the Company and GIML, is solely dependent on the outcome of arbitration and / or a negotiated settlement. However, financial statements of GMIAL as at and for the year ended March 31, 2016 have been prepared and accordingly consolidated on a going concern basis.

Further, GMIAL had executed work construction contracts with GADLIL and other service providers for rehabilitation, expansion, modernization of MIA. Pursuant to the aforesaid takeover of airport, GMIAL has terminated the contracts with GADLIL and these service providers. As per the terms of contracts, in the event of discontinuation of construction, GMIAL is required to pay termination payment to the service providers. GMIAL has received claims of around USD 8.00 crore as at March 31, 2016 from GADLIL and other service providers. However, no such claims relating to the termination of contracts have been recognised as at March 31, 2016 since the amounts payable are not certain.

Based on the aforesaid award by the tribunal, internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident that GMIAL would be entitled for compensation under the concession agreement atleast to the extent of the carrying value of the assets taken over by the GoM / MACL and the subsequent expenditure incurred by GMIAL as at March 31, 2016 and accordingly, the consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty.

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

e. During the year ended March 31, 2014, the Group has completed the divestment of key coal mines held by certain subsidiaries and jointly controlled entities of HEGL after obtaining the requisite approvals. Subsequently, GEL has received a letter bearing number FE.CO.OID/15542/19.07.433/2014-15 dated March 31, 2015 from RBI, whereby RBI has provided approval for divestment of GEL's entire stake in HEGL subject to the compliance with all other provisions of Regulation 16 of the Foreign Exchange Management Act ('FEMA') regulations and reporting to RBI within 30 days from the date of divestment in the prescribed form along with the relevant documents. GEL is in the process of ensuring requisite compliances with the requirements of the aforementioned letter from RBI.

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

f. DSSHPL has been merged with DFSPL w.e.f. April 1, 2013. During the year ended March 31, 2015, the Group divested 26% of its stake in DCSCPL and 40% of its stake in DFSPL and realised a profit of ₹ 34.44 crore on such divestment, which is disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

Notes to the consolidated financial statements for the year ended March 31, 2016

g). 1) PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS

(₹ in crore)

Particulars	GOSEHHHPL		GREL		MTSCL		ATSCL		DCSCPL	DFSPL	HEGL		GMIAL		Consolidation adjustments		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Income																		
Revenue from operations:																		
Sales / income from operations	119.42	106.42	342.68	-	45.04	39.50	24.75	17.03	25.10	16.27	-	-	-	-	-	-	531.89	204.32
Other income	0.76	0.37	3.10	-	1.99	0.26	1.15	0.20	0.24	1.44	49.95	0.23	0.04	25.05	-	-	56.99	27.79
Total	**120.18**	**106.79**	**345.78**	**-**	**47.03**	**39.76**	**25.90**	**17.23**	**25.34**	**17.71**	**49.95**	**0.23**	**0.04**	**25.05**	**-**	**-**	**588.88**	**232.11**
Expenses																		-
Consumption of fuel	-	-	278.75	-	-	-	-	-	-	-	-	-	-	-	-	-	278.75	-
Cost of materials consumed	-	-	-	-	-	-	-	-	-	3.87	-	-	-	-	-	-	-	3.87
Sub-contracting expenses	2.43	5.59	2.86	-	1.15	1.08	-	-	-	-	-	-	-	-	-	-	6.44	6.67
Employee benefits expenses	1.91	3.40	2.99	-	0.44	0.18	0.58	0.65	5.79	2.78	-	0.84	6.28	7.92	-	-	12.20	21.56
Other expenses	7.34	4.21	24.35	0.54	3.83	2.60	6.28	1.88	4.70	2.97	-	23.68	11.88	29.63	-	-	53.68	70.21
Depreciation and amortisation expenses	23.71	18.51	95.10	-	11.66	11.61	6.74	4.80	4.50	1.14	-	-	0.21	0.11	-	-	137.42	40.67
Finance costs	122.91	117.78	198.81	3.79	23.18	22.66	14.49	9.49	5.80	0.53	-	0.07	4.25	0.01	-	-	363.64	160.13
Total	**158.30**	**149.49**	**602.86**	**4.33**	**40.26**	**38.13**	**28.09**	**16.82**	**20.79**	**11.29**	**-**	**24.59**	**22.62**	**37.67**	**-**	**-**	**852.13**	**303.11**
(Loss) / profit before exceptional items, tax expenses and minority interest	**(38.12)**	**(42.70)**	**(257.08)**	**(4.33)**	**6.77**	**1.63**	**(2.19)**	**0.41**	**4.55**	**6.42**	**49.95**	**(24.36)**	**(22.58)**	**(12.62)**	**-**	**-**	**(263.25)**	**(71.00)**
Exceptional items - (losses) / gains																		
Provision for dimunition in value of investments in an associate [refer note 41(iv)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(39.22)	-	(39.22)	-
Profit on sale of subsidiaries / jointly controlled entities [refer note 30(a) and note 30(f)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.31	34.44	2.31	34.44
(Loss) / profit before tax expenses and minority interest	**(38.12)**	**(42.70)**	**(257.08)**	**(4.33)**	**6.77**	**1.63**	**(2.19)**	**0.41**	**4.55**	**6.42**	**49.95**	**(24.36)**	**(22.58)**	**(12.62)**	**(36.91)**	**34.44**	**(300.16)**	**(36.56)**
Tax expenses																		
Current taxes	-	-	-	-	1.35	0.32	-	0.08	-	-	-	-	-	0.01	-	-	1.35	0.41
Tax adjustments for prior years	-	-	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	-	0.05
Less: MAT credit entitlement	-	-	-	-	-	-	-	-	0.16	-	-	-	-	-	-	-	-	0.16
Deferred tax expenses/ (credit)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03
(Loss) / profit after tax expenses and before minority interest	**(38.12)**	**(42.70)**	**(257.08)**	**(4.33)**	**5.42**	**1.31**	**(2.19)**	**0.33**	**4.34**	**6.42**	**49.95**	**(24.36)**	**(22.58)**	**(12.66)**	**(36.91)**	**34.44**	**(301.51)**	**(37.21)**
Minority interest - share of (profit) / loss	21.53	21.88	-	0.04	-	(0.10)	-	0.22	(1.56)	(4.89)	-	-	10.39	2.91	-	-	31.92	18.50
Net (loss) / profit after minority interest	**(16.59)**	**(20.82)**	**(257.08)**	**(4.29)**	**5.42**	**1.21**	**(2.19)**	**0.55**	**2.78**	**1.53**	**49.95**	**(24.36)**	**(12.19)**	**(9.75)**	**(36.91)**	**34.44**	**(269.59)**	**(18.71)**

Notes to the consolidated financial statements for the year ended March 31, 2016

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

(₹ in crore)

Particulars	GOSEHHHPL		GREL		MTSCL		ATSCL		DCSCPL	DFSPL	HEGL		GMIAL		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Total Assets	-	1,257.73	4,997.11	4,367.46	284.36	289.63	169.85	169.79	-	-	-	2.50	1,195.17	1,122.35	6,646.49	7,209.46
Total Liabilities	-	1,093.13	4,079.68	3,223.57	214.17	222.34	145.77	143.05	-	-	-	0.98	1,062.45	1,057.00	5,502.07	5,740.07
Net Assets	**-**	**164.60**	**917.43**	**1,143.89**	**70.19**	**67.29**	**24.08**	**26.74**	**-**	**-**	**-**	**1.52**	**132.72**	**65.35**	**1,144.42**	**1,469.39**

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

(₹ in crore)

Particulars	GOSEHHHPL		GREL		MTSCL		ATSCL		DCSCPL	DFSPL	HEGL		GMIAL		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Cash flow from / (used in) operating activities	105.09	95.53	(118.60)	(0.54)	28.61	32.64	9.45	(10.15)	2.66	(2.41)	-	(3.95)	(66.58)	(59.82)	(42.03)	53.96
Cash flow from / (used in) investing activities	1.24	(24.73)	(460.77)	(539.12)	1.81	(12.50)	1.15	7.10	(1.09)	(0.06)	-	(4.30)	29.75	(15.26)	(426.82)	(589.96)
Cash flow from / (used in) financing activities	(100.31)	(70.32)	682.44	393.61	(30.52)	(4.84)	(10.76)	14.30	(0.89)	2.35	-	(2.09)	33.53	36.86	574.38	368.98
Net cash inflows/ (outflows)	**6.02**	**0.48**	**103.07**	**(146.05)**	**(0.10)**	**15.30**	**(0.16)**	**11.25**	**0.68**	**(0.12)**	**-**	**(10.34)**	**(3.30)**	**(38.22)**	**105.53**	**(167.02)**

Notes

1) The disclosures with regard to net cashflows attributable to the discontinuing operations do not include net cash inflow on sale of stake in these entities.

2) The disclosures with regard to profit/ (loss) from discontinuing operations do not include share of loss from associates recognised during the year ended March 31, 2015.

3) The disclosures with regards to DCSCPL and DFSPLhave not been provided for the year ended March 31, 2016 as these entities have been disposed during the year ended March 31, 2015.

4) The disclousres with regard to cash flows attributable to the discontinuing operations are as disclosed in the audited financial statements of the respective entities.

Notes to the consolidated financial statements for the year ended March 31, 2016

31 (a) CAPITAL WORK IN PROGRESS

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Capital expenditure incurred on tangible assets	11,770.37	11,358.04
Salaries, allowances and benefits to employees	420.23	364.07
Contribution to provident and other funds	26.94	23.21
Staff welfare expenses	18.77	16.75
Rent [includes land lease rentals of ₹ 4.60 crore (March 31, 2015: ₹ 2.29 crore)]	101.98	98.43
Repairs and maintenance		
Buildings	6.07	5.65
Others	47.51	36.91
Rates and taxes	43.68	42.76
Insurance	51.43	37.74
Legal and professional fees	669.55	552.79
Travelling and conveyance	148.10	140.86
Communication costs	11.61	10.16
Depreciation of tangible assets	27.28	19.85
Amortisation of intangible assets	4.36	4.95
Interest costs	5,324.50	4,108.70
Amortisation of ancillary borrowing costs	80.46	87.50
Bank charges	360.45	299.00
Printing and stationery	4.05	3.68
Exchange differences (net)	232.48	190.10
Trial run costs	192.68	117.25
Power and Fuel	11.13	8.42
Community development expenses	31.84	22.05
Security charges	34.10	29.33
Miscellaneous expenses	69.66	63.48
(i)	**19,689.23**	**17,641.68**
Less: Other income		
Interest income on bank deposits	161.77	150.94
Net gain on sale of current investments	41.41	40.99
Revenue from sale of infirm power	60.94	-
Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2015: ₹ Nil)]	9.24	11.29
(ii)	**273.36**	**203.22**
Total - (iii) = (i) - (ii)	**19,415.87**	**17,438.46**
Less: Apportioned over the cost of tangible assets	15,298.27	598.16
Less: Provision for impairment during the year [refer note 42 (xiii)]	64.14	-
Less: Sale of Joint Controlled entities during the year	-	1.31
(iv)	**15,362.41**	**599.47**
Total - (v) = (iii) - (iv)	**4,053.46**	**16,838.99**

Notes to the consolidated financial statements for the year ended March 31, 2016

31 (b) **INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Capital expenditure incurred on intangible assets	174.94	623.03
Salaries, allowances and benefits to employees	137.72	120.92
Contribution to provident and other funds	8.38	5.34
Staff welfare expenses	5.76	6.78
Rent	3.73	3.64
Repairs and maintenance		
Others	6.13	5.28
Rates and taxes	4.59	3.79
Insurance	0.54	1.63
Legal and professional fees	139.16	128.65
Travelling and conveyance	20.85	19.06
Communication costs	3.65	3.25
Depreciation of tangible assets	0.93	0.83
Amortisation of intangible assets	0.18	0.20
Interest costs	63.05	108.03
Amortisation of ancillary borrowing costs	13.36	14.44
Bank charges	25.85	17.37
Printing and stationery	0.12	0.17
Miscellaneous expenses	33.62	29.62
(i)	**642.56**	**1,092.03**
Less: Other income		
Interest income on bank deposits	-	0.10
Net gain on sale of current investments	-	1.48
Miscellaneous income [net of expenses directly attributable to such income ₹ Nil (March 31, 2015: ₹ Nil)]	6.21	0.03
(ii)	**6.21**	**1.61**
Total (iii) = (i) - (ii)	**636.35**	**1,090.42**
Less: Government grant received [Refer Note 31(b)(i)]	11.71	177.13
Less: Apportioned over the cost of intangible assets (net of grant adjusted)	-	414.01
Less: Accumalated impairment	2.47	2.37
Less: Provision for claims recoverable (refer note 41(iii)]	95.48	88.43
Less: Sale of jointly controlled entities during the year	-	0.03
(iv)	**109.66**	**681.97**
Total (v) = (iii) - (iv)	**526.69**	**408.45**

Note 31(b)(i) - GCORRPL is entitled to a grant of ₹ 300.00 crore as project support fund by way of a grant, which is to be disbursed on a quarterly basis based on the progress of the project and the expenditure incurred by the concessionaire on the civil works as per the disbursement methodology of the project fund as specified in clause 30.2.1 of the concession agreement entered into by GCORRPL with the Government of Tamil Nadu ('GoTN'). As at March 31, 2016, GCORRPL has received ₹ 282.63 crore, of which ₹ 270.92 crore has been netted off against the cost of carriageways and ₹ 11.71 crore has been netted off agianst the cost of Intangible assets under development.

32 **EARNINGS PER SHARE ('EPS')**

Particulars	March 31, 2016	March 31, 2015
Nominal value of equity shares (₹ per share)	1.00	1.00
Weighted average number of equity shares used in computing earnings per share	5,66,30,23,512	4,23,28,05,171
(Loss) / profit after minority interest from continuing and discontinuing operations (₹ in crore)	(2,161.00)	(2,733.29)
EPS - Basic and diluted (₹ per share)	(3.82)	(6.46)
(Loss) / profit after minority interest from continuing operations (₹ in crore)	(1,891.41)	(2,714.58)
EPS - Basic and diluted (₹ per share)	(3.34)	(6.41)
(Loss) / profit after minority interest from discontinuing operations (₹ in crore)	(269.59)	(18.71)
EPS - Basic and diluted (₹ per share)	(0.48)	(0.04)

Notes:

1. Considering that the Company has incurred losses during the year ended March 31, 2015 and March 31, 2016, the allotment of shares against share warrants, share application money pending allotment, and conversion option in case of FCCBs would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share
2. Refer note 3(c) pertaining to the terms / rights attached to CCPS.
3. Refer note 3(g) and note 3(i) as regards further issue of shares during the year ended March 31, 2016 and March 31, 2015.

Notes to the consolidated financial statements for the year ended March 31, 2016

33. a) CONTINGENT LIABILITIES

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Corporate guarantees	2,961.12	3,118.17
Bank guarantees outstanding / Letter of credit outstanding	2,647.49	2,106.74
Land Lease rent payable	-	0.50
Bonds issued to custom authorities	112.00	112.00
Fixed deposits pledged for loans taken by enterprises where key management personnel and their relatives exercise significant influence	21.00	21.00
Fixed deposits pledged for loans taken by Welfare trust for GMR Group Employees ('WTGGE')	130.50	130.50
Claims against the Group not acknowledged as debts	716.68	730.05
Matters relating to income tax under dispute*	337.34	116.06
Matters relating to indirect taxes duty under dispute	162.18	848.47
Arrears of cumulative dividends on preference share capital issued by subsidiary	76.17	55.52

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

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

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

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

c. GVPGL has filed a writ petition with the Hon'ble High Court of Delhi in November 2011. During the year ended March 31, 2015, the matter has been transferred to the Hon'ble Supreme Court of India and will be concluded along with other similar cases and is pending finalization as at March 31, 2016.

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

iii. During the year ended March 31, 2015, in respect of matter detailed in note 42(vi), TAGENDCO has claimed ₹ 285.00 crore before Tamil Nadu Electricity Regulatory Commission ('TNERC') against GPCL.

iv. During the year ended March 31, 2012, GVPGL had received a demand of ₹ 48.21 crore for the period September 2006 to November 2011 from the Chief Electrical Inspectorate, GoAP, whereby GoAP had imposed electricity duty on generation and sale of electrical energy calculated at the rate of six paise for each electricity unit generated by GVPGL since commencement of commercial operations. Based on

Notes to the consolidated financial statements for the year ended March 31, 2016

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 ₹ 61.82 crore (March 31, 2015: ₹ 58.30 crore) for the period September 2006 to March 2016 has been considered as a contingent liability in these consolidated financial statements of the Group.

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

However, based on an internal assessment and a legal opinion obtained by GEL, the management is confident that the provisions of Electricity Rules in respect of payment of electricity duty are not applicable to GEL and accordingly electricity duty liability of ₹ 14.61 crore (March 31, 2015: ₹ 14.61 crore) for the period from June 2010 to March 2016 has been considered as a contingent liability and accordingly no adjustments have been made in these consolidated financial statements of the Group for the year ended March 31, 2016.

vi. As at March 31, 2016, the South Delhi Municipal Corporation ('SDMC') (earlier known as Municipal Corporation of Delhi ('MCD')) has demanded property tax of ₹ 105.18 crore on the land and properties at Indira Gandhi International Airport, New Delhi ('Delhi Airport'). DIAL had filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal Corporation (Amendment) Act, 1957 on the land and properties at the Delhi Airport and had deposited an amount of ₹ 30.66 crore (paid in earlier years) under protest against these demands as at March 31, 2016. SDMC has brought the 'Airports & Airports properties' within the purview of property tax w.e.f the financial year 2013-14. Accordingly, from 2013-14, DIAL has started paying property tax and the same has been charged to Statement of profit and loss of respective years/ periods.

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

DIAL provided for ₹ 60.96 crore till March 31, 2016 (March 31, 2015: ₹ 60.96 crores). Further, till March 31, 2016 interest of ₹ 24.99 crore had also been provided (March 31, 2015: ₹ 24.99 crores) making the total provision of ₹ 81.87 crore (March 31, 2015: ₹ 81.87 crores) [net of self-assessment tax paid of ₹ 4.08 crores in earlier years]. DIAL is still contesting on the tax and interest demand. The matter is pending with the Hon'ble High Court of Delhi and is now listed for hearing on July 12, 2016.

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

vii. 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 towards purchase of Naptha for generation of electricity during the aforementioned period. The FSA provided for payment of liquidated damages to the fuel supplier in the event that there was a shortfall in the purchase of the annual guaranteed quantity.

During the year ended March 31, 2013, GEL received a notice for Good Faith Negotiation under erstwhile FSA entered into between GEL and the fuel supplier with respect to dispute regarding liquidated damages amounting to ₹ 296.16 crore along with an interest of ₹ 5.55 crore towards failure of GEL to purchase the annual guaranteed quantity for the period from November 21, 2001 to June 6, 2008. GEL vide its letter dated October 31, 2012 had disputed the demand from the fuel supplier towards the aforementioned damages.

During the year ended March 31, 2014, the fuel supplier had filed a petition in the Hon'ble High Court of Karnataka seeking appointment of a sole arbitrator for the resolution of the dispute. GEL filed its reply on January 8, 2014, and as per the High Court order dated September 11, 2014 arbitrators have been appointed. During the year ended March 31, 2015, the fuel supplier submitted its statement of claim amounting to ₹ 272.63 crore (after adjusting dues of ₹ 29.08 crore payable to GEL) towards liquidated damages and interest at the rate of 15% per annum on such liquidated damages. Further, GEL filed its statement of defense and counter claim amounting to ₹ 35.96 crore along with interest at the rate of 18% per annum. The final outcome of the arbitration is pending conclusion. However based on its internal assessment and a legal opinion, the management of the Group is confident that the claim of the fuel supplier towards such liquidated damages is not tenable and accordingly no adjustments have been made in these consolidated financial statements of the Group and the claim from the fuel supplier has been considered as a contingent liability as at March 31, 2016.

Notes to the consolidated financial statements for the year ended March 31, 2016

viii. In case of DIAL, w.e.f. June 1, 2007, the AAI has claimed service tax on the monthly annual fee payable to them considering the same as rental from immovable property w.e.f June 1, 2007. DIAL has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a renting of immovable property, which are specified taxable services under Section 65(105) of Finance Act. DIAL has filed a writ petition with Hon'ble High Court of Delhi and was heard on November 17, 2015 and judgment has been reserved. Based on an internal assessment and legal opinion obtained, the management of the Group is of the view that no adjustments are required in these consolidated financial statements of the Group.

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

As at March 31, 2016, DIAL and GHIAL have incurred ₹ 296.90 crore and ₹ 92.29 crore (March 2015: ₹ 296.90 crore and ₹ 91.26 crore) (excluding related maintenance expenses and interest thereon), respectively towards capital expenditure out of the PSF (SC) escrow account as per SOPs, guidelines and clarification issued by MoCA from time to time on the subject of utilisation of PSF (SC) funds.

In the opinion of the management of DIAL and GHIAL, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi and Hon'ble High Court of Judicature of Andhra Pradesh respectively. In case of DIAL, the Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by DIAL from PSF (SC) Escrow Account till date. The matter is now listed for hearing on July 8, 2016. In case of GHIAL, the Hon'ble High Court of Hyderabad, vide its Order dated March 3, 2014 followed by further clarification dated April 8, 2014 and December 24, 2014 stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against GHIAL, it shall reverse all the expenditure incurred from PSF (SC).

Based on an internal assessment, the management of the Group is of the view that no adjustments are required to be made to these consolidated financial statements for the year ended March 31, 2016.

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

DIAL has filed a writ petition with the Hon'ble High Court of Delhi challenging the applicability of the said circulars/letters issued by MoCA. The Hon'ble High Court of Delhi, vide its order dated December 21, 2012 has restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against DIAL and the matter is now listed for hearing on July 8, 2016.

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

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

Further, the management of DIAL has replied to the show cause notice referred to above with appropriate authority on April 17, 2015 and is of the view that no adjustments are required to be made to these consolidated financial statements for the year ended March 31, 2016.

xii. HMACPL has accrued customs officers' salaries stationed at air cargo terminal based on debit notes raised by the customs department on GHIAL as the ultimate cost has to be borne by the custodian i.e. HMACPL. GHIAL had filed a writ petition under Article 226 of the Constitution of India in the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad against the demand raised by customs department. During

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the year ended March 31, 2013, GHIAL had received an order from the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad (Single Judge), stating that the grounds on which the levy was made by customs department were wholly unsustainable and accordingly, HMACPL had reversed the accrued cost of custom's authorities amounting to ₹ 14.02 crore for the period from March 23, 2008 to March 31, 2012.

Subsequent to the above order, the customs department preferred an appeal against the same and on November 2, 2012, a bench of two judges of the Hon'ble High Court of Judicature of Andhra Pradesh at Hyderabad passed an order for interim suspension of the said order passed by the Hon'ble Single Judge. The management, based on internal assessment/legal opinion, is confident that there is no financial impact of this interim suspension order and accordingly, no further adjustment has been made to these consolidated financial statements of the Group.

xiii. In respect of ongoing land acquisition process of KSPL, there are claims of different types pending before various judicial forums such as, disputes between claimants, or writ petitions filed against property acquisitions, of land etc. As these cases are subject to judicial verdicts which are pending settlement and accordingly, no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2016.

xiv. The Deputy Commissioner of Commercial Taxes, Bhubaneshwar demanded ₹ 176.71 crore (March 31, 2015: ₹ 171.61 crore) for non-payment of entry tax on imported plant and machinery from outside India as per Orissa Entry Tax Act, 1999. GKEL has deposited ₹ 26.77 crore (March 31, 2015: ₹ 23.62 crore) under protest and has filed an appeal before Appellate authorities and Special Leave Petition ('SLP') before Hon'ble Supreme Court of India. However, based on an internal assessment, the management of the Group is of the view that the demand of entry tax is not tenable and accordingly, no further adjustments have been made in these consolidated financial statements and the same has been considered as a contingent liability as at March 31, 2016.

xv. During the year ended March 31, 2014, the Company along with its subsidiaries GIGL and GIOL entered into a definitive agreement ('SPA') with Malaysia Airport MSC Sdn Bhd ('the buyer') for sale of their 40% equity stake in jointly controlled entities Istanbul Sabiha Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi ('ISG') and LGM Havalimani Isletmeleri Ve Turizm Anonim Sirketi ('LGM') for a sale consideration of EURO 20.90 crore (Net of equity gap adjustment of Euro 1.60 crore and subject to debt and other working capital adjustments).

Pursuant to the SPA entered with the buyer, the group had provided a guarantee of Euro 4.50 Crore towards tax claims, as specified in the SPA for a period till May 2019.

xvi. Refer note 34(a). The environmental clearance for Talabira - 1 Coal Mine vested to the Group from Hindalco Industries Limited in terms of the Vesting Order received from the Nominated Authority, Ministry of Coal, GOI has been challenged at the National Green Tribunal, Eastern Bench, Kolkata. The said dispute is continuing from the time of Hindalco industries Limited and is pending as on the date, However, the management of the Group is of the opinion that the dispute raised does not have any legal validity and accordingly no adjustments are required to be made in these consolidated financial statements for the year ended March 31, 2016.

xvii. Refer note 38(ii) for details of contingent liabilities on issue of non-cumulative compulsorily convertible non-participatory preference shares by GAL to Investor I and Investors II.

xviii. Refer note 38(i) for details of contingent liabilities on issue of fully paid up compulsorily convertible cumulative preference shares ('CCCPS') by GEL.

c) Litigations provided for:

i. Provision for customs duty including interest thereon on imports made by the Group ₹ 11.36 crore (March 31, 2015: ₹ 11.36 crore).

ii. Provision made in respect of disputes towards utilisation of duty entitlement pass book scrips ₹ 0.19 crore (March 31, 2015: ₹ 0.21 crore).

iii. Provision made for excise duty being disputed by the central excise authorities with regard to refund of excise duty ₹ 4.60 crore (March 31, 2015: ₹ 4.60 crore).

iv. Provision made with regard to service tax matters ₹ 2.44 crore (March 31, 2015: ₹ 2.44 crore).

v. Refer note 33(b)(vi) with regard to provision of property tax in case of DIAL.

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34. a) **CAPITAL COMMITMENTS**

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances) *	2,139.92	2,003.47

* Includes ₹ 43.89 crore (March 31, 2015: ₹ 111.90 crore) payable towards certain coal mines allocated to the Group in terms of the Coal Mines (Special Provision) Ordinance 2014 read with Coal Mines (Special Provision) Second Ordinance, 2014 promulgated and the Coal Mines (Special Provision) Rules, 2014 framed for auction and allotment of coal blocks.

b) **Other commitments**

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

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

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

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

v. One of the overseas entities in power sector and the Government of Indonesia (Government) have entered into Coal Sale agreement for a defined period pursuant to which the entity is required to pay to the Government, amount equivalent to a specified percentage of proceeds from sale of the coal by the entity. Further, based on a regulation of the Government, all Companies holding mining rights have an obligation to pay an exploitation fee equivalent to certain percentage, ranging from 3% - 5% of sales, net of selling expenses.

vi. One of the overseas entities in power sector (as the buyer) and its jointly controlled entity (as the seller) in power sector have entered into a Coal Sales Agreement for Sale and Purchase of Coal, whereby the buyer entity and seller entity have committed to, respectively, take delivery and to deliver, minimum specified percentage of the Annual Tonnage as specified in the Agreement for each Delivery Year, based on the agreed pricing mechanism. The buyer entity is also committed to use the coal for the Agreed Use, provided that it shall not sell any Coal to any person domiciled or incorporated in the country in which the seller entity operates.

vii. Certain entities in the power sector have entered into Long Term Assured Parts Supply and Maintenance Agreements with sub-contractors whereby these entities have committed to pay fixed charges in addition to variable charges based on operating performance as defined in the agreements. The entities have also committed to pay incentives on attainment of certain parameters by the sub-contractors.

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

ix. One of the entities in airports sector has entered into a tripartite 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

Notes to the consolidated financial statements for the year ended March 31, 2016

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, 2016, this entity has funded ₹ 10.03 crore (March 31, 2015: ₹ 9.62 crore) towards shortfall in collection from the customers.

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

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

xii. Certain entities in power sector have made a commitment towards expenditure on corporate social responsibilty activities amounting to ₹ 66.42 crore (March 31, 2015: ₹ 71.05 crore) and towards land lease rentals as per the long term land lease agreements entered into by the entities amounting to ₹ 9.43 crore (March 31, 2015: ₹ 9.84 crore).

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

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

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

xvi. Refer note 42(i)(a) as regards deferred consideration payable to the erstwhile shareholders of PTDSU.

xvii. Refer note 47 for commitments relating to lease arrangements.

xviii. Refer note 36 as regards negative grant payable to concessionaries of road entities.

xix. Refer note 38 for commitments arising out of convertible preference shares.

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

xxi. Refer note 5(6), for commitments relating to FCCB.

35. FOREIGN CURRENCY TRANSACTIONS

The MCA, Government of India ('GoI') vide its Notification No GSR 225 (E) dated March 31, 2009 prescribed certain changes to AS - 11 on 'The Effects of Changes in Foreign Exchange Rates'.

The Group has, pursuant to adoption of such prescribed changes to the said Standard, exercised the option of recognizing the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Accordingly,

i. Exchange loss amounting to ₹ 505.32 crore (March 31, 2015: ₹ 147.34 crore) have been adjusted to the cost of depreciable assets in these consolidated financial statements of the Group.

ii. Exchange loss of ₹ 0.88 crore (March 31, 2015: exchange loss of ₹ 2.42 crore), net of amortisation, on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset. The unamortised balance as at March 31, 2016 amounts to exchange loss of ₹ 0.93 crore (March 31, 2015: exchange loss of ₹ 0.05 crore).

36. NEGATIVE GRANT

In accordance with the terms of the Concession agreement entered into with NHAI by GACEPL dated November 16, 2005, GACEPL has an obligation to pay an amount of ₹ 174.75 crore by way of Negative Grant to NHAI. GACEPL has paid an amount of ₹ 108.34 crore (March 31, 2015: ₹ 108.34 crore) and the balance amount of ₹ 66.41 crore (March 31, 2015: ₹ 66.41 crore) has been disclosed as negative grant under 'Long term borrowings' in these consolidated financial statements of the Group. Refer note 41(i) regarding the details of arbitration pursuant to which the arbitration tribunal has stayed the payment of negative grant of GACEPL during the years ended March 31, 2014, March 31, 2015 and March 31, 2016.

(₹ in crore)

Name of the subsidiary	Date of Concession Agreement	Total negative grant	Repayment details	Payable as at March 31, 2016	Payable as at March 31, 2015
GACEPL	November 16, 2005	174.75	Unequal yearly installments over next 2 years	66.41	66.41

Notes to the consolidated financial statements for the year ended March 31, 2016

37. TRADE RECEIVABLES

i. As at March 31, 2016, GPCL has receivables from TAGENDCO aggregating to ₹ 132.25 crore (March 31, 2015: ₹ 320.83 crore). Based on an internal assessment, collections by the Group from TAGENDCO during the year ended March 31, 2016 and various discussions that the Group had with TAGENDCO, the management of the Group is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.

ii. a) GKEL has committed to sell upto 262.5 MW of energy for twenty five years to GRIDCO Limited ('GRIDCO') under long term PPAs for tariff to be determined in accordance by the appropriate authorities. GKEL had made an application under Section 79 of the Electricity Act, 2003 ('Electricity Act') to CERC for determining the tariff of the generating station of the petitioner under Section 62 read with Section 79(1)(b) in Petition No. 77/GT/2013.

CERC passed an Order on January 3, 2014 on the maintainability of the Tariff Petition filed by GKEL. CERC, inter alia, held GKEL is an inter-state generating station having a composite scheme for generation and supply of electricity to more than one State in terms of Section 79(1)(b) of the Electricity Act and it has jurisdiction to determine the tariff for supply of power to GRIDCO. GRIDCO had filed an appeal before the Hon'ble APTEL challenging the CERC order dated January 03, 2014 with respect to its jurisdiction to determine tariff and stay the Order. The Hon'ble APTEL concluded the hearing in the main appeals on January 11, 2016 and passed its judgement on April 7, 2016 and held that the CERC has the jurisdiction to determine the tariff under section 79(1)(b) of the Electricity Act.

CERC after considering the submissions by both the parties vide its Order dated November 12, 2015, arrived at tariff for the year 2013-14 in terms of 2009-14 tariff order regulations. GKEL computed tariff as per the project cost approved in accordance with CERC Regulations and submitted supplementary bills to GRIDCO during the year for differential tariff over and above the provisional tariff of ₹ 2.75/kwh for Financial Year 2013-14, 2014-15 and 2015-16 (upto November 2015) amounting to ₹ 4.55 crore, ₹ 95.69 crore and ₹ 133.58 crore respectively and aggregating to ₹ 233.82 crore as determined by the Order. GKEL has also raised regular bills aggregating to ₹ 204.33 crore for the period from December 2015 to March 2016 based on the tariff decided as per CERC tariff order. The billing for the period from 2014-15 has been done in terms of Regulation 7(8)(i) of CERC tariff regulations 2014-19 ('CERC tariff regulations 2014-19'). The said bills have been duly acknowledged by GRIDCO and are presently under verification at their end.

GKEL has done truing up of tariff working for billings already done for Financial Year 2014-15 and 2015-16 considering truing up petition filed by GKEL based on CERC tariff regulations 2014-19. In terms of the same, the income billed to the extent of ₹ 27.17 crore and ₹ 45.73 crore for Financial Year 2014-15 and 2015-16 respectively aggregating to ₹ 72.90 crore has been reversed on the basis of prudence during the year ended March 31, 2016.

b) GKEL has committed to sell up to 300 MW to Uttar Haryana Bijli Vidyut Nigam Limited and Dakshin Haryana Bijli Vidyut Nigam Limited ("Haryana Discoms") through PTC India Limited under Section 63 of the Electricity Act (i.e competitive bidding). GKEL filed a petition before CERC claiming additional tariff considering the change in law impact on various variable cost components. CERC, after considering the submission by both the parties vide its Order dated February 3, 2016 allowed GKEL's claim towards royalty on coal, levy of clean energy cess, excise duty on coal and short fall in the quantum of linkage coal. GKEL submitted supplementary invoices for FY 2013-14, FY 2014-15 and FY 2015-16 of ₹ 1.42 crore, ₹ 49.34 crore and ₹ 65.18 crore respectively aggregating to ₹ 115.94 crore (net of margin) to PTC India Limited for compensation against various Change in Law events and have recognised the same as revenue from operations. The said invoices have been duly acknowledged by PTC India Limited and are presently under verification at their end.

c) GKEL has raised bill for capacity charges to PTC India Limited based on declared availability and recognised capacity charges accordingly. During the year ended March 31, 2016, GKEL has calculated capacity charges based on scheduled availability as per minutes of the meeting dated October 23, 2013 and reversed the excess capacity charges billed during the financial year ('FY') 2014-15 of ₹ 7.80 crore and FY 2015-16 of ₹ 6.02 crore (net of margin) from the revenue of the current year ended March 31, 2016. Further, GKEL has accounted for the revenue sharing on surplus revenue earned on sale of power to third parties over and above the scheduled power and reversed 50% of surplus revenue relating to FY 2013-14 of ₹ 2.08 crore, FY 2014-15 of ₹ 7.46 crore and FY 2015-16 ₹ 3.66 crore aggregating to ₹ 13.20 Crore.

Further, GKEL claimed ₹ 0.23 paise from Bihar State Power (Holding) Company Limited (erstwhile Bihar State Electricity Board) ('BSEB') towards Change in Law as per Clause 10.4.1 of the PPA with BSEB dated November 11, 2011. BSEB allowed claim to the extent of ₹ 0.138 paise (i.e., 60% of ₹ 0.23 paise) towards GKEL's claim relating to taxes etc. vide its letter no. 27/MISC-Trans/O&M-IS-299/2013/84 dated October 16, 2015. In view of the same, GKEL, during the year ended March 31, 2016, has raised supplementary invoices on BSEB for FY 2014-15 of ₹ 10.43 crore and for FY 2015-16 of ₹ 23.22 crore aggregating to ₹ 33.65 crore, which has been recognised as revenue from operations.

Notes to the consolidated financial statements for the year ended March 31, 2016

iii. DIAL has a receivable (including unbilled revenue) of ₹ 516.37 crore as at March 31, 2016 (March 31, 2015: ₹ 405.57 crore) from Air India and its subsidiaries. In view of continuing "Airport Enhancement and Financing Service Agreement" with The International Air Transport Association for recovery of dues from Air India and its subsidiaries, DIAL considers its dues from Air India and its subsidiaries as good and fully recoverable.

iv. GWEL entered into a PPA with Maharashtra State Electricity Distribution Company Limited ('MSEDCL') on March 17, 2010 for sale of power for an aggregate contracted capacity of 200 MW, wherein power was required to be scheduled from power plant's bus bar. MSEDCL disputed place of evacuation of power with Maharashtra Electricity Regulatory Commission ('MERC'), wherein MERC has directed GWEL to construct separate lines for evacuation of power through State Transmission Utility ('STU') though GWEL was connected to Central Transmission Utility ('CTU'). Aggrieved by the MERC Order, GWEL preferred an appeal with APTEL. APTEL vide its interim Order dated February 11, 2014 directed GWEL to start scheduling the power from GWEL's bus bar and bear transmission charges of inter-state transmission system towards supply of power. GWEL in terms of the interim order scheduled the power from its bus bar from March 17, 2014 and paid inter-state transmission charges. APTEL vide its final Order dated May 8, 2015 upheld GWEL's contention of scheduling the power from bus bar and directed MSEDCL to reimburse the inter-state transmission charges hitherto borne by GWEL as per its interim order. Accordingly as at March 31, 2016, GWEL has raised claim of ₹ 130.46 crore towards reimbursement of transmission charges from March 17, 2014 till March 31, 2016. MSEDCL preferred an appeal with Hon'ble Supreme Court of India and also applied for stay proceedings for the above order of APTEL, which was rejected by the Hon'ble Supreme Court of India. MSEDCL on rejection of stay Order by the Hon'ble Supreme Court of India paid an amount of ₹ 108.86 crore towards such reimbursements for the period March 17, 2014 to December 31, 2015.

In view of the favorable Order from APTEL, rejection of stay petition of MSEDCL by the Hon'ble Supreme Court of India, receipt of substantial amount towards reimbursement of transmission charges and also considering the legal opinion received from legal counsel that GWEL has good tenable case with respect to the appeal filed by MSEDCL against the said Order which is pending before Hon'ble Supreme Court of India, GWEL has recognized the reimbursement of transmission charges of ₹ 79.04 crore relating to the period from April 1, 2015 to March 31, 2016 as reduction from transmission expenses and ₹ 51.42 crore as an 'exceptional item' in the consolidated financial statements for year ended March 31, 2016, as the said recovery pertains to the period prior to April 1, 2015.

38. PREFERENCE SHARES ISSUED BY SUBSIDIARIES

Preference shares issued by subsidiaries include the following:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
CCCPS issued by GEL	588.07	588.07
Non-cumulative compulsorily convertible non-participatory preference shares issued by GAL	396.18	396.18
Total	**984.25**	**984.25**

i. During the year ended March 31, 2011, GEL had issued 13,950,000 CCCPS of ₹ 1,000 each. These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited, and Argonaut Ventures (collectively called as Investors).

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

As per the Amended SSA and Share Purchase Agreement ('SPA') between the investors, GEL and other GMR Group Companies, 7,050,000 CCCPS with a face value of ₹ 705.00 crore ('Portion A Securities') have been bought by GREEL and GEPML for a consideration of ₹ 1,169.17 crore. Portion A Securities were convertible into equity shares of the Company as per the terms prescribed in clause 5 of the SPA not later than the date of conversion of Portion B Securities. As defined in the terms of Amended SSA, GEL was to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of ₹ 1,278.67 crore ("Investor exit amount"). In case of non-occurrence of QIPO within 24 months from the last return date, GMR Group was to give an exit to Portion B Securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR group companies as stated aforesaid, the Portion B Securities investors had the sole discretion to exercise the various rights under clause 10 of the Amended SSA.

During the year ended March 31, 2016, the Investors have not exercised various rights under clause 10 of the Amended SSA and the management of the Group is currently negotiating with the Investors to amend the Amended SSA. Prior to the completion of the transaction as per the Subscription Agreement as detailed in Note 42(v), the Portion B Securities held by the Investors need to be converted into a fixed number of equity shares of the Company along with the Portion A Securities held by GEPML and GREEL.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

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

Further , as per the terms of CCPS 1 and CCPS 2, these were either convertible into equity shares on or before April 6, 2015 or the Company had an option to exercise the call options anytime between July 5, 2014 to April 5,2015 requiring the investors to transfer these shares in favour of the Company. On the basis of the Investor Agreement, the Company, vide its letter dated April 1, 2015 has exercised the call Option to acquire CCPS 1 and CCPS 2, at a Call Price to be computed in the manner provided in the respective agreements entered between the investors and the Company. The payment of call price is subject to the prior approval of the Reserve Bank of India.

GIL and the Investors thereafter, basis mutual discussions, decided to restructure the investments; (which is subject to prior approval of RBI) and have filed a joint application to the Reserve Bank of India on October 01, 2015. As per the revised understanding, Class A CCPS will be converted into equity shares in two tranches ending on June 2017. Pending approval of RBI, GIL and the Class A CCPS Shareholders and the Company have signed an 'Amended and Restated Investment Agreement' on December 24, 2015 which shall be effective upon receipt of approval from RBI.

Further, the Company has also entered into a Share Purchase Agreement with JM Financials Trustee Private Limited ('JMFI') and Build India Capital Advisors ('BICA') on December 21, 2015 to buy out their Class A CCPS. Share transfer is yet to be completed.

As per the terms of Non-cumulative Compulsory Convertible Non-participatory Bonus Preference shares (CCPS) Class B, each CCPS of Class B shall convert simultaneously at the time of conversion of CCPS of Class A.

39. DEVELOPMENT FUND ('DF') ORDER

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

i. DIAL has accrued DF amounting to ₹ 350.00 crore during the year ended March 31, 2013 earmarked for construction of Air Traffic Control ('ATC') tower, which is currently under progress as at March 31, 2016. DF amounting to ₹ 345.85 crore (March 31, 2015: ₹ 308.83 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2016 and balance DF amounting to ₹ 4.15 crore (March 31, 2015: ₹ 41.17 crore), pending utilization, has been disclosed under 'other current liabilities'.

ii. While calculating such additional DF amount:

a) In accordance with the earlier SOP approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, DIAL was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate/amount of DF and manner of collection and administration cost incurred thereupon is an issue, which has already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; DIAL has capitalized DF collection charges aggregating to ₹ 27.07 crore till the year ended March 31, 2016 (March 31, 2015: ₹ 22.06 crore).

b) AERA has passed an order vide Order No 03/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee ('ADF') has been reduced from ₹ 200 to ₹ 100 and from ₹ 1,300 to ₹ 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cutoff date for collection of ADF up to April 30, 2016. As per the order, AERA has granted AAI six months' time after cutoff date (April 30, 2016) to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF, which will be accounted for on final reconciliation of ADF by AAI.

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40. MATTERS RELATED TO CERTAIN AIRPORT SECTOR ENTITIES

i. In case of GHIAL, AERA vide its powers conferred by section 13(1) (a) of AERA Act, 2008, passed an Aeronautical tariff order No.38 issued on February 24, 2014, in respect of control period from April 1, 2011 to March 31, 2016. The said order determined the Passenger Service Fee (Facilitation Component) (‘PSF (FC)’) and User Development Fee (‘UDF’) charges for embarking passengers. Further, the UDF for the period from April 1, 2014 to March 31, 2016 has been determined to be ₹ Nil. This had significantly impacted the cash flows of GHIAL and GHIAL had to restructure its rupee term loan which was backed up by the corporate guarantee from the Company.

Aggrieved by the aforesaid AERA order, GHIAL had filed a writ petition challenging the Single Till adopted by AERA in its order with the Hon’ble High Court at Hyderabad for the State of Telangana and for the State of Andhra Pradesh. Based on an order from the Hon’ble High Court, the MoCA vide its order dated June 11, 2015 under section 42(2) of AERA Act, 2008, issued policy direction to AERA to adopt “Shared Till” with 30% cross subsidisation for the tariff determination of GHIAL.

Based on the aforesaid direction from the MoCA, GHIAL filed another writ petition with the Hon’ble High Court to restore the UDF and PSF(FC) charges at the rates existing before April 01, 2014 at the airport and the same was permitted by the Hon’ble High Court vide its order dated October 06, 2015. Based on the said permission from the Hon’ble High Court, the MoCA through Director General of Civil Aviation (‘DGCA’) vide its letter dated November 3, 2015, restored the UDF and PSF (FC) at the rate existing before April 1, 2014. Accordingly, revenue from operations for the year ended March 31, 2016 includes income from UDF and PSD (FC) charges amounting to ₹ 143.45 crore and ₹ 15.81 crore respectively. Restoration of UDF and PSF (FC) has improved the cash flows of GHIAL and GHIAL will be able to meet its operational and financial requirements.

Additionally, GHIAL has also filed the appeal challenging other issues in the aforesaid AERA order with the Airports Economic Regulatory Authority Appellate Tribunal (‘AERAAT’). Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon’ble High Court at Hyderabad for the State of Telengana and for the State of Andhra Pradesh, which is yet to be heard.

ii. During the year ended March 31, 2016, as required under direction no. 5/2010-11 dated February 28, 2011 issued by AERA for determination of Tariff for Airport Operators, GHIAL has filed an application with AERA for determination of Aeronautical Tariff in respect of Second Control period from April 1, 2016 to March 31, 2021 including true up for shortfall of receipt vis a vis entitlement for the First Control period. Pending determination of Aeronautical Tariff, AERA vide its order no. 50 dated March 31, 2016 has allowed to continue to charge the Aeronautical tariff as prevailed on March 31, 2016 for a period of 6 months w.e.f. April 1, 2016 or till determination of tariff for the aforesaid period whichever is earlier.

iii. During the year ended March 31, 2016, GATL has incurred a net loss of ₹ 55.91 crore and has accumulated losses of ₹ 351.04 crore as at March 31, 2016, which has resulted in erosion of entire net worth of GATL. The Group entered into a definitive agreement with the joint venture partner of GAEL, the Holding Company of GATL, for termination of the joint venture agreement and towards purchase of the remaining equity stake in GAEL for a purchase consideration of USD 1, consequent to which, the Group had made a provision of ₹ 35.94 crore during the year ended March 31, 2015 towards impairment in the carrying value of net assets, which has been disclosed as an ‘exceptional item’ in the consolidated financial statements of the Group for the year ended March 31, 2015.

GATL has incurred losses/ cash losses in the year ended March 31, 2016 and in the previous year and its current liabilities exceeded its current assets as at March 31, 2016. Though the networth of GATL is fully eroded, the losses have reduced and are ₹ 55.91 crore for the year ended March 31, 2016 vis-a-vis losses of ₹ 68.66 crore for the year the ended March 31, 2015. Further, the management of the Group expects that there will be a significant increase in the operations of GATL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GATL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, management of the Group believes that the carrying value of net assets of GATL as at March 31, 2016 is appropriate.

iv. As per the advice from the Ministry of Home Affairs and the Standard Operating Procedures (‘SOP’) issued by Ministry of Civil Aviation (‘MoCA’) on March 6, 2002, GHIAL, through its wholly owned subsidiary, Hyderabad Airport Security Services Limited (‘HASSL’) constructed residential quarters for Central Industrial Security Forces (‘CISF’) deployed at the Hyderabad airport. After completion of such construction, the total construction cost including the cost of land amounting to ₹ 69.91 crore was debited to the Passenger Service Fee (Security Component) Fund [PSF(SC) Fund] with intimation to MoCA. The CAG, during their audits of PSF (SC) Fund, observed that, GHIAL had not obtained prior approval from MoCA for incurring such cost from the PSF(SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by MoCA. However, management of the Group is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached MoCA for approval to debit such costs to the PSF (SC) Fund account and also, made an application for increase in PSF (SC) tariff to recover these dues and to meet the shortfall in discharging other liabilities from PSF (SC) Fund.

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During the year ended March 31, 2015, MoCA responded that, it is not in a position to consider the request for enhancement in the PSF (SC) tariff. As a result, GHIAL requested MoCA to advice the AERA for considering the cost of land/ construction and other related costs with regard to the aforesaid residential quarters in determination of Aeronautical Tariff for the Hyderabad airport. Pending final conclusion of the same, residential quarters continue to be accounted in the PSF(SC) Fund and no adjustments have been made to these consolidated financial statements of the Group for the year ended March 31, 2016.

v. DIAL has accumulated losses of ₹ 233.03 crore as at March 31, 2016 (March 31, 2015: ₹ 741.95 crore) which has resulted in part erosion of net worth of DIAL as at the year end. However DIAL has earned profits during the year ended March 31, 2016 and March 31, 2015 and has met all its obligations as at March 31, 2016.

AERA vide its powers conferred by Section 13(1) (a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014.

DIAL had filed a writ petition before the Hon'ble High Court of Delhi seeking extension of existing tariff as allowed vide AERA order No. 03/2012-13 issued on April 24, 2012 till disposal of DIAL's appeal pending before AERAAT. Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 issued on April 24, 2012 shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

AERA has filed a Special Leave Petition ("SLP") dated April 24, 2015 in the Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble High Court of Delhi dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and now listed for arguments on SLP and applications in due course

Subsequently, AERA released the tariff order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015) for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings attached to that order. As per AERA order, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period).

DIAL has filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 with AERAAT on January 11, 2016. In view of above legal proceedings, the implementation of AERA order for second control period, the said order cannot be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period will be adjusted from the aggregate revenue requirement for the second control period w.e.f. April 1, 2014.

In the opinion of the management, in view of the profits earned over the last three financial years, DIAL's business plans and cash flow projections for the next one year, DIAL expects to earn sufficient cash profits and does not foresee any difficulty in continuing its business / operations and meeting its financial obligations. Accordingly, financial statements of DIAL continue to be prepared and accordingly consolidated on a going concern basis.

vi. DIAL received advance development costs of ₹ 653.13 crore (March 31, 2015: ₹ 653.13 crore) from various developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the terms of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreements. Further, DIAL has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2016, DIAL has incurred development expenditure of ₹ 433.72 crore (March 31, 2015: ₹ 383.87 crore) which has been adjusted against the aforesaid advance and balance amount is disclosed under long term and current liabilities.

vii. DIAL is collecting 'Marketing Fund' at a specified percentage from various concessionaires as per the agreements with the respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by DIAL. The financial statements of such marketing fund are being audited by one of the joint statutory auditors. As at March 31, 2016, DIAL had billed ₹ 71.04 crore (March 31, 2015: ₹ 51.86 crore) towards such Marketing Fund and has incurred expenditure amounting to ₹ 31.50 crore (net of income on temporary investments) till March 31, 2016 (March 31, 2015: ₹ 26.27 crore) from the amount so collected. The balance amount of ₹ 39.54 crore as at March 31, 2016 (March 31, 2015: ₹ 25.59 crore) pending utilization, against such sales promotion activities is included under 'Other Liabilities' as a specific fund to be used for the purposes to be approved by the Marketing Fund Committee constituted for this purpose.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

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

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

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

xi. In case of DIAL, AERA has passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority has decided to adjust DF of ₹ 3,241.37 crore out of allowed DF of ₹ 3,415.35 crore based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of ₹ 173.98 crore as on March 31, 2014 on utilization basis as and when it is incurred. However, DIAL availed ₹ 3,415.35 crore of loan based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2016. Accordingly, the differential interest i.e. paid by DIAL on DF loans and considered on actual spent amounting to ₹ 47.90 crore is required to be absorbed by DIAL. Accordingly, interest expense of ₹ 47.90 crore has been provided in these consolidated financial statements of the Group for the year ended March 31, 2016.

Further, DIAL has incurred a sum of ₹ 17.29 crore towards interest from December 2011 to February 2012 which is not allowed by AERA and accordingly interest expense of ₹ 17.29 crore (March 31, 2015: ₹ Nil) has also been provided in these consolidated financial statements of the Group for the year ended March 31, 2016.

41. MATTERS RELATED TO CERTAIN ROAD SECTOR ENTITIES

i. The Group has an investment of ₹ 394.17 crore (including loans and interest accrued thereon of ₹ 149.47 crore and investments in equity / preference shares of ₹ 244.70 crore made by the Company and its subsidiaries) in GACEPL as at March 31, 2016. GACEPL has been incurring losses since the commencement of its commercial operations. The management of the Group believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant which was due during the years ended March 31, 2014, March 31, 2015 and March 31, 2016 till further orders. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the carrying value of net assets of ₹ 184.62 crore (after providing for losses till date of ₹ 209.55 crore) as regards investments in GACEPL as at March 31, 2016 is appropriate.

ii. The Company along with its subsidiary has investments of ₹ 680.10 crore (including loans of ₹ 378.07 crore and investments in equity / preference shares of ₹ 302.03 crore made by the Company and its subsidiary) in GHVEPL. GHVEPL has been incurring losses since the commencement of its commercial operations. The management believes that these losses are primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management of the Group based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to a claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2015 with NHAI. During the year ended March 31, 2016, NHAI rejected the aforementioned claims and consequently GHVEPL has invoked dispute resolution process as per the provisions of the Concession Agreement. Subsequently, NHAI has intimated GHVEPL

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that conciliation has failed and the management of GHVEPL is in the process of initiating the arbitration. The management of the Group is confident that it will be able to claim compensation from the relevant authorities for the loss it suffered due to aforementioned reasons and based on valuation assessment carried out by an external expert which is significantly dependent on the fructification of the aforesaid claims believes that the carrying value of net assets of ₹ 360.53 crore (after providing for losses till date of ₹ 319.57 crore) as regards investments in GHVEPL as at March 31, 2016, is appropriate.

iii. The Company along with its subsidiary has investments of ₹ 735.80 crore (including loans of ₹ 35.80 crore and investments in equity shares / preference shares of ₹ 700.00 crore made by the Company and its subsidiary) in GKUAEL, which is primarily utilised towards payment of capital advance of ₹ 590.00 crore to its EPC contractors and ₹ 137.47 crore towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). The Group has also provided a bank guarantee of ₹ 269.36 crore to National Highways Authority of India ('NHAI').

GKUAEL had entered into a Concession Agreement with NHAI on November 30, 2011 for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways 79A, 79, 76 and 8. Pursuant to non-fulfillment of the mandatory 'Conditions Precedent' specified under the Concession Agreement within the due date, GKUAEL issued a notice to NHAI dated December 21, 2012 of its intention to terminate the Concession Agreement. In response, NHAI vide their letter dated January 1, 2013 termed the notice not maintainable both in law and in facts. NHAI in their letter dated January 17, 2013 to GKUAEL also indicated of making good the alleged defaults of NHAI within the cure period of 90 days. The management of GKUAEL had submitted the proposal for the continuance of the project subject to certain modifications in the financial and other terms in the Concession Agreement and held discussions with NHAI for revival of the project. Considering that the efforts for revival of the project did not succeed, GKUAEL issued a notice of dispute to NHAI dated February 16, 2015 invoking arbitration provisions of the Concession Agreement. Both the parties have appointed their arbitrators and the arbitration process is pending commencement. In the meantime, GKUAEL had approached the Hon'ble High Court of Delhi seeking an injunction against invocation of the aforementioned performance bank guarantee by NHAI which has not been accepted by the Hon'ble High Court of Delhi.

Pursuant to the issue of notice of dispute, GKUAEL transferred the aforesaid project costs of ₹ 137.47 crore (including ₹ 6.48 crore for the year ended March 31, 2016) incurred upto March 31, 2016 to claims recoverable. Based on its internal assessment, the Group made a provision for such claims recoverable (including ₹ 130.99 crore for the year ended March 31, 2015) which was disclosed as an 'exceptional item'.

In addition, GKUAEL awarded the EPC contract to GMR Projects Private Limited ('GPPL') to whom GKUAEL has given an advance of ₹ 590.00 crore as stated above. Pursuant to the issue of notice of dispute as stated above, GKUAEL terminated the contract on May 15, 2015. During the year ended March 31, 2016, GKUAEL has received a claim of ₹ 840.76 crore from the EPC contractor, however no such claim relating to the termination of contract has been recognized by GKUAEL as at March 31, 2016 as the amounts payable are not certain.

The termination of concession agreement with NHAI, initiation of arbitration proceedings and its consequential impact on the operations, indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of the GKUAEL and the consequential impact on the net assets / bank guarantee given by the Group and is solely dependent on the outcome of arbitration.

Based on an internal assessment and a legal opinion, the management of GKUAEL is confident that it will be able to claim compensation from NHAI for the loss it has suffered due to termination of contract for reasons as stated aforesaid and accordingly considers, that no further adjustments have been considered necessary as at March 31, 2016.

iv. During the year ended March 31, 2016, the Company along with its subsidiaries GMRHL and GEL entered into a Share Purchase Agreement ('SPA') with India Infrastructure Fund for divestment of their entire 26% equity stake in their associate, UEPL, for a sale consideration of ₹ 32.50 crore. As at March 31, 2016, the sale transaction has not been completed, however, the Group has made a provision for diminution in the value of its investments in UEPL amounting to ₹ 39.22 crore based on the said SPA, which has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016.

42. MATTERS RELATED TO CERTAIN POWER SECTOR ENTITIES

i. a) The Company through its subsidiaries has investments of ₹ 414.44 crore (USD 6.21 crore) including loan and interest accrued thereon in PTDSU as at March 31, 2016. The Group acquired PTDSU for a consideration of USD 4.00 crore and a deferred consideration to be determined and paid on achievement of certain conditions as specified in the share purchase agreement. PTDSI, a step down subsidiary of PTDSU had pledged 60% shares of PTBSL with the sellers of PTDSU. The achievement of aforementioned conditions for settlement of deferred consideration had been under dispute and pursuant to a settlement agreement dated June 25, 2014, the deferred consideration of USD 2.00 crore was agreed with the sellers of PTDSU. As per the settlement agreement, the Group has paid USD 0.50 crore and the

Notes to the consolidated financial statements for the year ended March 31, 2016

balance USD 1.50 crore was to be paid in 16 equal quarterly instalments, commencing from June 30, 2015. Further the Group has pledged 35% shares of PTBSL as a security towards the payment of the balance instalments.

The consolidated financial statements of PTDSU and its subsidiaries PTBSL and PTDSI as at March 31, 2016 have accumulated losses of ₹ 30.67 crore (USD 0.50 crore). PTBSL, a coal property company commenced coal production on a trial basis and achieved a production of 28,000 MT during the year ended March 31, 2015. Though, these entities are currently unable to produce coal in view of limitations on transportation of coal due to water levels in Musi River, the management is hopeful of resuming production once the water levels are stabilized. In addition, the coal prices have significantly declined from May 2015 onwards. The management believes that the inability to produce coal as referred above and decline in the prices is expected to be temporary and as such do not have a significant impact on the ability of these entities to continue as a going concern. PTDSU and its subsidiaries are confident of raising finance as may be required for development of mines and continuance of their normal business operations. Based on these factors and a valuation assessment carried out by an external expert, management of the Group is of the view that the carrying value of the net assets in PTDSU and its subsidiaries after providing for impairment in the value of goodwill amounting to ₹ 100.16 crore is appropriate as at March 31, 2016. The aforesaid impairment has been disclosed as an 'exceptional item' in these consolidated financial statements of the Group for the year ended March 31, 2016.

b) The Company through its subsidiary GCRPL has investments of ₹ 3,384.71 crore (USD 50.69 crore) in PTGEMS as at March 31, 2016. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The Group has a Coal Supply Agreement ('CSA') with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at a predefined discount. The Group has not significantly commenced the offtake of the coal under the CSA, however the management of the Group is of the view that the same will not have an impact on their total entitlement of offtake of coal under the CSA. The management of the Group is also negotiating certain terms of the CSA which are pending conclusion. The coal prices have significantly declined from May 2015 onwards. However, the management of the Group believes that such decline in the prices is expected to be temporary and such decline has been compensated by favorable currency movements in Indonesia and cost efficiency measures in mining activities in PTGEMS. The Group along with GCRPL is also in active discussion with the lenders to restructure its loans. Based on these factors and valuation assessment carried out by an external expert, the management of the Group believes that the carrying value of the net assets in PTGEMS as at March 31, 2016 is appropriate.

ii. a) In view of lower supplies / availability of natural gas to the power generating companies in India, the Company's subsidiaries GEL, GVPGL and GREL are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013 and GVPGL has not generated and sold electrical energy since May 2013 till March 31, 2015 and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of net worth. GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015 and accordingly,the consortium of lenders had approved the reschedulement of Commercial Operation Date ('COD') of GREL to October 22, 2015 and repayment of project loans and have agreed for further funding of ₹ 707.00 crore to meet its cost overruns on account of delays in commissioning of its power plant.

In March 2015, the Ministry of Power, Government of India ('GoI') issued a scheme for utilization of the gas based power generation capacity for the years ended March 31, 2016 and 2017. The scheme envisages supply of imported spot RLNG 'e-bid RLNG' to the stranded gas based plants as well as plants receiving domestic gas, upto the target PLF, selected through a reverse e-bidding process and also intervention / sacrifices to be collectively made by all stakeholders. The aforementioned gas based power plants of the Group are included in the list of stranded gas based power plants and are entitled to participate in the e-bidding process. GVPGL and GREL emerged as successful bidders in the auction process organised by the Ministry of Power in May 2015, September 2015 and March 2016 and have been awarded the Letter of Intent for gas allocation for 4 months period ended September 2015, for 6 months period ended March 2016 and September 2016, respectively, which has facilitated the operations of both GREL and GVPGL at varying capacity and accordingly GVPGL and GREL have commenced operations on an intermittent basis from August 2015 and October 2015 respectively. There has been a significant decline in the price of imported gas and in view of the proposed amendment to the Central Sales Tax Act with regard to gas sold or purchased and transported through a common carrier pipeline or any other common transportation distribution systems, the management of the Group believes that these would result in significant reduction in the costs of imported gas.

The Group and the Association of Power Producers continue to monitor the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management of the Group is confident that GoI would take further necessary steps /

Notes to the consolidated financial statements for the year ended March 31, 2016

initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future. The management of the Group carried out valuation assessment of these gas based companies which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The management of the Group will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise. Based on the aforementioned reasons, business plans and a valuation assessment carried out by an external expert, the management of the Group considers that the going concern assumption and the carrying value of the net assets of the aforesaid entities as at March 31, 2016 is appropriate and these consolidated financial statements of the Group do not include any adjustments that might result from the outcome of this uncertainty. In the meantime, the Company has also committed to provide necessary financial support to these companies as may be required for continuance of their normal business operations.

b) In respect of gas based power plant at Rajahmundry, pending securing supply of requisite natural gas, the Group had put on hold active construction work of the plant from the period July 2012 to June 2015. Considering that GREL has emerged as a successful bidder in the auction process organized by the Ministry of Power and has been awarded the Letter of Intent for gas allocation till March 2016, GREL has completed the construction of the plant and has declared its COD during the quarter ended December 31, 2015. 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. GREL had approached the Ministry of Corporate Affairs ('MCA') seeking clarification / relaxation on applicability of the aforementioned paragraphs to the gas availability situation referred in 42(ii)(a) above. MCA vide its General Circular No. 35/2014 dated August 27, 2014 on capitalisation under AS-10 and capitalisation of borrowing cost during extended delay in commercial production has clarified that only such expenditure which increases the worth of the assets can be capitalised to the cost of the fixed assets as prescribed by AS 10 and AS 16. Further the circular states that costs incurred during the extended delay in commencement of commercial production after the plant is otherwise ready does not increase the worth of fixed assets and therefore such costs cannot be capitalised. The Group approached MCA seeking further clarification on the applicability of the said Circular to its Rajahmundry plant and pending receipt of requisite clarification, the Group has capitalised the aforesaid expenses of ₹ 1,238.20 crore incurred during the period July 2012 to June 2015 (including ₹ 133.28 crore for the current year)

iii. The Company through its subsidiary has investments of ₹ 1,191.84 crore (including investments in equity / preference share capital, subordinate loans and interest accrued thereon) in GWEL as at March 31, 2016 and has also provided corporate / bank guarantee towards loans taken by GWEL from the project lenders. GWEL is engaged in the business of generation and sale of electrical energy from its coal based power plant of 600 MW situated at Warora. GWEL has accumulated losses of ₹ 1,084.16 crore as at March 31, 2016, which has resulted in erosion of GWEL's entire net worth. GWEL has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and has tied up entire power supplies capacity with customers and has completed the refinancing of its term and other loans with the lenders which has resulted in the reduction in the rate of interest and extended repayment period. Though the net worth of GWEL is fully eroded, the losses have reduced and are ₹ 158.05 crore for the year ended March 31, 2016 vis-a-vis losses of ₹ 370.61 crore for the year ended March 31, 2015. Accordingly, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment carried out by an external expert, the management of the Group considers that the carrying value of the net assets in GWEL as at March 31, 2016 is appropriate.

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

v. Pursuant to the approval of the Management Committee, the Company along with GIL and its certain subsidiaries has entered into a Subscription and Shareholders Agreement dated May 9, 2016 with Tenaga Nasional Berhard ('Tenaga') and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors will acquire 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 30.00 Crore through primary issuance of equity shares of GEL. The transaction is subject to the satisfactory completion of the various precedent conditions by both parties and is expected to be completed in 3-6 months. Further, investments in certain subsidiaries / jointly controlled entities of GEL are to be transferred from GEL to a subsidiary of the Company subject to obtaining necessary approvals of the lenders and regulatory authorities and the management of the Group is confident of obtaining the requisite approvals.

vi. GPCL approached TNERC to resolve the claims / counterclaims arising out of the PPA and Land Lease Agreement ('LLA') in respect of the dues recoverable from TAGENDCO on account of sale of energy including reimbursement towards interest on working capital, Minimum Alternate Tax

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('MAT'), rebate, start / stop charges and payment of land lease rentals to TAGENDCO. GPCL received a favourable Order from TNERC on April 16, 2010 and in pursuance of the Order, GPCL filed its claim on April 30, 2010 amounting to ₹ 481.68 crore and recognised ₹ 79.55 crore as income in the books of account.

TAGENDCO filed a petition against TNERC Order in APTEL. In terms of an interim Order on November 19, 2010 from APTEL, TAGENDCO deposited ₹ 537.00 crore including interest on delayed payment of the claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counterclaims of TAGENDCO in respect of the benefits earned if any, by GPCL with regard to the delayed payment towards fuel supply that are not as per the terms of the FSA. GPCL had appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of the FSA. The Hon'ble Supreme Court vide its order dated April 24, 2014, has referred the dispute to TNERC for examining the claim of the contesting parties in so far as the quantum of amount is concerned. GPCL and TAGENDCO have filed their respective petitions before TNERC during August 2014.

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

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

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

vii. The Company through its subsidiary has investments of ₹ 164.98 crore in the equity share capital of GPCL. The PPA entered into by GPCL with TAGENDCO for 15 years expired on February 14, 2014 and was extended till February 14, 2015. There has been no further renewal of the PPA post the aforementioned date and as a result GPCL has not generated and sold electricity subsequent to February 14, 2015. The going concern assumption of GPCL is significantly dependent upon its PPA arrangements, achievement of business plans and continued availability of funds. The management of GPCL is in discussion with TAGENDCO and is confident of entering into power supply agreements and raising funds to meet its financial commitments. In view of these aspects and a valuation assessment carried out by a technical expert, the management of the Group believes that the carrying value of its net assets in GPCL as at March 31, 2016 is appropriate.

viii. a) As at March 31, 2016, the Company through its subsidiary has investments of ₹ 3,411.83 crore (including investments in equity share capital, preference share capital, share application money pending allotment, subordinate loans and interest accrued thereon) in GCHEPL and has also provided corporate / bank guarantee towards loan taken by GCHEPL from the project lenders.

GCHEPL has experienced certain delays and incurred cost overruns in the completion of the project including additional claims from EPC contractors. As per the management of GCHEPL, additional claims from EPC contractors are not expected to be material. GCHEPL has obtained provisional Mega Power status certificate from the Ministry of Power, GoI, vide letter dated September 8, 2011 and accordingly has availed an exemption of customs and excise duty against bank guarantees and pledge of deposits. The management of GCHEPL is certain of obtaining Mega Power status, pending which cost of customs and excise has not been considered as cost of the project. During the year ended March 31, 2015, GCHEPL was allotted two coal mines to meet its fuel requirements. GCHEPL has declared commercial operations of Unit I and coal mine on November 1, 2015 and Unit II of its 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh on March 31, 2016.

GCHEPL does not have PPAs currently and is taking steps to tie up the power supply through power supply agreements on a long/medium term basis with various customers including State Electricity Boards. Though the COD for Unit I was declared from June 1, 2015, GCHEPL commenced generation of power on November 1, 2015 and sold power on a merchant basis. As a result, during the year, GCHEPL has incurred a loss of ₹ 454.50 crore and has accumulated losses of ₹ 494.84 crore as at March 31, 2016.

GCHEPL's future revenues, profitability of operations and servicing of its debts is dependent upon tying up of its entire generation capacity for profitable rates through long term and medium term PPAs in a power scarce market, achievement of higher PLF and refinancing of existing loans with lower interest rates with banks and successful gains from the government announced initiatives of tolling linkage. Considering the improvement in the power market in India, GCHEPL is hopeful of tying up its significant generation through profitable long term PPAs, tolling linkage and also obtaining Mega Power Status along with refinancing of loans and reduction in interest rates on

Notes to the consolidated financial statements for the year ended March 31, 2016

borrowings. GCHEPL is in active discussion with the lenders to restructure its loans and towards funding of cost overruns. Due to these reasons and based on business plans and valuation assessment carried out by an external expert, the management of the Group is of the view that the carrying value of the net assets in GCHEPL as at March 31, 2016 is appropriate. In estimating the future cash flows, the management has, in the absence of long term / medium term PPAs, made certain key assumptions relating to the future revenues based on externally available information, restructuring of loans to the lenders, continued financial support by the Company and operating parameters which the management believes reasonably reflect the future expectations of these items. In view of the above, the Group will monitor these assumptions closely on a periodic basis and take action as is considered appropriate.

b) GCHEPL had not capitalised Unit 1 of its power plant from the declared date of commercial operation, which is June 1, 2015. During the year ended March 31, 2015, GCHEPL was allotted two coal mines to meet its fuel requirements. The management is of the view that these coal mines have become integral part of the power plant and Unit 1 of the power plant is linked to one of the coal mines for the purpose of its operations and it will commence production once the coal mine becomes operational. The said mine had started extraction from August 1, 2015, however the coal extracted was not sufficient to consider the coal mine operational to run Unit 1 of its power plant on a continuous basis. Post ramp-up of coal production, GCHEPL has started commercial generation of power from Unit 1 of the power plant from November 01, 2015 and has declared COD of Unit 1 along with one of its mines w.e.f. October 31, 2015. In view of the same, cost of Unit 1 of the power plant and one of its coal mines is considered as project costs and accordingly the Group capitalised indirect expenditure and borrowing costs incurred during the period June 1, 2015 to October 31, 2015 amounting to ₹ 43.36 crore and ₹ 219.01 crore respectively and has also not charged depreciation with effect from June 1, 2015 of ₹ 106.72 crore in these consolidated financial statements for the year ended March 31, 2016.

ix. The Group through its subsidiary has investments of ₹ 65.00 crore (including goodwill of ₹ 61.80 crore) in equity share capital of SJK as at March 31, 2016. SJK is in the early stage of developing a 2*660 MW imported coal based power plant at Village Lalapur, Madhya Pradesh. During the year ended March 31, 2015, based on an internal assessment, the Group has provided for impairment in the value of goodwill in full and has disclosed the same as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2015.

x. The Company through its subsidiary has investments of ₹ 2,530.93 crore (including investments in equity share capital, subordinate loans and interest accrued thereon) in GKEL as at March 31, 2016 and also provided corporate / bank guarantee towards loan taken by GKEL from the project lenders. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. GKEL has accumulated losses of ₹ 1,613.03 crore which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. However, the losses have reduced and are ₹ 269.67 crore for the year ended March 31, 2016 vis-a-vis losses of ₹ 853.78 crore for the year then ended March 31, 2015. Further, pursuant to the RBI's framework for revitalizing distressed assets in the economy (including strategic debt restructuring scheme), the consortium of bankers have amended the rupee term loan agreement on June 29, 2015 and accordingly loan is to be repaid in 66 quarterly structured instalments from October 1, 2017. During the year ended March 31, 2016, GKEL has received favourable orders with regard to its petitions for 'Tariff Determination' in case of PPA with GRIDCO and for 'Tariff Revision' in case of PPAs with Haryana DISCOMs through PTC India Limited from CERC as detailed in notes 37(ii)(a), 37(ii)(b) and 37(ii)(c) respectively. In view of these matters, business plans, valuation assessment carried out by an external expert and continued financial support by the Company, the management of the Group is of the view that the carrying value of the net assets in GKEL as at March 31, 2016 is appropriate.

xi. As at March 31, 2016, the Company along with its subsidiary has investments of ₹ 369.80 crore (including investments in equity share capital and subordinate loan and interest accrued thereon) in GBHPL. GBHPL is in the process of setting up 300 MW hydro based power plant in Alaknanda river, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India, while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Chnage (MoEF) has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. However, based on its internal assessment and a legal opinion, the management of the Group is confident of obtaining the requisite clearances and based on business plan and a valuation assessment carried out by an external expert, the management of the Group is of the view that the carrying value of net assets of ₹ 258.62 crore of GBHPL as at March 31, 2016 is appropriate.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

xiii. During the year ended March 31, 2016, based on an internal assessment of its investments in certain power entities, the Group has made an impairment provision of ₹ 64.14 crore towards the carrying value of the net assets in such entities, considering that there have not been any significant development / construction activities in such projects. Such provision for impairment has been disclosed as an 'exceptional item' in the consolidated financial statements of the Group for the year ended March 31, 2016.

43. MATTERS RELATED TO CERTAIN EPC SECTOR ENTITIES

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

44. MATTERS RELATED TO CERTAIN OTHER SECTOR ENTITIES

i. The Company has given an interest free loan of ₹ 115.00 crore (March 31, 2015: ₹ 115.00 crore) to Welfare Trust of GWT during the year ended March 31, 2011 for the purpose of an employee benefit scheme. Based on the confirmation received from GWT, the trust has utilised the proceeds of the loan received from the Company in the following:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares of GIL	101.55	101.55
Equity shares of GAL	11.28	11.28
Others	2.17	2.17
Total	**115.00**	**115.00**

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" ("SEBI Regulations") whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. Recently, SEBI published Frequently Asked Question ("FAQ") on SEBI Regulations and clarified that appropriation of shares towards ESPS/ESOP/SAR/General Employee Benefits Scheme/ Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next four years so that no unappropriated inventory remains thereafter. The shareholders have approved the revised terms and conditions of the scheme by passing a special resolution in the annual general meeting of the Company held on September 23, 2015 and the Company will ensure compliance with other applicable provisions of the new regulations within the permissible time period. Further, as per the trust deed, GWT is constituted for undertaking only employee benefit schemes and hence the Group has not consolidated the financial statements of GWT in these consolidated financial statements of the Group.

ii. During the year ended March 31, 2016, GHRL has incurred net loss of ₹ 16.63 crore during the year ended March 31, 2016 (March 31, 2015: ₹ 20.65 crore) and has accumulated losses of ₹ 145.82 crore as at March 31, 2016 (March 31, 2015: ₹ 129.19 crore), which has resulted in complete erosion of GHRL's net worth and its current liabilities exceeded its current assets as at March 31, 2016. The management of the Group expects that there will be significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. The Group has undertaken to provide such financial support as necessary, to enable GHRL to meet the operational requirements as they arise and to meet its liabilities as and

Notes to the consolidated financial statements for the year ended March 31, 2016

when they fall due. Accordingly, these consolidated financial statements of the Group do not include any adjustments relating to the recoverability of carrying amount of net assets if GHRL were unable to continue as a going concern

iii. As at March 31, 2016, GICL has fixed deposits of ₹ 457.71 crore (March 31, 2015: ₹ 609.16 crore) with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management is of the view that inspite of such economic difficulties the amount held as fixed deposit with Eurobank is good for recovery though withdrawal of the amount from the Republic of Cyprus would be subject to restriction as may be imposed by the Central Bank of Cyprus. Accordingly, the amount of deposit has been considered as restrictive deposits and disclosed under 'Other non-current assets' in these consolidated financial statements of the Group.

iv. a) KSPL is acquiring land for implementing a Multi-Product Special Economic Zone within the meaning of Special Economic Zone Act, 2005. KSPL has obtained an initial notification from the Ministry of Commerce, GoI vide notification no. 635(E) dated April 23, 2007 to the extent of 1,035.67 hectares, the formal approval for which was initially granted for three years from June 2006. The said formal approval has been extended till August 2016. KSPL, has obtained further notification from GoI vide notification no. 342(E) dated February 6, 2013 to the extent of 1,013.64 hectares and the formal approval was initially granted for 3 years from February 2012, which on application by KSPL has been extended further by one year upto February 2016. KSPL proposal for merger of both SEZ notification has been approved by Ministry of Commerce in December, 2015. The extension for the formal approvals for the merged SEZ is subsumed in the notification approving clubbing of both the SEZ's and commencement of SEZ's operations. A residual extent of about 79 hectares is under consideration of KSPL for SEZ utlization subject to statutory approvals post receipt of this scattered and fragmented extents of land. KSPL upon completion of acquisition of the desired land plans to apply for an appropriate notification, pending which the entire land that has been acquired till date by KSPL is treated as land acquired for the purpose of implementation of Special Economic Zone awaiting notification. The management is confident of obtaining further extensions of the aforesaid consents, if necessary and also getting the balance area notified for SEZ development as per the required regulations.

b) KSPL has acquired land for development of Special Economic Zone and initiated various rehabilitation and resettlement initiatives thereafter for relocating the inhabitants residing on the land acquired. The amount of expenditure incurred by KSPL towards rehabilitation and resettlement initiatives amounting to ₹ 66.84 crore (March 31, 2015: ₹ 65.88 crore) has been treated as part of the land acquisition cost and is classified under capital work-in-progress. Considering that negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is in progress, no further provision has been made towards the potential cost that is likely to be incurred.

c) Land acquisition for SEZ project comprises direct purchases, land acquired from Andhra Pradesh Industrial Infrastructure Corporation Limited, and Land awarded by GoAP through notification. Cost of the land acquired through awards by GoAP includes, payment towards structures, standing crops, solatium and interest from the date of notification till the date of award. All the above costs are treated as part of land acquisition cost.

45. DERIVATIVE INSTRUMENTS

a. IRS outstanding as at the balance sheet date:

i. In case of DIAL, as per the conditions precedent to disbursement of External Commercial Borrowing ('ECB') loan, DIAL has entered into an IRS agreement from floating rate of interest to fixed rate of interest against its foreign currency loan of USD 8.65 crore (March 31, 2015: USD 9.02 crore).

Particulars of Derivatives	Purpose			
IRS outstanding as at balance sheet date: USD 8.65 crore (March 2015: USD 9.02 crore)	Hedge of variable interest outflow on ECB. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR:			
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	ECB amount (USD in crore)	ECB amount (USD in crore)	Interest Rate	Interest Rate
	8.65	9.02	1.94%	1.94%

However, the IRS of USD 8.65 crore (March 31, 2015: USD 9.02 crore) (1.94% p.a. on notional amount payable semi-annually and receive USD 6 months LIBOR, semi-annually) are effective from June 30, 2015.

Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not

Notes to the consolidated financial statements for the year ended March 31, 2016

expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

ii. GAPL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 0.59 crore (March 31, 2015: USD 0.88 crore) covering the period from October 12, 2010 to October 06, 2017. The outstanding balance of foreign currency loan as at March 31, 2016 is ₹ 39.38 crore (March 31, 2015: ₹ 55.67 crore). Based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

iii. In case of GHIAL, as per the conditions precedent to disbursement of foreign currency loan of USD 12.50 crore (March 31, 2015: USD 12.50 crore), GHIAL has entered into swap agreement from floating rate of interest to fixed rate of interest covering the period of the foreign currency loan from September 10, 2007 to April 01, 2024. The outstanding balance of foreign currency loan as at March 31, 2016 is ₹ 548.18 crore (March 31, 2015: ₹ 574.16 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

iv. During the year ended March 31, 2013, ATSCL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.66 crore covering the period from December 7, 2012 to December 7, 2017. The outstanding balance of foreign currency loan as at March 31, 2016 is ₹ 110.77 crore (March 31, 2015: ₹ 104.62 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

v. During the year ended March 31, 2014, MTSCL has entered into an IRS contract from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.66 crore covering the period from May 8, 2013 to May 8, 2018. The outstanding balance of foreign currency loan as at March 31, 2016 is ₹ 111.00 crore (March 31, 2015: ₹ 104.84 crore). Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain/ loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

vi. During the year ended March 31, 2014, GKEL has entered into an IRS from floating rate of interest to fixed rate of interest and a cross currency swap contract against its foreign currency loan amounting to USD 5.43 crore (March 31, 2015: USD 5.48 crore) covering the period from October 1, 2014 to December 1, 2017. The outstanding balance of foreign currency loan as at March 31, 2016 is ₹ 362.69 crore (March 31, 2015: ₹ 346.07 crore). 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.

vii. GMIAL had entered into IRS agreement for swapping floating rate of interest to fixed rate of interest against the loan of USD 14.50 crore covering the period December 31, 2011 to December 31, 2015. GMIAL has not entered into any IRS agreement subsequent to the period ended December 31, 2015.

Since the critical terms of the IRS and the underlying foreign currency loan were 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, was considered to be immaterial and accordingly no adjustment had been made in these consolidated financial statements of the Group.

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

(Foreign currencies and Indian ₹ in crore)

Currency	Cash and balances with banks	Fixed Assets, non-current investments and current Investments	Trade receivables, inventories, long-term and short-term advances and other non-current and current assets	Trade payables, other long term and current liabilities and long term and short term provisions	Long term borrowings, short-term borrowings and current maturities of long term borrowings
Canadian Dollar	-	-	-	-	-
	(0.01)	(0.01)	(0.01)	(0.02)	-
Swiss Franc	0.00	-	0.00	0.00	-
	(0.00)	-	(0.01)	(0.03)	-
Chinese Yuan	0.00	-	-	-	-
	(0.00)	-	-	-	-
Euro	0.01	0.00	0.05	0.16	-
	(0.03)	(0.00)	(0.06)	(0.12)	-
Great British Pound	0.05	0.00	0.05	0.06	-
	(0.03)	(0.12)	(0.10)	(0.13)	-
Indonesian Rupiah	6,995.17	57,856.87	20,634.21	12,050.17	-
	(18,463.83)	(36,830.14)	(16,965.18)	(9,434.48)	-
Nepalese Rupee	3.14	213.23	1.03	3.46	65.00
	(3.40)	(168.36)	(0.33)	(1.12)	(10.00)
Singapore Dollar	0.01	-	0.15	0.04	-
	(0.02)	-	(0.09)	(0.02)	-
Turkish Lira	0.01	-	-	-	-
	(0.05)	-	-	-	-
Philippines Pesos	69.42	644.76	112.18	43.48	544.73
	(5.93)	(599.65)	(79.17)	(23.03)	(451.73)
United States Dollar	22.95	55.50	26.41	29.07	174.85
	(28.21)	(64.01)	(23.05)	(29.44)	(156.27)
Australian Dollar	-	-	-	-	-
	-	-	-	(0.02)	-
Maldive Rufiyaa	0.37	-	-	-	-
	(0.69)	-	-	-	-
Amount in ₹	1,673.77	5,030.25	2,037.97	2,083.65	12,486.64
	(1,894.38)	(5,191.84)	(1,671.82)	(1,962.07)	(10,501.52)

Note: Previous year figures are mentioned in brackets.

Forward contract outstanding as at balance sheet date:

Particulars	Entity	Currency	Amount in foreign currency in crore	
			March 31, 2016	March 31, 2015
Forward cover for hedging of loan availed	MTSCL	USD	1.66	1.66
	ATSCL	USD	1.66	1.66
	GCHEPL	USD	0.72	0.72
Forward cover for hedging of interest on FCCB	GIL	USD	2.25	-

46. EMPLOYEE BENEFITS

a) Defined contribution plan

Contributions to provident and other funds included in capital work-in-progress (note 31(a)), intangible assets under development (note 31(b)) and employee benefits expenses (note 25) are as under:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Contribution to provident fund	22.86	20.20
Contribution to superannuation fund	12.86	12.06
	35.72	**32.26**

Notes to the consolidated financial statements for the year ended March 31, 2016

b) Defined benefit plan

Provident Fund

Contribution to provident fund by DIAL included in capital work in progress (note 31(a)) and employee benefits expenses (note 25) are as under:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Contribution to provident fund	5.51	5.66
	5.51	**5.66**

The Guidance on Implementing of Accounting Standard 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India, states that benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans.

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Plan assets at the year end, at fair value	82.23	76.41
Present value of benefit obligation at the year end	82.23	76.41
Net (liability) / asset recognized in the balance sheet	-	-

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

Particulars	March 31, 2016	March 31, 2015
Discount Rate	7.80%	7.80%
Fund Rate	9.30%	9.30%
EPFO Rate	8.60%	8.60%
Withdrawal Rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified) Ult *	Indian Assured Lives Mortality (2006-08) (modified) Ult *

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

Gratuity Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

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

Statement of profit and loss

Net employee benefit expenses

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Current service cost	8.21	6.02
Interest cost on defined benefit obligation	3.29	2.74
Expected return on plan assets	(3.35)	(2.89)
Net actuarial (gain) / loss recognised	1.78	4.72
Net benefit expenses	9.93	10.59

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Actual return on plan assets	3.00	1.84

Notes to the consolidated financial statements for the year ended March 31, 2016

Balance sheet

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Present value of defined benefit obligation	50.50	40.12
Fair value of plan assets	37.99	32.68
Plan asset / (liability)	(12.51)	(7.44)

Changes in the present value of the defined benefit obligation

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Opening defined benefit obligation	40.12	30.45
New acquisitions	4.94	0.42
Interest cost	3.29	2.74
Current service cost	8.21	6.02
Benefits paid	(6.59)	(2.69)
Adjustment on transfer from related parties	(0.90)	(0.49)
Actuarial (gains) / losses on obligation	1.43	3.67
Closing defined benefit obligation	50.50	40.12

Changes in the fair value of plan assets

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Opening fair value of plan assets	32.68	27.12
New acquisitions	0.09	0.72
Expected return on plan assets	3.35	2.89
Contributions by employer	9.02	5.69
Benefits paid	(6.59)	(2.69)
Actuarial gains / (losses) on plan assets	(0.35)	(1.05)
Adjustment on transfer from related parties	(0.21)	-
Closing fair value of plan assets	37.99	32.68

The Group expects to contribute ₹ 9.03 crore (March 31, 2015: ₹ 4.73 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, 2016	March 31, 2015
Investments with insurer managed funds	100%	100%

The principal assumptions used in determining gratuity obligation:

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.80%	7.80%
Expected rate of return on assets	9.40%	9.40%
Expected rate of salary increase	6.00%	6.00%
Employee turnover	5.00%	5.00%
Mortality Rate	Refer note (iii) below	Refer note (iii) below

Notes :

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

ii. The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iii. As per Indian Assured Lives Mortality (2006-08) (modified) Ult. (March 31, 2015: As per Indian Assured Lives Mortality (2006-08) (modified) Ult)

Notes to the consolidated financial statements for the year ended March 31, 2016

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

Particulars	Gratuity				
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2014 ₹ in Crore	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Present value of defined benefit obligation	50.50	40.12	30.45	28.30	21.08
Fair value of plan assets	37.99	32.68	27.12	27.01	16.36
Surplus / (deficit)	(12.51)	(7.44)	(3.33)	(1.29)	(4.72)
Experience adjustments on plan liabilities	1.43	3.67	(3.78)	1.01	2.64
Experience adjustments on plan assets	(0.35)	(1.05)	(0.41)	0.09	0.38

Other defined post-employment benefits:

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

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Current service cost	1.52	1.80
Interest cost on benefit obligation	0.27	0.50
Net actuarial (gains) / losses recognised	(0.96)	(1.77)
Net benefit expenses	0.83	0.53

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Opening defined benefit obligation	8.39	8.28
Interest cost	0.27	0.50
Current service cost	1.52	1.80
Benefits paid	(2.22)	(0.42)
Actuarial (gains) / losses on obligation	(0.96)	(1.77)
Closing defined benefit obligation	7.00	8.39

47. LEASES

a. Finance lease

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

Particulars	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	As at March 31, 2016		As at March 31, 2015	
(i) Payable not later than 1 year	0.76	0.68	0.34	0.31
(ii) Payable later than 1 year and not later than 5 years	0.04	0.03	0.41	0.32
(iii) Payable later than 5 years	-	-	-	-
Total - (i)+(ii)+(iii) = (iv)	0.80	0.71	0.75	0.63
Less: Future finance charges (v)	0.09	-	0.12	-
Present value of minimum lease payments [(iv) - (v)]	0.71	-	0.63	-

Lease payment made during the year ₹ 0.02 crore (March 31, 2015: ₹ 0.24 crore)

b. Operating leases

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipments and certain non-cancellable operating lease agreements towards office premises and hiring office equipments. The lease rentals received during the year (included in note 21) and charged during the year (included in note 31(a), note 31(b) and note 26) and the maximum obligation on the long term non-cancellable operating lease payable as per the agreements are as follows:

Notes to the consolidated financial statements for the year ended March 31, 2016

Particulars	Year ended March 31, 2016 ₹ in Crore	Year ended March 31, 2015 ₹ in Crore
Payment:		
Lease rentals under cancelable and non-cancellable leases	72.22	86.88
Receipt:		
Lease rentals under cancelable leases	8.77	8.51
Obligations on non-cancelable leases:		
Not later than one year	21.09	21.30
Later than one year and not later than five years	70.33	67.15
Later than five years	59.80	65.41

48. DEFERRED TAX

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

(₹ in crore)

	Particulars	March 31, 2016		March 31, 2015	
		Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
	Deferred tax liability:				
1	Depreciation	-	3,132.30	-	2,360.32
2	Carry forward losses / unabsorbed depreciation	2,960.72	-	2,166.14	-
3	Intangibles (Airport concession rights)	73.84	-	77.73	-
4	Others	16.74	-	43.09	-
	Sub – total (A)	**3,051.30**	**3,132.30**	**2,286.96**	**2,360.32**
	Deferred tax liability (net)		81.00		73.36
	Deferred tax asset:				
1	Depreciation	-	161.90	-	0.05
2	Carry forward losses / unabsorbed depreciation	196.09	-	12.54	-
3	Others	36.74	-	6.55	-
	Sub – total (B)	**232.83**	**161.90**	**19.09**	**0.05**
	Deferred tax asset (net)	70.93		19.04	
	Total (A+B)	**3,284.14**	**3,294.20**	**2,306.05**	**2,360.37**
	Deferred tax asset / (Deferred tax liability) (net)	(10.06)		(54.32)	
	Charge for the year		(44.26)		25.62
	Foreign currency translation reserve		(1.05)		0.02
	Deferred tax adjusted with the deficit in the statement of profit and loss		-		7.35
	Deferred tax asset/(liability) on account of acquisition during the year		-		-
	Charge/(credit) during the year		(45.31)		32.99

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

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

iii. In case of certain entities, the Group has recognized deferred tax asset on unabsorbed depreciation and carried forward losses as at March 31, 2016 and March 31, 2015, only to the extent of deferred tax liability as at March 31, 2016 as a matter of prudence.

Notes to the consolidated financial statements for the year ended March 31, 2016

49. PROVISIONS

(₹ in crore)

Particulars	As at April 1, 2015	Provision made during the year	Amount written back during the year (inclusive of exchange differences)	Amount used during the year	Deletion on disposal of subsidiaries	As at March 31, 2016
Provision for operations and maintenance (net of advances)	56.39	59.55	-	4.07	-	111.87
	(62.96)	(29.67)	-	(30.07)	(6.17)	(56.39)
Provision for voluntary retirement compensation	70.76	-	-	18.25	-	52.51
	(89.48)	-	-	(18.72)	-	(70.76)

Notes:

i. Previous year figures are mentioned in brackets.

ii. DIAL provided ₹ 288.82 crore (March 31, 2015: ₹ 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.

iii. The balance of provision of operations and maintenance as at March 31, 2016 includes ₹ 2.16 crore (March 31, 2015: ₹ 2.04 crore) for which commercial invoices have been received by GVPGL from the service provider.

50. INFORMATION ON JOINTLY CONTROLLED ENTITIES AS PER AS - 27

Name of the jointly controlled entities	Country of incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2016	March 31, 2015
CJV	Turkey	50.00%	50.00%
RCMEPL	India	16.10%	16.10%
TFS*	India	24.87%	20.98%
DAFF*	India	16.17%	13.64%
TIM*	India	31.03%	26.18%
WAISL*	India	16.17%	13.64%
CDCTM*	India	16.17%	13.64%
DASPL*	India	31.09%	26.23%
Laqshya	India	29.99%	29.99%
APFT	India	24.51%	24.51%
GMCAC	Philippines	40.00%	40.00%
MGCJV***	Philippines	50.00%	-
PTGEMS	Indonesia	27.89%	27.89%
RCI	Indonesia	27.62%	27.62%
BIB	Indonesia	27.36%	27.36%
KIM	Indonesia	27.89%	27.89%
KCP	Indonesia	27.89%	27.89%
BBU	Indonesia	27.89%	27.89%
BHBA	Indonesia	27.89%	27.89%
BNP	Indonesia	27.89%	27.89%
TBBU	Indonesia	27.89%	27.89%
TKS	Indonesia	19.52%	19.52%
BAS **	Indonesia	27.89%	22.31%
GEMSCR	Indonesia	27.89%	27.89%
PTGEI^^	Indonesia	27.89%	-
SJECL^^	China	27.89%	-

* Consequent to additional investment in DIAL, there has been an increase in the percentage of effective ownership in these jointly controlled entities

** Increase of stake in BAS during the current year

*** Jointly controlled entity incorporated during the year

^^ Subsidiaries of PTGEMS incorporated during the year.

Notes to the consolidated financial statements for the year ended March 31, 2016

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Non-current assets		
Tangible and intangible assets (including goodwill)	3,861.90	3,860.11
Capital work-in-progress and intangible assets under development	156.49	26.00
Non-current investments	0.03	0.04
Deferred tax asset (net)	19.92	9.45
Long-term loans and advances	181.01	122.48
Other non-current assets	42.21	55.26
Current assets		
Current investments	4.26	-
Inventories	36.79	21.12
Trade receivables	199.83	133.18
Cash and bank balances	231.15	150.17
Short-term loans and advances	173.39	57.11
Other current assets	33.10	25.30
Non-current liabilities		
Long-term borrowings	991.36	142.16
Trade payables	3.99	2.24
Deferred tax liabilities (net)	23.16	11.62
Other long-term liabilities	10.56	2.68
Long-term provisions	5.15	4.33
Current liabilities		
Short-term borrowings	14.08	654.68
Trade payables	154.64	149.22
Other current liabilities	112.23	76.68
Short-term provisions	10.42	5.68
Income		
Sales and operating income	881.90	965.94
Other income	12.73	23.90
Expenses		
Sub-contracting expenses	390.94	359.85
Cost of materials consumed	5.01	8.16
Purchase of traded goods	87.14	232.17
(Increase) / decrease in stock-in-trade	(13.61)	3.99
Employee benefits expenses	51.48	58.10
Other expenses	160.23	152.73
Finance cost	31.72	47.95
Depreciation and amortisation expenses	129.61	121.91
Tax expenses	27.80	19.57
Profit / (Loss) after tax	**24.31**	**(14.59)**
Other matters		
Capital commitments	630.72	0.59

Contingent liabilities:

i. Group's share of contingent liabilities of the jointly controlled entities ₹ 17.04 crore (March 31, 2015: ₹ 17.37 crore).

Notes to the consolidated financial statements for the year ended March 31, 2016

51. SEGMENT REPORTING

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

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

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

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

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

e) Various business segments comprise of the following companies:

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

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

EPC Segment	
GADL	GADLML
GADLIL	CJV
GIL - EPC Segment	MGCJV

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

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

Notes to the consolidated financial statements for the year ended March 31, 2016

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

Business segment

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Discontinuing operations		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue																		
Revenue from operations	5,110.08	4,394.05	686.71	660.56	6,542.89	5,421.44	179.13	86.66	197.48	168.22	531.89	204.32	-	-	-	-	13,248.18	10,935.25
Other operating revenue	-	3.91	-	-	-	-	-	-	109.48	148.52	-	-	-	-	-	-	109.48	152.43
Inter segment revenue	-	-	-	-	13.23	5.83	35.65	78.23	488.86	390.33	-	-	(537.74)	(474.39)	-	-	-	-
Total revenue (a)	**5,110.08**	**4,397.96**	**686.71**	**660.56**	**6,556.12**	**5,427.27**	**214.78**	**164.89**	**795.82**	**707.07**	**531.89**	**204.32**	**(537.74)**	**(474.39)**	**-**	**-**	**13,357.66**	**11,087.68**
Other income (excluding interest income) (b)	30.46	65.27	3.90	3.18	138.46	46.96	16.60	9.72	17.37	7.62	50.71	26.80	(15.74)	(0.18)	-	-	241.76	159.37
Expenditure																		
Revenue share paid/ payable to concessionaire grantors	-	-	82.36	79.34	2,329.93	1,985.52	-	-	-	-	-	-	-	-	-	-	2,412.29	2,064.86
Consumption of fuel	2,243.11	2,083.08	-	-	-	-	-	-	4.10	8.02	278.75	-	-	(0.04)	-	-	2,525.96	2,091.06
Cost of materials consumed	-	-	-	-	5.01	4.29	27.62	33.30	5.97	5.35	-	3.87	(0.04)	-	-	-	38.56	46.81
Purchase of traded goods and (increase) / decrease in stock in trade	429.71	688.63	-	-	377.46	335.55	-	-	0.04	-	-	-	-	-	-	-	807.21	1,024.18
Sub -contracting expenses	404.67	361.14	123.03	184.36	1.36	0.73	122.21	90.85	0.01	-	6.44	6.67	(29.33)	(78.24)	-	-	628.39	565.51
Employee benefits expenses	155.84	166.32	24.64	31.23	319.57	301.37	32.61	17.59	121.09	80.70	12.20	21.56	(1.15)	0.88	-	-	664.80	619.65
Other expenses	807.42	900.95	54.32	52.02	1,107.59	1,080.77	36.53	19.20	129.28	100.29	53.68	70.21	(153.01)	(102.47)	-	-	2,035.81	2,120.97
Utilisation fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation/amortisation	947.32	675.44	190.53	183.28	928.91	856.49	13.58	16.85	48.45	39.88	137.42	40.67	(0.05)	(0.07)	-	-	2,266.16	1,812.53
Total expenditure (c)	**4,988.07**	**4,875.55**	**474.88**	**530.23**	**5,069.83**	**4,564.72**	**232.55**	**177.79**	**308.94**	**234.24**	**488.49**	**142.98**	**(183.58)**	**(179.94)**	**-**	**-**	**11,379.18**	**10,345.57**
Segment results (a)+(b)-(c)	**152.47**	**(412.32)**	**215.73**	**133.51**	**1,624.75**	**909.51**	**(1.17)**	**(3.18)**	**504.25**	**480.45**	**94.11**	**88.14**	**(369.90)**	**(294.63)**	**-**	**-**	**2,220.24**	**901.48**
Unallocated income/(expense)																		
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,057.69)	(3,571.86)	(4,057.69)	(3,571.86)
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	212.51	168.09	212.51	168.09
Interest expenses(net)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,845.18)**	**(3,403.77)**	**(3,845.18)**	**(3,403.77)**
Exceptional items																		
Provision for dimunition in value of investments in an associate [refer note 41(iv)]	-	-	-	-	-	-	-	-	-	-	(39.22)	-	-	-	-	-	(39.22)	-
Loss on impairment of assets in subsidiaries [refer note 42(i)(a), note 42(xiii), note 40(iii), note 42(iv) and 42(ix)]	(164.30)	(79.80)	-	-	-	(35.94)	-	-	-	-	-	-	-	-	-	-	(164.30)	(115.74)
Reimbursement of expenses pertaining to earlier years received by a subsidiary [refer note 37 (iv)]	51.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.42	-
Profit on sale of subsidiaries / jointly controlled entities [refer note 30(a) and note 30(f)]	-	-	-	-	-	-	-	-	-	-	2.31	34.44	-	-	-	-	2.31	34.44
Breakage cost of interest rate swap [refer note 40 (x)]	-	-	-	-	-	(91.83)	-	-	-	-	-	-	-	-	-	-	-	(91.83)
Loss on account of provision towards claims recoverable (including prior period expenditure of ₹ 124.43 crore) [refer note 41(iii)]	-	-	-	(130.99)	-	-	-	-	-	-	-	-	-	-	-	-	-	(130.99)
Segment result/profit/(loss) before tax expenses and minority interest	**39.59**	**(492.12)**	**215.73**	**2.52**	**1,624.75**	**781.74**	**(1.17)**	**(3.18)**	**504.25**	**480.45**	**57.20**	**122.58**	**(369.90)**	**(294.63)**	**(3,845.18)**	**(3,403.77)**	**(1,774.73)**	**(2,806.41)**
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	224.21	152.81	224.21	152.81
Segment result/profit/(loss) before minority interest	**39.59**	**(492.12)**	**215.73**	**2.52**	**1,624.75**	**781.74**	**(1.17)**	**(3.18)**	**504.25**	**480.45**	**57.20**	**122.58**	**(369.90)**	**(294.63)**	**(4,069.39)**	**(3,556.58)**	**(1,998.94)**	**(2,959.22)**

Notes to the consolidated financial statements for the year ended March 31, 2016

(₹ in crore)

Particulars	Power		Roads		Airports		EPC		Others		Discontinuing operations		Inter Segment and Inter Operations		Unallocated		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Other information																		
Segment assets	32,037.48	31,693.78	5,550.60	5,708.48	16,560.35	16,254.34	1,112.63	814.22	19,499.68	17,598.99	7,224.74	7,595.50	(15,640.11)	(13,703.39)	-	-	66,345.37	65,961.92
Unallocated segment assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	826.42	850.64	826.42	850.64
Total Assets	**32,037.48**	**31,693.78**	**5,550.60**	**5,708.48**	**16,560.35**	**16,254.34**	**1,112.63**	**814.22**	**19,499.68**	**17,598.99**	**7,224.74**	**7,595.50**	**(15,640.11)**	**(13,703.39)**	**826.42**	**850.64**	**67,171.79**	**66,812.56**
Segment liabilities	8,385.10	7,683.17	1,709.83	1,706.97	1,888.70	1,822.42	869.32	536.14	1,233.56	1,022.99	805.93	286.14	(7,407.35)	(5,994.04)	-	-	7,485.09	7,063.79
Unallocated segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,098.09	50,089.04	52,098.09	50,089.04
Total Liabilities	**8,385.10**	**7,683.17**	**1,709.83**	**1,706.97**	**1,888.70**	**1,822.42**	**869.32**	**536.14**	**1,233.56**	**1,022.99**	**805.93**	**286.14**	**(7,407.35)**	**(5,994.04)**	**52,098.09**	**50,089.04**	**59,583.18**	**57,152.83**
Capital expenditure	1,281.72	2,049.23	8.71	2.59	306.06	1,310.93	-	2.58	550.99	233.98	460.73	424.14	-	-	-	-	2,608.21	4,023.45
Depreciation/amortisation	947.32	675.44	190.53	183.28	928.91	856.49	13.58	16.85	48.45	39.88	137.42	40.67	(0.05)	(0.07)	-	-	2,266.16	1,812.53
Other non cash expenses	172.55	105.32	1.23	131.08	7.42	78.26	-	-	0.32	0.64	39.22	-	-	-	-	-	220.74	315.30

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

Discontinuing operations

(₹ in crore)

Particulars	Power		Roads		Airports		Others		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Total revenue	412.47	56.53	119.42	106.42	-	41.37	-	-	531.89	204.32
Other income (excluding interest income)	50.02	0.37	0.65	0.37	0.04	26.06	-	-	50.71	26.80
Total expenditure	434.73	47.86	35.39	31.71	18.37	63.41	-	-	488.49	142.98
Segment results	27.76	9.04	84.68	75.08	(18.33)	4.02	-	-	94.11	88.14
Segment assets	5,630.06	4,828.65	-	1,257.73	1,594.68	1,509.12	-	-	7,224.74	7,595.50
Segment liabilities	581.96	90.77	-	11.72	223.97	183.65	-	-	805.93	286.14

The Group has two geographical segments: India and outside India

Geographical segments

(₹ in crore)

Particulars	Revenue		Assets		Capital expenditure	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Continuing Operations:						
India	12,033.30	10,082.27	52,484.36	51,680.51	1,873.23	2,611.48
Outside India	792.47	801.09	7,462.69	7,536.55	274.25	987.83
Discontinuing Operations:						
India	531.89	204.32	6,029.30	6,470.65	460.73	424.14
Outside India	-	-	1,195.44	1,124.85	-	-
Total	**13,357.66**	**11,087.68**	**67,171.79**	**66,812.56**	**2,608.21**	**4,023.45**

Notes to the consolidated financial statements for the year ended March 31, 2016

52. DISCLOSURE IN TERMS OF AS - 7: CONSTRUCTION CONTRACTS

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
1	Contract revenue recognised during the year	179.13	86.84
2	Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	1,334.44	1,649.14
3	Amount of customer advances outstanding for contracts in progress	307.15	63.77
4	Retention money due from customers for contracts in progress	41.61	51.57
5	Gross amount due from customers for contract works as an asset	123.81	81.80

53. ACQUISITIONS AND DISPOSALS DURING THE YEAR

a. The Group has acquired following subsidiary during the year ended March 31, 2016:

o RSSL

b. The Group had acquired following subsidiaries / jointly controlled entities during the year ended March 31, 2015:

o LPPL	o SUPPL
o EGPDCPL	

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Reserves and surplus	(40.60)	(0.02)
Long term provisions	8.81	-
Trade payables	3.00	-
Short-term provisions (March 31, 2015: ₹ 5,000)	2.98	0.00
Other current liabilities	5.84	0.01
Goodwill on consolidation	197.10	-
Tangible assets	34.27	9.57
Long-term loans and advances	0.12	2.50
Inventories	1.08	-
Cash and bank balances	9.35	0.02
Trade receivables	27.42	-
Short-term loans and advances	8.45	0.01
Other current assets	1.87	-
Sales and operating income	21.30	-
Other income	0.38	-
Employee benefits expenses	47.99	-
Other expenses	11.75	0.02
Finance costs (March 31, 2015: ₹ 974)	1.91	0.00
Depreciation and amortization expenses	1.15	-
Tax expenses / (credit)	(0.52)	-
(Loss) / profit before and after tax	(40.60)	(0.02)

Notes to the consolidated financial statements for the year ended March 31, 2016

d. Disposals during the year:

i. The Group has disposed following subsidiaries and jointly controlled entities during the year ended March 31, 2016:

o	GOSEHHHP*

* During the year ended March 31, 2016, the Company along with its subsidiary GMRHL entered into a SPA with Oriental Structural Engineers Private Limited, Oriental Tollways Private Limited and Orbit Infraventures LLP for divestment of 117,300,000 equity shares of ₹ 10 each, representing their 51.00% stake in GOSEHHHPL. Refer note 30(a).

** Refer note 30(b) and 30(c) as regards ATSCL and MTSCL and GREL respectively.

ii. The Group had disposed off following subsidiaries and jointly controlled entities during the year ended March 31, 2015:

o	DFSP*	o	DCSCPL

* During the year ended March 31, 2015, DSSHPL, a jointly controlled entity got merged with DFSPL. Subsequently DFSPL got disposed off during the year, refer note 30(f).

iii. The financial position as at the date of sale of these entities and the results of these entities for the reporting period from the beginning of the financial year till the date of disposals for the respective years were as follows:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Long-term borrowings	1,069.20	45.69
Short-term borrowings	5.78	-
Other long-term liabilities (March 31, 2016: ₹ 37,500)	0.00	0.01
Long-term provisions	0.05	0.14
Short-term provisions	0.23	0.08
Trade payables	0.36	-
Other current liabilities	46.29	12.94
	1,121.91	**58.86**
Tangible assets	0.64	47.48
Intangible assets	1,211.87	0.05
Capital work-in-progress	-	0.34
Intangible assets under development	-	0.03
Current investments	0.12	-
Long term loans and advances	3.35	3.08
Other non-current assets	8.13	1.09
Inventories	0.22	0.53
Trade receivables	-	2.65
Cash and bank balances	10.16	2.91
Short-term loans and advances	6.10	0.75
Other current assets	3.99	0.18
	1,244.58	**59.09**
Sales and operating income	119.42	41.37
Other income	0.76	1.68
Cost of materials consumed	-	3.87
Sub-contracting expenses	2.43	-
Employee benefits expenses	1.91	8.57
Other expenses	7.34	7.67
Finance costs	122.91	6.33
Depreciation and amortization expenses	23.71	5.64
(Loss) / profit before tax expenses	(38.12)	10.97
Tax expenses	-	0.21
(Loss) / profit after tax	**(38.12)**	**10.76**

Notes to the consolidated financial statements for the year ended March 31, 2016

54. RELATED PARTY TRANSACTIONS

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

Sl. No.	Relationship	Name of the parties
(i)	Holding Company	GHPL
(ii)	Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates	AAI
		Asia Pacific Flight Training Sdn Bhd ('APFTSB')
		Arcelormittal India Limited (AIL)
		Bharat Petroleum Corporation Limited (BPCL)
		Brindaban Man Pradhang
		Bird World Wide Flight Services India Private Limited (BWWFSIPL)
		Cambata Aviation Private Limited (CAPL)
		Cargo Service Center India Private Limited (CSCIPL)
		Celebi Ground Handling Delhi Private Limited (CELEBI GHDPL)
		Celebi Hava Servisis A.S. (CHSAS)
		Devyani International Limited (DIL)
		FAG
		GoAP
		GoT
		Greenwich Investments Limited (GRIL)
		Investment and Infrastructure fund (IIF)
		ILFS Renewable Energy Limited
		Indian Oil Corporation Limited (IOCL)
		KIHPL
		Lanco Group Limited (LGL)
		Laqshya Event IP Private Limited (LEIPL)
		Limak Insaat San. Ve Ticaret A.S. (LISVT)
		Laqshya Media Private Limited (LMPL)
		M/S G.S.Atwal & Co.
		Malaysia Airport Holding Berhad (MAHB)
		Malaysia Airport (Labuan) Private Limited (MALPL)
		Malaysia Airports Consultancy Services SDN Bhd (MACS)
		Malaysian Aerospace Engineering Sdn. Bhd. (MAE)
		Malaysian Airline System Bhd. (MAS)
		MAMPL
		Megawide Construction Corporation (MCC)
		Menzies Aviation Cargo (Hyderabad) Limited (MACHL)
		Menzies Aviation India Private Limited (MAIPL)
		Menzies Aviation PLC (UK) (MAPUK)
		Macquarie SBI Infrastructure Investments PTE Limited (MSIF)
		NAPC Limited (NAPC)
		Navabharat Power Private Limited (NBPPL)
		Nepal Electricity Authority (NEA)
		Odeon Limited (OL)
		Oriental Structures Engineers Private Limited (OSEPL)
		Oriental Tollways Private Limited (OTPL)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		PT Sinar Mas Cakrawala
		Punj Lyod Limited
		Reliance Industries Limited (RIL)
		Rushil Construction (India) Private Limited
		Sterlite Energy Limited (SEL)
		Tenega Parking Services (India) Private Limited (TPSIPL)
		Times Innovative Media Limited (TIML)

Notes to the consolidated financial statements for the year ended March 31, 2016

Sl. No.	Relationship	Name of the parties
		Tottenham Finance Limited (TFL)
		Travel Foods Services (Delhi) Private Limited (TFSDPL)
		Veda Infra-Holdings (India) Private Limited (VIHIPL)
		Wipro Limited (WL)
		WTGGE
		YL
(iii)	Enterprises where key management personnel and their relatives exercise significant influence	CISL
		GFFT
		GIVLLP
		GMR Varalakshmi DAV Public School (GVDPS)
		GREPL
		GVF
		GWT
		GBC
		Polygon
(iv)	Fellow subsidiary companies (where transactions have taken place)	Crossridge Investment Limited (CIL)
		GBPPL
		GEOKNO
		GHML
		GMR Hebbal Towers Private Limited (GHTPL)
		GPPL
		GSPL
		Ravi Verma Realty Private Limited (RRPL)
		RSSL***
(v)	Jointly controlled entities	APFT
		BAS
		BBU
		BHBA
		BIB
		BNP
		CDCTM
		CJV
		DAFF
		DAPSL**
		DASPL
		DCSCPL*
		DFSPL*
		GATL**
		GAEL**
		GEMSCR
		GMCAC
		KCP
		KIM
		Laqshya
		MGCJV
		PTGEI
		PTGEMS
		RCI
		RCMEPL
		SJECL
		TBBU
		TFS
		TIM
		TKS
		WAISL

Notes to the consolidated financial statements for the year ended March 31, 2016

Sl. No.	Relationship	Name of the parties
(vi)	Associates	EDWPCPL
		JEPL
		UEPL
		GOSEHHHPL****
(vii)	Key management personnel and their relatives	Mr. G.M. Rao (Chairman)
		Mrs. G.Varalakshmi
		Mr. G.B.S.Raju (Director)
		Mr. Grandhi Kiran Kumar (Managing Director)
		Mr. Srinivas Bommidala (Director)
		Mr. K.V.V.Rao
		Mr. B.V.Nageswara Rao
		Mr. O Bangaru Raju (Director)
		Mr. C.P. Sounderarajan (Company Secretary) (Resigned w.e.f. August 12, 2015)
		Mr. Adiseshavataram Cherukupalli (Company Secretary) (Appointed w.e.f August 13, 2015)
		Mr. Madhava Bhimacharya Terdal (Group CFO)
		Mrs. B.Ramadevi

* Ceased to be jointly controlled entity during the year ended March 31, 2015, and accordingly has not been considered as a related party as at March 31, 2015

** Consequent to acquisition of additional stake from the minority shareholders, DAPSL, GAEL and GATL have ceased to be jointly controlled entities during the previous year ended March 31, 2015 and accordingly have been considered as subsidiaries during the year ended March 31, 2015

*** Consequent to acquisition of stake from GHPL, RSSL has ceased to be a fellow subsidiary during the previous year ended March 31, 2016 and became a subsidiary during the year

**** Consequent to disposal of stakes in GOSEHHHPL, the company has ceased to be a subsidiary from March 23, 2016 and became an associate as on March 31, 2016

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

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Purchase of investment in equity shares		
- Holding company		
GHPL	225.00	-
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAMPL	508.33	-
GRIL	-	65.31
Sale of investments in equity shares		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
DIL	-	4.12
IIF	-	28.60
OSEPL	17.38	-
- Fellow Subsidiaries		
GHML [Amounting to ₹ 3,924]	0.00	-
Sale of investments in Preference shares		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
DIL	-	0.80
Renounciation of right issue entitlement by GHPL in favour of GBC		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC	-	215.00
Share application money received against rights issue		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC	-	674.57
Money received against share warrants		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP	-	141.75

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Share warrants forfeited		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP	141.75	-
Allotment of shares in right issue from share application money		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC	889.57	-
Share application money received		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MALPL	-	16.31
Loans/ advances repaid by		
- Fellow Subsidiaries		
GHML	-	12.61
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
LISVT	0.24	-
- Jointly controlled entities		
Laqshya	0.55	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	8.64	11.70
Loans/ advances given to		
- Holding company		
GHPL	-	0.01
- Enterprises where key management personnel and their relatives exercise significant influence		
GVDPS	0.41	0.72
- Associates		
JEPL	-	4.50
- Fellow Subsidiaries		
GHML	-	12.61
Loans taken from		
- Holding company		
GHPL	-	215.00
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WL	-	1.04
OSEPL	5.78	-
Loans repaid		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAIPL	0.20	0.10
LMPL	1.55	-
Conversion of share application money into loans		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAHB	26.11	-
Conversion of loans into share application money		
- Holding company		
GHPL	-	215.00
Liability written back		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
MAE	-	3.85

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Sale of fixed assets		
- Holding company		
GHPL	-	0.96
- Jointly controlled entities		
APFT [Amounting to ₹ 13,321]	0.00	-
WAISL	-	0.60
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
LMPL	0.03	-
Purchase of fixed assets/Services		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WL	1.28	-
- Fellow Subsidiaries		
RSSL	-	0.12
GPPL	1.78	0.27
GEOKNO	0.03	-
Deposit received		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	0.15	-
- Jointly controlled entities		
DAFF	-	1.68
DCSCPL	-	0.02
Laqshya	-	0.12
TFS	0.38	-
DASPL	0.04	-
CDCTM	7.13	-
Deposit repaid		
- Associates		
JEPL	-	0.20
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
APFTSB	-	0.06
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	16.35	-
- Fellow Subsidiaries		
GPPL	0.02	-
Deposits given		
- Key management personnel and their relatives		
Mrs. B. Ramadevi	-	0.02
Mrs. G.Varalakshmi	-	0.09
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
APFTSB	0.04	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	16.37	18.36
Deposit refund received		
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	-	11.08
CISL	8.59	-
- Fellow Subsidiaries		
GHTPL	-	135.00
RSSL	-	0.08

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Refund of capital advances		
- **Fellow Subsidiaries**		
GPPL	50.00	-
Equity dividend paid by subsidiaries / jointly controlled entities		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
YL	14.82	5.29
MACHL	5.50	5.00
Preference dividend paid by subsidiaries		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
MACHL	2.16	2.16
Sub-contracting Expenses		
- **Fellow Subsidiaries**		
GEOKNO	4.22	0.20
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
OSEPL	4.06	-
Revenue from operations		
- **Holding company**		
GHPL	-	0.59
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
AAI	3.00	3.09
LMPL	4.67	3.43
TIML	6.83	4.03
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GVF	0.09	0.20
- **Fellow Subsidiaries**		
GSPL [March 31, 2015: ₹ 9,673]	0.02	0.00
GPPL	-	0.11
- **Associates**		
JEPL	-	21.33
UEPL	44.72	4.37
- **Jointly controlled entities**		
Laqshya	11.99	10.99
GATL	-	1.88
GAEL	-	0.97
TIM	60.02	52.07
DCSCPL	-	22.61
DAFF	11.83	11.07
CDCTM	101.64	102.79
TFS	10.89	8.19
DAPSL	-	5.16
DASPL	3.24	2.24
DFSPL	-	6.64
GMCAC	7.35	2.25
APFT	0.67	0.56
Fees received for services rendered		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
CELEBI GHDPL	3.04	3.06
BWWFSIPL	3.07	3.14
CAPL	2.21	9.28

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
- Jointly controlled entities		
PTGEMS	2.99	38.70
GMCAC	2.61	0.65
TIM	-	1.65
- Fellow Subsidiaries		
RSSL	-	0.02
Fee paid for services received		
- Holding company		
GHPL	-	0.14
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
WL	9.31	9.58
GoT	3.12	0.08
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT [March 31, 2015: ₹ 25,468]	-	0.00
Interest income		
- Associates		
UEPL	0.01	0.01
JEPL	0.80	0.09
- Jointly controlled entities		
DAFF	-	0.60
CDCTM	0.60	-
DASPL	1.38	-
DFSPL	-	1.71
DCSCPL	-	3.60
- Fellow Subsidiaries		
GHML	-	0.03
GPPL	1.00	1.00
Airport operator fees		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
FAG	128.68	119.90
Revenue share paid/payable to concessionaire grantors		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	2,304.15	1,967.80
Rental expenses		
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	4.40	21.14
GREPL	1.25	0.14
- Fellow Subsidiaries		
RRPL	-	0.03
- Key management personnel and their relatives		
Mrs. B. Ramadevi	0.16	0.15
Mrs. G.Varalakshmi	0.07	-
Mr. G.B.S.Raju	0.61	0.28
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	0.03	-

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Managerial remuneration to		
- Key management personnel and their relatives		
Mr. G.M. Rao	4.07	5.00
Mr. G.B.S.Raju	1.42	6.25
Mr. Srinivas Bommidala	4.95	4.23
Mr. B.V. Nageswara Rao	2.70	3.07
Mr. Grandhi Kiran Kumar	3.42	2.25
Mr. O Bangaru Raju	2.51	3.58
Mr. C.P. Sounderarajan	0.28	0.69
Mr. Adiseshavataram Cherukupalli	0.46	-
Mr. Madhava Bhimacharya Terdal	1.65	3.33
Mr. K.V.V.Rao	2.06	2.24
Logo fee paid/payable to		
- Holding company		
GHPL	3.03	5.01
Technical and consultancy fees		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
FAG	0.28	0.43
MACS	3.03	2.83
TIML	3.01	1.85
MAPUK	6.99	6.06
APFTSB	0.33	0.27
- Fellow Subsidiaries		
RSSL	-	0.66
Other expenses - others		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	0.03	0.12
TPSIPL	2.68	1.02
MAPUK	0.66	0.64
BPCL	0.11	0.06
APFTSB	-	0.01
DIL	-	1.32
LEIPL	0.05	0.07
LMPL	0.40	0.42
BWWFSIPL	0.91	0.85
TIML	0.68	0.54
YL	-	5.50
MACS	3.03	-
- Jointly controlled entities		
WAISL	15.01	41.97
Laqshya	0.14	0.15
CDCTM	0.34	-
- Fellow Subsidiaries		
RSSL	28.25	76.35
GSPL	-	2.54
GPPL	0.01	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	0.33	-
GVDPS	0.72	-

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Purchase of fuel		
- Jointly controlled entities		
BIB	7.97	16.12
ATC Development Fund Utilization		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	10.00	80.00
Reimbursement of expenses incurred on behalf of the Group		
- Holding company		
GHPL	1.36	4.13
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CHSAS	0.11	0.04
MAIPL	0.20	0.18
MAPUK	0.08	0.08
LMPL [March 31, 2015: ₹ 232]	0.05	0.00
YL	0.51	0.09
CELEBI GHDPL	0.04	0.06
APFTSB	0.02	0.01
- Jointly controlled entities		
DCSCPL	-	0.03
TFS	0.04	0.03
- Fellow Subsidiaries		
GSPL	-	0.07
RSSL	-	0.02
GPPL	-	0.01
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	1.03	1.02
GFFT [Amounting to ₹ 37,961]	0.00	-
Expenses incurred by the Group on behalf of / Expenses recovered by the Group		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	18.15	13.26
CELEBI GHDPL	0.01	0.01
WL [March 31, 2015: ₹ 44,528]	0.01	0.00
LMPL [Amounting to ₹ 15,478 (March 31, 2015: ₹ 45,794)]	0.00	0.00
CSCIPL	-	0.03
YL	0.03	-
- Jointly controlled entities		
DAPSL	-	1.26
DASPL	5.27	3.33
DCSCPL	-	2.65
CDCTM	11.46	10.96
TIM	2.12	1.76
DAFF [March 31, 2015: ₹ 46,689]	-	0.00
TFS	2.63	2.37
DFSPL	-	1.51
Laqshya	0.46	0.50
APFT	0.13	0.12
MGCJV	-	1.28
GMCAC	-	5.04
GATL	-	1.27

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
- Fellow Subsidiaries		
RSSL	-	0.97
GBPPL	-	0.01
GEOKNO	0.33	0.37
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	0.06	0.14
GFFT	0.02	-
- Associates		
UEPL	0.03	-
Donations		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	18.13	29.57
Employee benefit expenses		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	-	2.77
DIL [March 31, 2015: ₹ 29,117]	-	0.00
Lease income		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CELEBI GHDPL	0.15	0.15
IOCL [Amounting to ₹ 33,540 (March 31, 2015: ₹ 31,200)]	0.00	0.00
BPCL	0.02	0.02
- Fellow Subsidiaries		
RSSL	-	0.56
Cargo handling charges paid		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
CELEBI GHDPL	0.21	0.21
BWWFSIPL	0.21	0.21
CAPL	0.11	0.35
Interest expenses		
- Holding company		
GHPL	-	4.47
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
AAI	2.10	-
CHSAS	0.37	0.35
WL	0.10	0.05
DIL	-	0.23
IIF	-	0.01
MAHB	4.56	-
Provision no longer required written back		
- Jointly controlled entities		
RCMEPL	0.10	-
Provisions created for receivables		
- Fellow Subsidiaries		
CIL	-	2.45
Advances adjusted against inventories		
- Fellow Subsidiaries		
GPPL	-	29.19

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Corporate guarantee extinguished		
- **Fellow Subsidiaries**		
GHML	-	205.66
- **Associates**		
UEPL	696.87	350.05
JEPL	353.48	-
Bank guarantees extinguished		
- **Fellow Subsidiaries**		
GEOKNO	-	6.29
- **Associates**		
UEPL	12.50	-
JEPL	17.50	-
Pledge of fixed deposit given on behalf of		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
WTGGE	-	5.00
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GREPL	-	6.00
Arrears of cumulative dividends on preference share capital issued by a subsidiary		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
OL	20.65	21.67
Balance Payable / (receivable)		
- **Holding company**		
GHPL	4.03	5.64
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
AAI	104.16	109.41
FAG	68.35	55.01
APFTSB [March 31, 2015: ₹ 804]	0.28	(0.00)
LISVT	0.28	0.18
MACS	15.42	7.29
MAHB	26.11	-
TIML	1.10	(0.68)
WL	11.36	6.65
LMPL	11.01	12.60
LEIPL	0.02	0.04
OSEPL	-	0.31
MAIPL	0.70	0.92
MAPUK	0.80	0.60
GoT	318.25	315.13
CHSAS	6.97	6.55
TPSIPL	0.73	0.82
CELEBI GHDPL	(0.47)	(0.85)
BWWFSIPL	(1.55)	(1.49)
CAPL	(3.95)	(3.93)
YL	0.53	2.47
MCC	0.39	0.26
BPCL	0.04	-
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GFFT	(38.92)	(37.60)
GVF	2.96	(7.74)
CISL	-	(8.59)

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
GWT	(115.00)	(115.00)
GREPL	-	0.13
GVDPS	1.90	2.21
Polygon	(22.90)	(22.90)
- **Fellow Subsidiaries**		
GPPL	(641.41)	(691.44)
GEOKNO	(0.23)	(0.42)
GSPL [Amounting to ₹ 16,850]	0.00	0.15
RSSL	-	6.02
GBPPL	(1.18)	(1.17)
RRPL	0.01	0.01
- **Jointly controlled entities**		
PTGEMS	34.52	7.22
GEMSCR	-	15.01
BIB	-	0.58
GMCAC	(0.67)	(7.40)
CJV	(0.62)	(0.48)
MGCJV	(0.86)	(1.28)
Laqshya	(4.75)	(7.27)
APFT	(1.23)	(0.39)
DASPL	6.66	7.04
TFS	(2.35)	(3.79)
DAFF	117.30	117.29
CDCTM	91.09	86.65
WAISL	(5.47)	(2.57)
TIM	6.74	7.55
- **Associates**		
UEPL	(103.25)	(74.43)
JEPL	(8.06)	(6.81)
GOSEHHHPL	(22.22)	-
- **Key management personnel and their relatives**		
Mr. G.M. Rao	0.94	2.03
Mrs. G.Varalakshmi	(0.08)	(0.09)
Mrs. B. Ramadevi [Amounting to ₹ 44,000]	0.00	(0.02)
Mr. G.B.S.Raju	0.31	0.04
Outstanding corporate guarantees		
- **Associates**		
JEPL	-	353.48
UEPL	-	696.87
Outstanding bank guarantees		
- **Fellow Subsidiaries**		
GEOKNO	2.48	2.48
- **Associates**		
UEPL	-	17.50
JEPL	-	12.50
GOSEHHHPL	1,080.00	-
Outstanding pledge of fixed deposits		
- **Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates**		
WTGGE	130.50	130.50
- **Enterprises where key management personnel and their relatives exercise significant influence**		
GREPL	21.00	21.00

Notes to the consolidated financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Share application money pending allotment		
- Enterprises where key management personnel and their relatives exercise significant influence		
GBC	-	889.57
Money received against share warrants		
- Enterprises where key management personnel and their relatives exercise significant influence		
GIVLLP	-	141.75
Arrears of cumulative dividends on preference share capital issued by a subsidiary		
- Shareholders having substantial interest / enterprises exercising significant influence over the subsidiaries or jointly controlled entities or associates		
OL	76.17	55.52

Notes:

1. The Group has provided securities by way of pledge of investments for loans taken by certain companies.
2. Certain Key management personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GHPL and certain fellow subsidiaries have pledged certain shares held in the Company as security towards the borrowings of the Group.
3. Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Group as a whole
4. Certain bank guarantees and corporate guarantees given on behalf of subsidaries have not been considered in the above transactions and outstanding balances.

55. 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.

56. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year's classification. Further, the previous year's figures are not comparable with those of current year's to the extent of discontinuing operations, refer note 30.

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Infrastructure Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of GMR Infrastructure Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Basis for Qualified Opinion

1. As detailed in Note 13(6) to the accompanying standalone financial statements for the year ended March 31, 2016, the Company through its subsidiary, GMR Infrastructure (Mauritius) Limited ('GIML') has investments of ₹ 396.81 Crore (USD 5.94 Crore) (including equity share capital of ₹ 154.24 Crore (USD 2.31 Crore) and subordinate loans and interest accrued thereon of ₹ 242.57 Crore (USD 3.63 Crore) towards 77% equity shareholding in GMR Male International Airport Private Limited ('GMIAL'). Further GIML, has placed fixed deposits of ₹ 864.90 Crore (USD 12.95 Crore) with lenders towards loan taken by GMIAL and the Company has given a corporate guarantee of ₹ 2,620.72 Crore (USD 39.25 Crore) to the lenders in connection with the borrowings made by GMIAL. The Concession Agreement entered into between GMIAL, Maldives Airport Company Limited ('MACL') and Ministry of Finance and Treasury ('MoFT'), Republic of Maldives for the Rehabilitation, Expansion, Modernization, Operation and Maintenance of Male International Airport ('MIA') for a period of 25 years was declared void ab initio by MACL and MoFT and MACL has taken possession of MIA with effect from December 8, 2012. GMIAL has initiated the arbitration process to seek remedies under the said agreement and on June 18, 2014, the tribunal delivered its award declaring that the Concession Agreement was not void ab initio and was valid and binding on the parties. However, the quantum of the damages is yet to be decided and accordingly, pending final outcome of the arbitration, such investments have been carried at cost in the standalone financial statements as at March 31, 2016, as the management is of the view that GMIAL will be able to recover at least the carrying value of the assets of ₹ 1,594.68 Crore (USD 23.88 Crore) including claim recoverable of ₹ 1,273.14 Crore (USD 19.07 Crore) as at March 31, 2016.

   Further, GMIAL had 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 have received claims from GADLIL and other service providers towards termination payments. However, no such claims relating to the termination of contracts have been recognized in the standalone financial statements of GMIAL as at March 31, 2016. The takeover of MIA by MACL, initiation of arbitration proceedings and its consequential impact on the operations indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of GMIAL and GADLIL.

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 investments pertaining to the aforesaid entities and any other consequential impact that may arise in this regard on the accompanying standalone financial statements for the year ended March 31, 2016. In respect of the above matter, our audit report for the year ended March 31, 2015 was similarly qualified.

2. As detailed in Note 13[12(b)] to the accompanying standalone financial statements for the year ended March 31, 2016, the Company along with its subsidiary has made investments of ₹ 735.80 Crore in GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL'), a subsidiary of the Company (including loans of ₹ 35.80 Crore and investments in equity shares and preference shares of ₹ 700.00 Crore), which is primarily utilized by GKUAEL towards payment of capital advance of ₹ 590.00 Crore to its EPC contractor and ₹ 137.47 Crore towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). GKUAEL has also given a bank guarantee of ₹ 269.36 Crore to National Highways Authority of India ('NHAI'). GKUAEL issued a notice of intention to terminate the Concession Agreement and a notice of dispute to NHAI invoking arbitration provisions of the Concession Agreement during the earlier years. Both the parties have appointed their arbitrators and the arbitration process is pending commencement. Pursuant to the notice of dispute, GKUAEL terminated the EPC contract on May 15, 2015 and has received claims towards such termination. However, no such claims have been recognized in the standalone financial statements of GKUAEL as at March 31, 2016.

   Based on its internal assessment, the management of the Company made a provision for diminution in the value of investments amounting to ₹ 137.47 Crore and advances amounting to ₹ 5.70 Crore (including ₹ 12.18 Crore during the year ended March 31, 2016). However, the notice of dispute and initiation of arbitration proceedings indicate the existence of a material uncertainty that may cast a significant doubt about the going concern of the GKUAEL. Having regard to this uncertainty, we are unable to comment on the final outcome of the matter and its consequential impact on the carrying value of the Company's investments in GKUAEL in the accompanying standalone financial statements of the Company for the year ended March 31, 2016. In respect of the above matter, our audit report for the year ended March 31, 2015 was similarly qualified.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effect of the matters described in sub-paragraph 1 and 2 in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying standalone financial statements for the year ended March 31, 2016:

a. Note 13(7) regarding investments of ₹ 394.17 Crore (including investments in equity / preference shares of ₹ 244.70 Crore made by the Company and its subsidiaries and loans and interest accrued thereon of ₹ 149.47 Crore) as at March 31, 2016 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 and the matter is currently under arbitration, based on management's internal assessment and legal opinion obtained by the management of GACEPL, such investments have been carried at cost. Accordingly, no provision for diminution in the value of investments has been made in the accompanying standalone financial statements for the year ended March 31, 2016.

b. Note 13(8) regarding (i) cessation of operations and the losses, including cash losses incurred by GMR Energy Limited ('GEL') and 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 operation date and the repayment of certain project loans by another subsidiary of the Company, GMR Rajahmundry Energy Limited ('GREL'), pending linkage of natural gas supply. 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 the appropriateness of the going concern assumption is dependent on the ability of the aforesaid entities to establish consistent profitable operations as well as raising adequate finance to meet short term and long term obligations. The accompanying standalone financial statements of the Company for the year ended March 31, 2016 do not include any adjustments that might result from the outcome of this significant uncertainty.

c. Note 13(9) regarding uncertainties in tying up power supplies, achieving profitability in operations, mega power status, refinancing of existing loans at lower rates of interest, other key assumptions made in the valuation assessment of the investments in GMR Chhattisgarh Energy Limited ('GCHEPL'), a subsidiary of the Company. The carrying value of the investments in GCHEPL is critically dependent upon the achievement of the key assumptions as discussed in the aforesaid note. In the opinion of the management of the Company, no further provision for diminution in the value of investments (including loans) is considered necessary at this stage in the accompanying standalone financial statements for the year ended March 31, 2016 for the reasons explained in the said note.

d. Note 13[12(a)] regarding investments of ₹ 680.10 Crore (including investments in equity / preference shares of ₹ 302.03 Crore made by the Company and its subsidiary and loans of ₹ 378.07 Crore) as at March 31, 2016 in GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL'), a subsidiary of the Company. GHVEPL has been incurring losses since the commencement of commercial operations and the Company has made a provision of ₹ 269.08 Crore (including ₹ 137.67 Crore during the year ended March 31, 2016) for the diminution in the value of the investments as at March 31, 2016. Based on a valuation assessment, a legal opinion and for reasons explained in the said note, management of the Company believes that no further provision for diminution in the value of investments is considered necessary in the accompanying standalone financial statements for the year ended March 31, 2016.

e. Note 13[14(a)] and 13[14(b)] regarding the uncertainties pertaining to coal prices and other key assumptions made by the management in the valuation assessment of its investments in entities which are engaged in the operation and development of coal mines. In the opinion of the management of the Company, no further provision for diminution in the value of investments (including loans) is considered necessary at this stage in the accompanying standalone financial statements for the year ended March 31, 2016 for the reasons explained in the said notes.

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

Report on Other Legal and Regulatory Requirements

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account;

   (d) Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

   (f) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;

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

   (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report dated May 30, 2016 in "Annexure II" to this report;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Notes 13(6),13(7), 13[12](a), 13[12](b), 13(13), 13(15), 13(21) and 34 to the standalone financial statements;

      ii. Except for the possible effect of the matters described in sub-paragraphs 1 and 2 in the Basis for Qualified Opinion paragraph, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Re: GMR Infrastructure Limited

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

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

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

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

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

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

(v) The Company has not accepted any deposits from the public.

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

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

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

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

(₹ in Crore)

Name of the statute	Nature of dues	Amount (₹ in Crore)	Period for which amounts relates to	Forum where dispute is pending
Finance Act, 1994	Service tax	41.42	October 2007 to March 2014	Commissioner of Service Tax, Bangalore
Central Excise Act, 1944	Central excise duty (including penal charges and excluding interest)	1.03	March 2011 to December 2012	Office of the Commissioner of Customs, Central Excise and Service Tax, Hyderabad-III Commissionerate
Income Tax Act, 1961	Income Taxes*	86.19	FY 2006-07 to 2012-13	Commissioner of Income Tax (Appeals)

*Net of ₹ 68.36 Crore paid by the Company.

(viii) In our opinion and according to the information and explanations given to us by the management of the Company, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. The Company did not have any outstanding loans or borrowing to government during the year.

(ix) In our opinion and according to the information and explanations given to us by the management of the Company, the Company has utilized the monies raised by way of initial public offer / further public offer in the nature of rights issue of equity shares and debt instruments in the nature of foreign currency convertible bonds (FCCBs) and term loans for the purposes for which they were raised.

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

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

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

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

(xiv) According to the information and explanations given by the management of the Company and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares during the year under review. According to the information and explanations given to us by the management of the Company, the Company has complied with the provisions of section 42 of the Act in respect of the private placement of FCCBs issued during the year and that the amount raised, has been used for the purposes for which the funds were raised.

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

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

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

Annexure II to the Independent Auditor's Report of even date on the standalone financial statements of GMR Infrastructure Limited

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

To the Members of GMR Infrastructure Limited

We have audited the internal financial controls over financial reporting of GMR Infrastructure Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal control over financial reporting as at March 31, 2016:

(a) The Company's internal financial control with regard to assessment of carrying value of investments in certain subsidiaries as more fully explained in note 13(6) and 13[12(b)] to the standalone financial statements were not operating effectively and could potentially result in the Company not providing for adjustments, that may be required to be made to the carrying value of such investments.

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

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effect of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as at March 31, 2016.

Explanatory paragraph

We have also audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The material weakness referred to in the Qualified opinion paragraph above, was considered in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of the Company and this report affect our report dated May 30, 2016, which expressed a qualified opinion on those standalone financial statements.

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

Balance sheet as at March 31, 2016

	Notes	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity and liabilities			
Shareholders' funds			
Share capital	3	603.59	1,572.80
Reserves and surplus	4	8,818.26	7,883.47
Money received against share warrants	3(g)	-	141.75
		9,421.85	**9,598.02**
Share application money pending allotment	3(f)	-	889.66
Non-current liabilities			
Long-term borrowings	5	5,296.62	3,365.98
Other long-term liabilities	7	140.52	22.72
Long-term provisions	8	2.74	1.74
		5,439.88	**3,390.44**
Current liabilities			
Short-term borrowings	9	137.45	146.03
Trade payables	10	106.38	160.80
Other current liabilities	10	688.80	988.86
Short-term provisions	8	15.38	12.79
		948.01	**1,308.48**
Total		**15,809.74**	**15,186.60**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	73.01	80.29
Intangible assets	12	2.77	2.99
Non-current investments	13	7,703.86	9,025.56
Long-term loans and advances	14	5,998.63	4,125.24
Trade receivables	15.1	43.17	52.40
Other non-current assets	15.2	317.27	761.42
		14,138.71	**14,047.90**
Current assets			
Current investments	16	155.64	100.00
Inventories	17	8.73	4.55
Trade receivables	15.1	124.72	147.95
Cash and bank balances	18	329.99	398.64
Short-term loans and advances	14	469.26	228.18
Other current assets	15.2	582.69	259.38
		1,671.03	**1,138.70**
Total		**15,809.74**	**15,186.60**
Summary of significant accounting policies	2.1	-	

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

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Statement of profit and loss for the year ended March 31, 2016

	Notes	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Income			
Revenue from operations	19	799.10	649.74
Other income	20	15.07	19.48
Total (i)		**814.17**	**669.22**
Expenses			
Cost of materials consumed	21	27.57	33.30
Subcontracting expenses (refer note 32)		97.70	90.83
Employee benefit expenses	22	39.25	25.03
Other expenses	23	46.39	50.87
Depreciation and amortisation expenses	24	15.77	20.03
Finance costs	25	514.88	537.29
Total (ii)		**741.56**	**757.35**
Profit/ (loss) before exceptional items and tax expenses [(i)-(ii)]		72.61	(88.13)
Exceptional items	26	(1,576.93)	(262.40)
(Loss)/ profit before tax		**(1,504.32)**	**(350.53)**
Tax expenses			
Current tax		23.79	5.92
Less: Minimum Alternate Tax ('MAT') credit entitlement		(9.21)	(5.92)
Reversal of current tax of earlier years		-	(0.79)
MAT credit written off		-	0.79
Deferred tax charge / (credit)		-	2.12
Total tax expenses		**14.58**	**2.12**
(Loss)/Profit for the year		**(1,518.90)**	**(352.65)**
Earnings per equity share [nominal value of share ₹ 1 each (March 31, 2015: ₹ 1)]			
Basic and diluted	27	(2.68)	(0.83)
Summary of significant accounting policies	2.1		

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

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Cash flow statement for the year ended March 31, 2016

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(1,504.32)	(350.53)
Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows		
Depreciation and amortisation expenses	15.77	20.03
Provisions no longer required, written back	(8.42)	(10.56)
Gain on account of foreign exchange fluctuations (net)	2.09	-
Exchange adjustment on sale of investments	-	(6.72)
Provision for diminution in the value of investment/advances in subsidiaries	1,576.93	262.40
Loss on sale of fixed assets	0.03	-
Bad debts written off	0.14	-
Provision for doubtful debts	0.15	-
Profit on sale of current investments (others)	(1.30)	(20.25)
Dividend income on current investments (other than trade) (gross) [₹ 10,732 (March 31, 2015: ₹ 10,732)]	(0.00)	(0.00)
Interest income	(605.48)	(441.73)
Finance costs	514.88	537.29
Operating (loss)/profit before working capital changes	**(9.53)**	**(10.07)**
Movement in working capital:		
(Increase)/ decrease in inventories	(4.18)	57.29
(Increase)/ decrease in loans and advances	(98.94)	(23.98)
(Increase)/ decrease in other assets	(58.79)	11.94
(Increase)/ decrease in trade receivables	32.17	48.14
Increase/ (decrease) in trade payables, other current liabilities and provisions	164.02	(164.38)
Cash generated from/ (used in) operations	**24.75**	**(81.06)**
Direct taxes paid (net of refunds)	(31.92)	(31.16)
Net cash (used in) operating activities	**(7.17)**	**(112.22)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, capital work-in-progress and capital advances	(8.61)	(4.10)
Proceeds from sale of fixed assets	0.02	0.02
Purchase of non-current investments (including share application money)	(400.70)	(12.03)
Proceeds from sale of non-current investments	118.68	961.02
Sale / (purchase) of current investments (net)	(9.70)	25.79
Investment in bank deposit (having original maturity of more than three months)	406.14	(99.88)
Loans given to subsidiary companies	(2,990.83)	(2,628.88)
Loans repaid by subsidiary companies	982.26	980.42
Interest received	350.40	407.26
Dividend received [₹ 10,732 (March 31, 2015: ₹ 10,732)]	0.00	0.00
Net cash (used in) investing activities	**(1,552.34)**	**(370.38)**

Cash flow statement for the year ended March 31, 2016 (Contd.)

	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	2,311.21	643.00
Repayment of long term borrowings	(808.13)	(1,520.50)
Repayment of short term borrowings (net)	(8.58)	(69.61)
Proceeds from share application money pending allotment and issue of share warrants	-	1,031.41
Proceeds from issue of shares pursuant to Rights Issue/ Qualified Institutional Placement (net of expenses)	493.41	1,441.56
Dividend paid on equity shares	-	(43.34)
Dividend paid on preference shares	(0.01)	-
Tax on equity dividend paid	-	(7.43)
Tax on preference dividend paid [₹ 23,139 (March 31, 2015: ₹ Nil)]	(0.00)	-
Payment of debenture redemption premium	(0.49)	(24.46)
Finance costs paid	(496.45)	(573.72)
Net cash from financing activities	**1,490.96**	**876.91**
Net (decrease)/increase in cash and cash equivalents	**(68.55)**	**394.31**
Cash and cash equivalents at the beginning of the year	**398.54**	**4.23**
Cash and cash equivalents at the end of the year	**329.99**	**398.54**
Components of cash and cash equivalents		
Cash on hand	0.20	0.06
Cheques on hand	-	0.10
Balances with banks		
- On current accounts	35.63	398.38
- Deposits with original maturity of less than three months	294.16	-
Total cash and cash equivalents (Note 18)	**329.99**	**398.54**

Notes:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on Cash Flow Statements, notified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
2. The above cash flow statement has been compiled from and is based on the balance sheet as at March 31, 2016 and the related statement of profit and loss for the year ended on that date.
3. Previous year's figures have been regrouped and reclassified, wherever necessary to confirm to those of the current year's classification. Refer note 41.
4. Balance with banks- on current accounts includes ₹ Nil (March 31, 2015: ₹ 347.65 Crore) towards share application money for issue of rights shares. The funds were received in an escrow account and were restricted till the allotment of equity shares pursuant to the right issue. Refer note 3(f).
5. (Loss)/profit before tax includes ₹ Nil (March 31, 2015: ₹ 2.92 Crore) on account of expenditure incurred on Corporate Social Responsibilty activities.

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

Notes to the financial statements for the year ended March 31, 2016

1 CORPORATE INFORMATION

GMR Infrastructure Limited ('GIL' or 'the Company') is a public limited Company domiciled in India. Its equity shares are listed on two stock exchanges in India. The Company carries its business in the following business segments:

a. Engineering Procurement Construction (EPC)

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

b. Others

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

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP'). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ('the Act'), read with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a Use of estimates

The preparation of 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 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 Tangible fixed assets

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, 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 fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible fixed assets, including day to day repairs 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 Company 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 tangible asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs ('MCA') circular dated August 09, 2012, exchange differences adjusted to the cost of tangible fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company 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 derecognition of tangible fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the tangible fixed assets and are recognised in the statement of profit and loss when the tangible fixed asset is derecognised.

c Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Act. The Company has used the following useful lives to provide depreciation on its tangible fixed assets. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Tangible fixed assets**	Useful lives estimated by the management (in years)	
	2015-16	2014-15
Plant and equipments	4 to 15 *	4 to 15 *
Office equipments	5	5
Furniture and fixtures	10	10
Vehicles	8 to 10	8 to 10
Computers	3	3

* The management has estimated, supported by technical evaluation and past experience, the useful lives of plant and equipments.

** The management has estimated, supported by technical evaluation and past experience, the useful lives of asset individually costing ₹ 5,000 or less to be less than one year, which is lower than those indicated in Schedule II.

Notes to the financial statements for the year ended March 31, 2016

d Intangible assets and amortisation

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

Computer software is amortised based on the useful life of 6 years on a straight line basis as estimated by the management.

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

e Impairment of tangible/ intangible assets

The Company 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 Company 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 Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company'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 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 up to the amount of any previous revaluation.

After impairment, depreciation 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 Company 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.

f Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to the 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 the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

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

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

g Borrowing costs

Borrowing costs include 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.

Notes to the financial statements for the year ended March 31, 2016

h 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 financial statements at lower of cost and 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 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.

i Inventories

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

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

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

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

j Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from construction activity

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, it recognises revenue 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. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

Dividends

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date.

Income from management/ technical services

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

Interest

Interest income on loans, investments and bank deposits are recognised on a time proportion basis taking into account the amounts invested and the rate applicable.

k Foreign currency translation

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.

Notes to the financial statements for the year ended March 31, 2016

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

1. 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.

2. 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.

3. All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of (iii)(1) and (iii)(2) above, the Company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of twelve 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 Company 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.

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 entered into for the purpose of hedging foreign currency risk on monetary items are amortized and recognized 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 for acquisition of Fixed Assets, are recognized 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 recognized 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 paragraphs (iii)(1) and (iii)(2) above.

l Retirement and other employee benefits

(i) Defined contribution plans

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

(ii) Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided on the basis of 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 in full in the period in which they occur in the statement of profit and loss as an income or expense.

(iii) Other long term employee benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(iv) Short term employee benefits

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

Notes to the financial statements for the year ended March 31, 2016

m 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 number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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 potential dilutive equity shares.

n Income taxes

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 (the 'IT Act') enacted in India. 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 Company has 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.

At each reporting date, the Company re-assesses 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 Company 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.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company 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 Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the 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 Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

o Segment reporting

Identification of segments

The Company’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 Company operate.

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 financial statements for the year ended March 31, 2016

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

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

p Shares/ debentures issue expenses and premium on redemption

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

q Provisions

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

r 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 Company 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 Company does not recognise a contingent liability but discloses its existence in the financial statements.

s Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash/ cheques/ drafts on hand and short-term investments with an original maturity of three months or less.

t Corporate Social Responsibility ('CSR') expenditure

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

Notes to the financial statements for the year ended March 31, 2016

3 SHARE CAPITAL

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Authorised shares		
13,500,000,000 (March 31, 2015: 7,500,000,000) equity shares of ₹ 1 each	1,350.00	750.00
6,000,000 (March 31, 2015: Nil) preference shares of ₹ 1,000 each	600.00	-
Nil (March 31, 2015: 6,000,000) Compulsorily Convertible Preference Shares ('CCPS' or 'preference shares') of ₹ 1,000 each ('Series A CCPS')	-	600.00
Nil (March 31, 2015: 6,000,000) CCPS of ₹ 1,000 each ('Series B CCPS')	-	600.00
Issued, subscribed and fully paid-up shares		
6,035,945,275 (March 31, 2015: 4,361,247,379) equity shares of ₹ 1 each	603.59	436.13
Nil (March 31, 2015: 5,683,351) Series A CCPS of ₹ 1,000 each	-	568.33
Nil (March 31, 2015: 5,683,353) Series B CCPS of ₹ 1,000 each	-	568.34
Forfeiture of shares		
Nil (March 31, 2015: 4,500) equity shares of ₹ 1 each not fully paid-up [₹ Nil (March 31, 2015: ₹ 2,250)]	-	0.00
Total issued, subscribed and paid-up share capital	**603.59**	**1,572.80**

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

Equity shares	March 31, 2016		March 31, 2015	
	Number	₹ in Crore	Number	₹ in Crore
At the beginning of the year	4,361,247,379	436.13	3,892,434,782	389.24
Add : Issued during the year (refer note 3(h))	-	-	468,817,097	46.89
Add : Issued during the year (refer note 3(f))	934,553,010	93.46	-	-
Add : Converted from Series A CCPS and Series B CCPS during the year (refer note 3(c))	740,144,886	74.00	-	-
Less: Forfeited during the year [₹ Nil (March 31, 2015: ₹ 2,250)]	-	-	(4,500)	(0.00)
Outstanding at the end of the year	**6,035,945,275**	**603.59**	**4,361,247,379**	**436.13**

Preference shares	March 31, 2016		March 31, 2015	
	Number	₹ in Crore	Number	₹ in Crore
At the beginning of the year				
a) Series A CCPS of ₹ 1,000 each	5,683,351	568.33	5,683,351	568.33
b) Series B CCPS of ₹ 1,000 each	5,683,353	568.34	5,683,353	568.34
Less: Converted into equity shares during the year				
a) Series A CCPS of ₹ 1,000 each	5,683,351	568.33	-	-
b) Series B CCPS of ₹ 1,000 each	5,683,353	568.34	-	-
Outstanding at the end of the year				
a) Series A CCPS of ₹ 1,000 each	-	-	5,683,351	568.33
b) Series B CCPS of ₹ 1,000 each	-	-	5,683,353	568.34

(b) Terms / rights attached to equity shares

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

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

(c) Terms / rights attached to CCPS:

During the year ended March 31, 2014, pursuant to the equity shareholders' approval obtained on March 20, 2014, the Company issued 11,366,704 CCPS of face value of ₹ 1,000 each comprising of (a) 5,683,351 Series A CCPS each fully paid up, carrying a coupon rate of 0.001% per annum ('p.a.') and having a term of 17 months from the date of allotment and (b) 5,683,353 Series B CCPS each fully paid up, carrying a coupon rate of 0.001% p.a. and having a term of 18 months from the date of allotment, to IDFC Limited, Dunearn Investments (Mauritius) Pte Limited, GKFF Ventures, Premier Edu-Infra Solutions Private Limited and Skyron Eco-Ventures Private Limited. The Series A CCPS and Series B CCPS were convertible into equity shares upon the expiry of their respective terms in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ('ICDR Regulations') on the basis of the minimum permissible price, computed in accordance with Regulation 76 read with Regulation 71(b) of the SEBI ICDR Regulations on the conversion date. Pursuant to the approval of the Management Committee of the Board of Directors dated August 26, 2015 and September 26, 2015, the Company approved the allotment for conversion of aforesaid Series A CCPS into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively.

Notes to the financial statements for the year ended March 31, 2016

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

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

Particulars	March 31, 2016 Number	March 31, 2015 Number
GMR Holdings Private Limited ('GHPL'), the Holding Company		
Equity shares of ₹ 1 each, fully paid up	2,852,072,962	2,752,091,862
GMR Infra Ventures LLP ('GIVLLP'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	31,321,815	31,321,815
GMR Enterprises Private Limited ('GEPL'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	23,400,000	23,400,000
Welfare Trust of GMR Infra Employees ('GWT'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	17,999,800	17,999,800
GMR Business and Consulting LLP ('GBC'), an associate of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	805,635,166	52,973,443
Cadence Retail Private Limited ('CRPL'), a subsidiary of the Holding Company		
Equity shares of ₹ 1 each, fully paid up	100,000	100,000

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

Particulars	March 31, 2016		March 31, 2015	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 1 each fully paid				
GHPL	2,852,072,962	47.25%	2,752,091,862	63.10%
GBC	805,635,166	13.35%	52,973,443	1.21%
Series A CCPS of ₹ 1,000 each				
Dunearn Investments (Mauritius) Pte Limited	-	-	3,944,084	69.40%
IDFC Limited*	-	-	209,550	3.69%
GKFF Ventures*	-	-	2,72,415	4.79%
Premier Edu-Infra Solutions Private Limited*	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	1,047,752	18.43%
Series B CCPS of ₹ 1,000 each				
Dunearn Investments (Mauritius) Pte Limited	-	-	3,944,085	69.40%
IDFC Limited*	-	-	209,550	3.69%
GKFF Ventures*	-	-	272,416	4.79%
Premier Edu-Infra Solutions Private Limited*	-	-	209,550	3.69%
Skyron Eco Ventures Private Limited*	-	-	1,047,752	18.43%

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

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

(f) Pursuant to the approval of the Management Committee of the Board of Directors dated April 18, 2015, the Company approved the allotment of 934,553,010 equity shares of face value of ₹ 1 each at a price of ₹ 15 per equity share (including securities premium of ₹ 14 per equity share) for an amount aggregating to ₹ 1,401.83 Crore to the existing equity shareholders of the Company on rights basis in the ratio of 3 equity shares for every 14 equity shares held by equity shareholders under chapter IV of the SEBI ICDR Regulations and provisions of all other applicable laws and regulations.The details of utilization of rights issue as at March 31, 2016 is stated below :-

₹ in Crore

Particulars	Amount proposed to be utilised from Net proceeds	Amount utilised	Balance Amount as at March 31, 2016
Full or partial repayment or prepayment of borrowings and payment of interest, prepayment penalty or premium on borrowings	1,035.00	1,035.00	-
Extend facilities to Company's subsidiary towards part repayment of the subsidiary's borrowings	215.00	215.00	-
General corporate purpose	131.98	131.98	-
Issue related expenses	19.85	19.85	-
Total	**1,401.83**	**1,401.83**	**-**

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

Notes to the financial statements for the year ended March 31, 2016

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

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
During the year ended March 31, 2016, 5,683,351 Series A CCPS and 5,683,353 Series B CCPS of face value of ₹ 1,000 each have been converted into 359,478,241 equity shares of face value of ₹ 1 each at a price of ₹ 15.81 per equity share (including securities premium of ₹ 14.81 per equity share) and the Series B CCPS into 380,666,645 equity shares of face value of ₹ 1 each at a price of ₹ 14.93 per equity share (including securities premium of ₹ 13.93 per equity share) respectively. (Refer note 3(c))	74.00	-

4 RESERVES AND SURPLUS

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
(a)	**Capital Reserve**		
	Balance as per the last financial statements	-	-
	Add: transfer on forfeiture of share warrants[1]	141.75	-
	Closing balance	**141.75**	**-**
(b)	**Securities premium account**		
	Balance as per the last financial statements	7,658.71	6,286.53
	Add: received during the year on issue of equity shares (refer note 3(f) and 3(h))	1,308.37	1,429.89
	Add: securities premium towards conversion of CCPS into equity shares (refer note 3(c))	1,062.66	-
	Less: utilised towards provision for debenture redemption premium (net of taxes and MAT credit)	-	(22.49)
	Less: utilised towards share issue expenses	(18.76)	(35.22)
	Less: utilised towards issue of foreign currency convertible bonds ('FCCB') expenses	(39.43)	-
	Closing balance	**9,971.55**	**7,658.71**
(c)	**Debenture redemption reserve**		
	Balance as per the last financial statements	121.33	118.22
	Add: amount transferred from the surplus balance in the statement of profit and loss	38.49	49.36
	Less: amount transferred to the surplus in the statement of profit and loss / general reserve	(34.38)	(46.25)
	Closing balance	**125.44**	**121.33**
(d)	**General reserve**		
	Balance as per the last financial statements	40.62	40.62
	Closing balance	**40.62**	**40.62**
(e)	**Foreign currency monetary translation difference account (FCMTDA)**		
	Balance as per the last financial statements	-	-
	Movement during the year	**(0.89)**	**-**
	Closing balance	**(0.89)**	**-**
(f)	**(Deficit)/Surplus in the statement of profit and loss**		
	Balance as per last financial statements	62.81	429.37
	(Loss)/ profit for the year	(1,518.90)	(352.65)
	Add: Amount transferred from debenture redemption reserve	34.38	46.25
	Less: depreciation adjusted against surplus in the statement of profit and loss (refer note 11)	-	(5.30)
	Less: Appropriations		
	Equity dividend[2]	-	(4.69)
	Tax on equity dividend[2]	-	(0.80)
	Proposed preference dividend[3]	(0.01)	(0.01)
	Tax on preference dividend ₹ 10,302 (March 31, 2015: ₹ 23,139)	(0.00)	(0.00)
	Transfer to debenture redemption reserve	(38.49)	(49.36)
	Net (Deficit)/Surplus in the statement of profit and loss	**(1,460.21)**	**62.81**
	Total reserves and surplus (a+b+c+d+e+f)	**8,818.26**	**7,883.47**

1. Refer Note 3(g)
2. During the year ended March 31,2015 pursuant to the issue of shares to QIB before the record date, dividend of ₹ 0.10 per equity share of ₹ 1 each for the year ended March 31,2014 was paid to QIB.
3. The Board of Directors of the Company have recommended a dividend on preference shares at the rate of 0.001% on a prorata basis (March 31,2015: 0.001%) on Series A CCPS and Series B CCPS for the year ended March 31, 2016.

Notes to the financial statements for the year ended March 31, 2016

5 LONG-TERM BORROWINGS

Particulars	Non-current portion		Current maturities	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Debentures/ Bonds				
10,000 (March 31, 2015: 10,000) 0% redeemable and non-convertible debentures of ₹ 8,30,000 each (March 31, 2015: ₹ 9,67,500) (secured)[1]	717.50	867.50	112.50	100.00
6 (March 31, 2015: Nil) 7.5% Foreign Currency Convertible Bonds ('FCCBs') of USD 50,000,000 (March 31, 2015: Nil) each (unsecured)[19]	2,003.10	-	-	-
Term loans				
Indian rupee term loan from financial institutions (secured)[15,16]	192.59	223.75	31.16	8.18
Indian rupee term loan from a financial institution (unsecured)[2,3,4]	910.00	1,010.00	100.00	100.00
Indian rupee term loan from banks (secured)[6,7,8,9,10,11,12,18]	854.94	606.59	52.26	153.66
Indian rupee term loan from banks (unsecured)[5,13]	545.23	575.39	30.16	395.62
Other loans and advances				
Loan from a group company (unsecured) [14] (refer note 32)	73.14	82.57	9.43	4.72
Loan from others (secured)[17]	0.12	0.18	0.05	0.05
	5,296.62	**3,365.98**	**335.56**	**762.23**
The above amount includes				
Secured borrowings	1,765.15	1,698.02	195.97	261.89
Unsecured borrowings	3,531.47	1,667.96	139.59	500.34
Amount disclosed under the head "other current liabilities" (refer note 10)	-	-	(335.56)	(762.23)
Net amount	**5,296.62**	**3,365.98**	**-**	**-**

1. During the year ended March 31, 2012, the Company had entered into an agreement to issue 7,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each to ICICI Bank Limited ('ICICI') ('Tranche 1'). During the year ended March 31, 2013 the Company has further entered into an agreement with ICICI to issue 3,000 secured, redeemable, non convertible debentures of ₹ 1,000,000 each ('Tranche 2'). These debentures are secured by way of first ranking (i) pari passu charge on the fixed assets of GMR Vemagiri Power Generation Limited ('GVPGL'); (ii) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GMR Energy Limited ('GEL') held by GMR Renewable Energy Limited ('GREEL'); (iii) pari passu pledge over 30% of fully paid-up equity shares of ₹ 10 each of GVPGL held by GEL; (iv) pari passu charge over GVPGL excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI; (v) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by the Company with ICICI. These debentures are redeemable at a premium yielding 14.50% p.a. till March 25, 2013 and after March 25, 2013 with a yield of base rate of ICICI plus 4.50% p.a. The Tranche 1 is redeemable in thirty seven quarterly unequal instalments commencing from March 25, 2012 and Tranche 2 is redeemable in thirty six quarterly unequal instalments commencing from June 25, 2012. As at March 31, 2016, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is ₹ 830,000 (March 31, 2015: ₹ 967,500) per debenture.

2. Indian rupee term loan from a financial institution of ₹ 150.00 Crore (March 31, 2015: ₹ 150 Crore) carries interest @ 12.00% p.a. (March 31, 2015: 12.00% p.a) payable on a quarterly basis. The loan is repayable in seven equal annual instalments commencing at the end of four years from the date of first disbursement. The loan is secured by exclusive first charge on land held by GMR Krishnagiri SEZ Limited ('GKSEZ').

3. Indian rupee term loan from a financial institution of ₹ 600.00 Crore (March 31, 2015: ₹ 700.00 Crore) carries interest @ 11.75% p.a. (March 31, 2015 : 11.75% p.a.) payable on a half yearly basis. The loan is repayable in ten equated annual instalments commencing from December 2012. The loan is secured by an exclusive first charge on barge mounted plant of a subsidiary Company and pledge of 33,198,216 (March 31, 2015: 33,198,216) equity shares of ₹ 1 each of the Company, held by GHPL.

4. Indian rupee term loan from a financial institution of ₹ 260.00 Crore (March 31, 2015: ₹ 260.00 Crore) carries interest @ 12.15% p.a. (March 31, 2015: 12.15% p.a.) payable on a quarterly basis. The loan is repayable in six equal annual instalments commencing at the end of five years from the date of first disbursement. The loan is secured by an exclusive first charge on certain immovable properties located in the State of Andhra Pradesh ('AP') owned by Namitha Real Estate Private Limited (NREPL), a subsidiary of the Company, Corporate Infrastructure Services Private Limited, a fellow subsidiary, Varalaxmi Jute & Twine Mills Private Limited, Vijay Niwas Real Estates Private Limited and Smt. G. Varalakshmi.

5. Indian rupee term loan from a bank of ₹ 1,000.00 Crore carries interest @ base rate of lender plus spread of 4.75% p.a. payable on a monthly basis. The loan is secured by i) subservient charge on the immovable properties and moveable assets of GMR Warora Energy Limited (GWEL) (formerly EMCO Energy Limited (EMCO)) both present and future ii) subservient charge on non agricultural land in AP of Kakinada SEZ Private Limited ('KSPL') iii) pledge of NIL (March 31, 2015: 460,000,000) equity shares of the Company, held by GHPL iv) pledge of 23% equity shares of GWEL held by GEL v) pledge of 30% equity shares of GMR Chhattisgarh Energy Limited ('GCHEPL') held by GEL vi) pledge over 30% of equity

Notes to the financial statements for the year ended March 31, 2016

shares of GEL held by GREEL vii) subservient charge on immovable properties situated in the State of Gujarat (both present and future) and all moveable assets of GMR Gujarat Solar Power Private Limited ('GGSPPL'). There were certain mandatory prepayment events agreed with the bank including further issue of equity shares/ divestments of stake in certain entities. Accordingly, the Company has prepaid ₹ 500 Crore (₹ 200 Crore prepaid during the year ended March 31, 2015) and ₹ 500.00 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ 800.00 Crore). The loan is repayable in twelve structured quarterly instalments commencing from April 25, 2021 and ending on January 25, 2024 as per the revised agreement dated May 27, 2016.

6. Indian rupee term loan from a bank of ₹ NIL (March 31, 2015: ₹ 50.00 Crore) carried interest @ base rate of lender plus spread of 0.85% p.a. payable on a monthly basis. The loan was secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) exclusive charge on loans and advances provided by the Company created out of this facility. The loan was repayable in 6 equal quarterly instalments commencing from March 31, 2014.

7. Indian rupee term loan from a bank of ₹ 200.00 Crore (March 31, 2015: ₹ 200.00 Crore) carries interest @ base rate of lender plus spread of 1.50% p.a. (March 31, 2015 : base rate of lender plus spread of 1.50% p.a.) and interest is payable on a monthly basis. The loan is secured by a first charge over the immovable properties of ₹ 17.70 Crore, aircrafts of ₹ 38.75 Crore, lien marked fixed deposit of ₹ 3.81 Crore and exclusive charge on loans and advances provided by the Company out of this loan facility, charge over 30% shares by GHPL in GMR Sports Private Limited ('GSPL') and non-disposable undertaking with regard to 19% of shareholding of GHPL in GSPL. Of the above ₹ 200.00 Crore, ₹ 125.00 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ 179.75 Crore). The Company has prepaid ₹ 63.75 Crore received from the issue of FCCBs as detailed in note 5(19). The loan is repayable in five equal quarterly instalments commencing from March 26, 2017 as per the revised agreement dated May 23, 2016.

8. Indian rupee term loan from a bank of ₹ 225.00 Crore (March 31, 2015: ₹ 250.00 Crore) carries interest @ base rate of lender plus spread of 1.05% p.a. (March 31, 2015 : base rate of lender plus spread of 1.05% p.a.) and interest is payable on a monthly basis. The loan is secured by i) residual charge over all current assets and movable fixed assets both present and future ii) first charge over loans and advances both present and future (excluding EPC division) to provide minimum cover of 1.25 times of the facility outstanding iii) second charge over cash flows present and future of GMR Highways Limited ('GMRHL') iv) an exclusive charge over the rights and interest of GMR group in IBC Knowledge Park property at Bangalore v) pledge of 30% shares of GMRHL and vi) DSRA covering interest payment for the first three months. There were certain mandatory prepayment events agreed with the bank including further issue of equity shares/ divestments of stake in certain entities. Accordingly, the Company has prepaid ₹ 25.00 Crore (₹ 250.00 Crore prepaid during the year ended March 31, 2015).The loan is repayable in six structured quarterly instalments commencing from March 26, 2017 as per the revised agreement dated May 23, 2016.

9. Indian rupee term loan from a bank of ₹ 64.75 Crore (March 31, 2015: ₹ 70 Crore) carries interest @ base rate of lender plus spread of 0.85% p.a. (March 31, 2015 : base rate of lender plus spread of 0.85% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) an exclusive charge on assets provided by the Company created out of this facility iii) pledge of 67,123,287 (March 31, 2015: 67,123,287) equity shares of ₹ 1 each of the Company, held by GHPL and iv) corporate guarantee of GHPL. The Company has prepaid ₹ 2.63 Crore received from the issue of FCCBs as detailed in note 5(19). The loan is repayable in ten structured quarterly instalments commencing from March 6, 2017 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of thirty six months from the date of first disbursement and every three months thereafter.

10. Indian rupee term loan from a bank of ₹ 120.00 Crore (March 31, 2015: ₹ 120.00 Crore) carries interest @ base rate of lender plus spread of 1.50% p.a. (March 31, 2015 :1.50% p.a) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) exclusive charge on assets provided by the Company created out of this facility iii) pledge of shares of the Company on completion of eighteen months from the date of first disbursement to cover the outstanding amount of loan facility less amount of fixed deposit as stated aforesaid on such date iv) Cross Collaterization with existing securities of company with the lender. The loan is repayable in eight equal quarterly instalments commencing from January 27, 2018 as per the revised agreement dated May 23, 2016. The bank has a put option for full or part of the facility amount at the end of eighteen months from the date of first disbursement and every three months thereafter.

11. Indian rupee term loan from a bank of ₹ 87.07 Crore (March 31, 2015: ₹ 90.00 Crore) carries interest @ base rate of lender plus spread of 1.25% p.a. (March 31, 2015 : base rate of lender plus spread of 1.25% p.a.) and interest is payable on a monthly basis. The loan is secured by i) 10% of cash margin on the outstanding amount in the form of lien on fixed deposits in favour of the lender ii) Cross Collaterization with existing securities available to lender under various facilities extended to GMR Group by the lender iii) Pledge over 8.3% share holding of GEL held by the Company

Notes to the financial statements for the year ended March 31, 2016

iv) an exclusive charge on assets created out of underlying facility by GMR Infrastructure Singapore Pte Limited (GISPL) in favour of lender approved correspondent bank v) Pledge on Compulsorily Convertble Preference Shares invested by GISPL in GMR Coal Resources Pte Limited (GCRPL) in favour of lender approved correspondent bank vi) Cash flows of GISPL from the underlying contract with GIL or its subsidiaries to be escrowed / charged in favour of lender approved correspondent bank vii) Exclusive charge on loans given to GEL, and/or exclusive charge on all the moveable/immovable fixed assets of Raxa Securities Services Private Limited ('RSSL') and / or charge on other assets acceptable to the lender to cover the outstanding loan amount viii) DSRA covering interest payment for the first three months. The Company has prepaid ₹ 2.03 Crore received from the issue of FCCBs as detailed in note 5(19). The loan is repayable in fourteen unequal semi-annually instalments commencing after twelve months from the date of first disbursement.

12. Vehicle loan from a bank of ₹ 0.38 Crore (March 31, 2015: ₹ 0.50 Crore) carries interest @ 10.00% p.a. (March 31, 2015 : 10.00% p.a) and the same is payable on a monthly basis. The loan is repayable in sixty equal monthly instalments commencing from October 01, 2013 and is secured by the vehicle taken on loan.

13. Indian rupee term loan from a bank of ₹ 500.00 Crore (March 31, 2015: ₹ 500.00 Crore) carries interest at base rate of lender plus applicable spread of 3.25% p.a (March 31, 2015 : base rate of lender plus applicable spread of 3.25% p.a.) and the interest is payable on a monthly basis. The loan is secured by an exclusive first mortgage and charge on i) residential property of Mr. G.B.S Raju at Bangalore ii) certain immovable properties of Boyance Infrastructure Private Limited ('BIPL') iii) non agricultural land of Hyderabad Jabilli Properties Private Limited ('HJPPL') at AP iv) non agricultural lands of Mr. G. M. Rao and v) commercial apartment owned by Honey Flower Estates Private Limited ('HFEPL') and additionally secured by a) an irrevocable and unconditional guarantee of BIPL and HJPPL limited to the extent of the value of their property as stated aforesaid b) an irrevocable and unconditional guarantee of GHPL, BIPL and HFEPL and c) demand promissory note equal to principal amount of the loan and interest payable on the loan given by the Company. During the current year, the Company has prepaid ₹ 60.79 Crore from the funds received from issue of right shares as detailed in note 3(f). Of the above ₹ 500.00 Crore, ₹ 75.39 Crore (March 31, 2015: ₹ 171.01 Crore) is outstanding as at March 31, 2016. The loan is repayable in thirteen equal quarterly instalments starting July 1, 2015 as per the revised agreement dated April 10, 2015.

14. Loan of ₹ 100.00 Crore (March 31, 2015: ₹ 100.00 Crore) from its subsidiary, GMR Airport Developers Limited ('GADL') carries interest @ 12.70% p.a. (March 31, 2015: 12.95% p.a) and is payable on a monthly basis. The loan is to be prepaid on the occurrence of any liquidity event as per the terms of the agreement or repayable in twenty eight structured quarterly instalments commencing from December 23, 2013. Out of the above ₹ 100.00 Crore, ₹ 82.57 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ 87.29 Crore).

15. Indian rupee term loan from a financial institution of ₹ 50.00 Crore (March 31, 2015: ₹ 50.00 Crore) carries interest @ 14.75% p.a. linked with SBR on reducing balance (March 31, 2015: 14.75% p.a. linked with SBR on reducing balance) and is payable on a monthly basis. The loan is repayable in Fifty seven monthly instalments commencing from April, 2014. The loan is secured by a charge on the assets taken on loan by the Company. Of the above ₹ 50.00 Crore, ₹ 28.75 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ 36.93 Crore).

16. Indian rupee term loan from a financial institution of ₹ 200.00 Crore (March 31, 2015 : ₹ 200 Crore) carries interest rate @14.25% p.a. (March 31,2015: @14.25% p.a.) and is payable on a monthly basis. The loan is repayable in eighteen quarterly instalments commencing from October, 2016. The loan is secured by way of i) first mortgage and charge on non agriculture lands of SJK Powergen Limited ('SJK') ii) pledge of 20,000,000 (March 31, 2015: 20,000,000) equity shares of ₹ 1 each of the Company, held by GHPL and iii) pledge of such number of equity shares of ₹ 10 each of GEL having book value of minimum of ₹ 400.00 Crore (March 31, 2015: ₹ 400.00 Crore) held by the Company and in case of default of repayment of loan, the lender has the right to convert the loan into equity. Of the above ₹ 200.00 Crore, ₹ 195.00 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ 195.00 Crore).

17. Vehicle loan from others of ₹ 0.17 Crore (March 31, 2015: ₹ 0.23 Crore) carries interest @10.33% p.a. (March 31, 2015: @10.33% p.a) and interest is payable on a monthly basis. The loan is repayable in sixty equal monthly instalments commencing from April, 2014 and is secured by vehicle taken on loan.

18. Indian rupee term loan from a bank of ₹ 300.00 Crore (March 31, 2015: Nil) carries interest @ base rate of lender plus spread of 0.50% p.a. (March 31, 2015 : Nil) and interest is payable on a monthly basis. The loan is secured by i) 10% DSRA in the form of lien on fixed deposits in favor of the lender ii) Exclusive first charge on assets provided by the Company created out of this facility iii) Pledge over 5% shareholding of GEL, held by the Company iv) Pledge over 26% of equity shares of Re 10 each of GWEL, held by GEL. The loan is repayable in fourteen structured quarterly instalments commencing from January 15, 2017 as per the revised agreement dated May 23, 2016.The Company has prepaid ₹ 15.00 Crore received from the issue of FCCBs as detailed in note 5(19) and ₹ 285.00 Crore is outstanding as at March 31, 2016 (March 31, 2015: ₹ NIL).

Notes to the financial statements for the year ended March 31, 2016

19. Pursuant to the approval of the Management Committee of the Board of Directors dated December 10, 2015, the Company has issued 7.50% Unlisted FCCBs of USD 30.00 Crore to Kuwait Investment Authority with a maturity period of 60 years. The Subscriber can exercise the conversion option on and after 18 months from the closing Date upto close of business on maturity date. Interest is payable on an annual basis. The FCCBs are convertible at ₹ 18 per share which can be adjusted downwards at the discretion of the Company, subject to the regulatory floor price. The exchange rate for conversion of FCCBs is fixed at ₹ 66.745/ USD. The Company needs to take necessary steps incase the bondholders direct the Company to list the FCCBS on the Singapore Exchange Trading Limited. Also refer note 18(9).

6 DEFERRED TAX (ASSET) / LIABILITY (NET)

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	5.09	6.67
Gross deferred tax liability	**5.09**	**6.67**
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis*	(5.09)	(6.67)
Gross deferred tax asset	**(5.09)**	**(6.67)**
Net deferred tax asset	**-**	**-**

* In the absence of virtual certainty that sufficient future taxable income would be available against which such deferred tax assets can be realised, the Company has recognised deferred tax assets only to the extent of deferred tax liability as at March 31, 2016 and March 31, 2015.

7 OTHER LONG-TERM LIABILITIES

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Advances from customers	140.52	22.72
	140.52	**22.72**

8 PROVISIONS

Particulars	Long-term		Short-term	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Provision for employee benefits				
Provision for gratuity (refer note 28(a))	2.74	1.74	0.65	0.69
Provision for leave benefits	-	-	5.39	4.94
Provision for other employee benefits	-	-	7.13	4.46
	2.74	**1.74**	**13.17**	**10.09**
Other provision				
Proposed preference dividend (refer note 4(f))	-	-	0.01	0.01
Provision for tax on proposed preference dividend (refer note 4(f)) [₹ 10,302 (March 31, 2015: ₹ 23,139)]	-	-	0.00	0.00
Provision for debenture redemption premium	-	-	2.20	2.69
	-	**-**	**2.21**	**2.70**
	2.74	**1.74**	**15.38**	**12.79**

9 SHORT-TERM BORROWINGS

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Bank overdraft (secured)[1]	77.45	78.03
Intercorporate deposits from related parties repayable on demand (unsecured)[2] (refer note 32)	60.00	68.00
	137.45	**146.03**
The above amount includes		
Secured borrowings	77.45	78.03
Unsecured borrowings	60.00	68.00
	137.45	**146.03**

1. Bank overdraft is secured by first charge on current assets of the EPC division of the Company and lien on fixed deposits with banks amounting to ₹ 20.55 Crore (March 31, 2015: ₹ 20.55 Crore) and carries an interest ranging between 13.00% to 13.75% p.a. (March 31, 2015: 13.00% to 13.75% p.a.).

Notes to the financial statements for the year ended March 31, 2016

2. During the year ended March 31, 2013, the Company had accepted intercorporate deposit of ₹ 150.00 Crore from its subsidiary, GMR Airports Limited ('GAL'), carried an interest at 11.75% p.a. (March 31, 2015: 11.75% p.a.) payable on a monthly basis. The outstanding loan of ₹ 68.00 Crore as at March 31, 2015 has been repaid in full on April 28, 2015. During the year ended March 31, 2016, the Company has availed an intercorporate deposit of ₹ 60.00 Crore (March 31, 2015: Nil) from GAL, which was repayable within three months from the date of first disbursement of deposit and carries an interest @ 12.50% p.a (March 31, 2015: Nil) payable on a monthly basis. The loan has been extended upto June 30, 2016.

10 TRADE PAYABLE AND OTHER CURRENT LIABILITIES

Particulars		March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Trade payable (refer note 32)[1]		106.38	160.80
	(A)	**106.38**	**160.80**
Other liabilities			
Current maturities of long-term borrowings (refer note 5)		335.56	762.23
Interest accrued but not due on borrowings (refer note 32)		67.96	19.99
Book Overdraft		-	22.76
Share application money refund [₹ 22,563 (March 31, 2015 : ₹ Nil)][3]		0.00	-
Advances from customers (refer note 32)		185.22	71.44
Retention money[2]		47.85	58.14
Non trade payable (refer note 32)		42.20	46.48
Unclaimed dividend		0.27	0.27
TDS payable		6.04	4.47
Other statutory dues		1.61	3.08
Forward contract premium payable		2.09	-
	(B)	**688.80**	**988.86**
Total (A+B)		**795.18**	**1,149.66**

1. Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2016 and March 31, 2015.
2. Retention money is payable on the completion of the contracts or after the completion of the defect liability period as defined in the respective contracts.
3. During the year ended March 31, 2016, ₹ 22,563 pertains to excess share application money received against rights issue which is pending to be refunded.

11 TANGIBLE ASSETS

(₹ in Crore)

Particulars	Freehold Land	Office Equipments	Computer Equipments	Plant and Equipments	Furniture and Fixtures	Vehicles	Lease hold Improvements	Total
Gross block (at cost)								
As at April 1, 2014	0.08	8.34	8.52	101.33	2.97	7.58	-	128.82
Additions	-	0.83	0.38	2.46	0.20	-	0.29	4.16
Disposals	-	0.03	-	-	-	-	-	0.03
As at March 31, 2015	**0.08**	**9.14**	**8.90**	**103.79**	**3.17**	**7.58**	**0.29**	**132.95**
Additions	-	0.74	1.42	3.95	0.82	0.58	0.06	7.57
Disposals	-	-	-	-	-	0.15	-	0.15
As at March 31, 2016	**0.08**	**9.88**	**10.32**	**107.74**	**3.99**	**8.01**	**0.35**	**140.37**
Depreciation								
As at April 1, 2014	-	1.60	5.33	17.98	1.30	2.17	-	28.38
Charge for the year	-	3.15	1.22	13.31	0.24	1.06	0.01	18.99
Disposals	-	0.01	-	-	-	-	-	0.01
Adjustments	-	1.13	1.88	2.24	0.05	-	-	5.30
As at March 31, 2015	**-**	**5.87**	**8.43**	**33.53**	**1.59**	**3.23**	**0.01**	**52.66**
Charge for the year	-	1.80	0.29	11.03	0.49	1.08	0.11	14.80
Disposals	-	-	-	-	-	0.10	-	0.10
As at March 31, 2016	**-**	**7.67**	**8.72**	**44.56**	**2.08**	**4.21**	**0.12**	**67.36**
Net block								
As at March 31, 2015	**0.08**	**3.27**	**0.47**	**70.26**	**1.58**	**4.35**	**0.28**	**80.29**
As at March 31, 2016	**0.08**	**2.21**	**1.60**	**63.18**	**1.91**	**3.80**	**0.23**	**73.01**

Note:

The Company had revised the estimated useful lives of its fixed assets with effect from April 01, 2014, in accordance with the provisions of Schedule II of the Act. Accordingly, the net book value of the fixed assets as at April 01, 2014, is being depreciated on a prospective basis over the remaining useful life. This change in accounting estimate had resulted in an increase of ₹ 10.74 Crore in depreciation expenses during the year ended March 31, 2015, with a corresponding decrease in the net block of fixed assets. Further, in case of fixed assets whose useful life on such reassessment had expired as of April 01, 2014, net book value of ₹ 5.30 Crore was adjusted against surplus in the statement of profit and loss as on April 01, 2014.

Notes to the financial statements for the year ended March 31, 2016

12 INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Computer software	Total
Gross block (at cost)		
As at April 1, 2014	6.33	6.33
Additions	0.02	0.02
Disposals	-	-
As at March 31, 2015	**6.35**	**6.35**
Additions	0.75	0.75
Disposals	-	-
As at March 31, 2016	**7.10**	**7.10**
Amortisation		
As at April 1, 2014	2.32	2.32
Charge for the year	1.04	1.04
Disposals	-	-
As at March 31, 2015	**3.36**	**3.36**
Charge for the year	0.97	0.97
Disposals	-	-
As at March 31, 2016	**4.33**	**4.33**
Net block		
As at March 31, 2015	**2.99**	**2.99**
As at March 31, 2016	**2.77**	**2.77**

13 NON-CURRENT INVESTMENTS

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	Trade investments (valued at cost unless stated otherwise)		
	Unquoted equity shares		
A.	**In Subsidiary Companies**		
	- Domestic Companies		
	GMR Hyderabad International Airport Limited ('GHIAL')	0.00	0.00
	[1,000 (March 31, 2015: 1,000) equity shares of ₹ 10 each] [₹ 10,000 (March 31, 2015: ₹ 10,000)]		
	GMR Pochanpalli Expressways Limited ('GPEL')[16]	1.38	1.38
	[1,380,000 (March 31, 2015: 1,380,000) equity shares of ₹ 10 each]		
	GMR Ambala Chandigarh Expressways Private Limited ('GACEPL')[1,7,16]	23.27	23.27
	[23,272,687 (March 31, 2015: 23,272,687) equity shares of ₹ 10 each]		
	Delhi International Airport Private Limited ('DIAL')[15,16]	0.00	0.00
	[100 (March 31, 2015: 100) equity shares of ₹ 10 each] [₹ 1,000 (March 31, 2015: ₹ 1,000)]		
	GMR (Badrinath) Hydro Power Generation Private Limited ('GBHPL')[13]	0.00	0.00
	[4,900 (March 31, 2015: 4,900) equity shares of ₹ 10 each] [₹ 49,000 (March 31, 2015: ₹ 49,000)]		
	GAL[1,15,17,21]	679.83	679.83
	[340,869,304 (March 31, 2015: 340,869,304) equity shares ₹ 10 each]		
	GAPL	86.44	86.44
	[86,440,000 (March 31, 2015: 86,440,000) equity shares of ₹ 10 each]		
	Gateways for India Airports Private Limited ('GFIAL')	0.01	0.01
	[8,649 (March 31, 2015: 8,649) equity shares of ₹ 10 each]		
	GKSEZ	117.50	117.50
	[117,500,000 (March 31, 2015: 117,500,000) equity shares of ₹ 10 each]		
	GMR SEZ & Port Holdings Private Limited ('GSPHPL')[20]	47.99	47.99
	[47,989,999 (March 31, 2015: 47,989,999) equity shares of ₹ 10 each]		
	GMRHL[1,7,12,16,18,19]	20.00	20.00
	[19,999,997 (March 31, 2015: 20,000,000) equity shares of ₹ 10 each]		
	GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL')[12]	2.05	2.05
	[2,050,000 (March 31, 2015: 2,050,000) equity shares of ₹ 10 each]		
	GMR Corporate Affairs Private Limited ('GCAPL')	5.00	5.00
	[4,999,900 (March 31, 2015: 4,999,900) equity shares of ₹ 10 each]		
	GMR Chennai Outer Ring Road Private Limited ('GCORRPL')[1,12,16]	9.30	9.30
	[9,300,000 (March 31, 2015: 9,300,000) equity shares of ₹ 10 each]		
	GMR Energy Trading Limited ('GETL')	50.22	50.22
	[50,219,897 (March 31, 2015: 50,219,897) equity shares of ₹ 10 each]		

Notes to the financial statements for the year ended March 31, 2016

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	Dhruvi Securities Private Limited ('DSPL')[12]	199.70	199.70
	[168,059,694 (March 31, 2015: 168,059,694) equity shares of ₹ 10 each]		
	GMR OSE Hungund Hospet Highways Private Limited ('GOSEHHHPL')[1,18]	-	59.80
	[Nil (March 31, 2015: 59,801,692) equity shares of ₹ 10 each]		
	GREEL[5,8,9,10,11,13,14]	0.50	0.50
	[500,000 (March 31, 2015: 500,000) equity shares of ₹ 10 each]		
	GMR Power Infra Limited ('GPIL')	0.85	0.85
	[849,490 (March 31, 2015: 849,490) equity shares of ₹ 10 each]		
	GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL')[12]	5.05	5.05
	[5,050,000 (March 31, 2015: 5,050,000) equity shares of ₹ 10 each]		
	GEL[1,2,5,8,9,10,11,13,14]	1,476.46	1,476.46
	[536,894,545 (March 31, 2015: 536,894,545) equity shares of ₹ 10 each]		
	- Body Corporates		
	GMR Energy (Mauritius) Limited ('GEML')[14]	0.00	0.00
	[5 (March 31, 2015: 5) equity share of USD 1 each] [₹ 202 (March 31, 2015: ₹ 202)]		
	GMR Infrastructure (Mauritius) Limited ('GIML')[4,6,8,9,10,11,13,14]	1,477.99	1,477.99
	[320,550,001 (March 31, 2015: 320,550,001) equity share of USD 1 each]		
	GMR Coal Resources Pte Limited ('GCRPL')[14(b)]	0.11	0.11
	[30,000 (March 31, 2015: 30,000) equity share of SGD 1 each]		
	GMR Male International Airport Private Limited ('GMIAL')[6]	0.00	0.00
	[154 (March 31, 2015: 154) equity share of Mrf 10 each] [₹ 4,917 (March 31, 2015: ₹ 4,917)]		
	GMR Infrastructure (Overseas) Limited ('GIOL')	0.00	0.00
	[100 (March 31, 2015: 100] equity shares of USD 1 each] [₹ 4,903 (March 31, 2015: ₹ 4,903)]		
	Less : provision for diminution in the value of investments[5,12]	(701.17)	-
B.	**In Associates**		
	Jadcherla Expressways Private Limited ('JEPL') (formerly known as GMR Jadcherla Expressways Limited (GJEPL))[16]	1.18	1.18
	[1,178,250 (March 31, 2015: 1,178,250) equity shares of ₹ 10 each]		
	Ulundurpet Expressways Private Limited ('UEPL')[16,19] (formerly known as GMR Ulundurpet Expressways Private Limited (GUEPL))	1.99	1.99
	[1,987,500 (March 31, 2015: 1,987,500) equity shares of ₹ 10 each]		
	Less: Current portion of non-current investments (refer note 16)	(1.99)	-
	GMR OSE Hungund Hospet Highways Private Limited ('GOSEHHHPL')[1,18]	59.80	-
	[59,801,692 (March 31, 2015: Nil) equity shares of ₹ 10 each]		
	Less : provision for diminution in the value of investments[1,18]	(29.65)	
		30.15	
	Less: Current portion of non-current investments (refer note 16)	(30.15)	-
C.	**In Jointly controlled entity**		
	GMR Megawide CEBU Airport Corporation ('GMCAC')[1]	12.03	1.37
	[88,405,234(March 31, 2015: 10,000,000) equity shares of PHP 1 each]		
	(i)	**3,515.70**	**4,267.99**
	Unquoted preference shares		
D.	**In Subsidiary Companies**		
	GPEL	44.50	44.50
	[4,450,000 (March 31, 2015: 4,450,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]		
	GACEPL[7,16]	0.66	0.66
	[66,000 (March 31, 2015: 66,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]		
	GMRHL[1,7,12,18,19]	706.54	706.54
	[70,654,000 (March 31, 2015: 70,654,000) 8% non-cumulative redeemable preference shares of ₹ 100 each]		
	GMRHL[1,7,12,18,19]	137.00	-
	[13,700,000 (March 31, 2015: Nil) 8% non-cumulative convertible preference shares of ₹ 100 each]		
	GCORRPL[12,16]	21.93	21.93
	[2,192,500 (March 31, 2015: 2,192,500) 6% non-cumulative redeemable convertible preference shares of ₹ 100 each]		
	GCAPL	15.00	15.00
	[15,000,000 (March 31, 2015: 15,000,000) 8% non-cumulative redeemable preference shares of ₹ 10 each]		
	DSPL[12]	210.00	210.00
	[42,000,000 (March 31, 2015: 42,000,000) 8% compulsorily convertible preference shares of ₹ 10 each]		
	GHVEPL[12]	81.53	81.53

Notes to the financial statements for the year ended March 31, 2016

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	[8,152,740 (March 31, 2015: 8,152,740) 6% non-cumulative redeemable / convertible preference shares of ₹ 100 each]		
	GKUAEL[12]	1.95	1.95
	[195,000 (March 31,2015 : 195,000) 0.1% non cumulative compulsorily convertible preference shares of ₹ 100 each]		
	GAL[15,17,21]	-	-
	[10,731,700 (March 31, 2015: 10,731,700) class B compulsorily convertible preference shares of ₹ 1,000 each]		
	GREEL[5,8,9,10,11,13,14]	1,013.44	1,013.44
	[1,013,440,000 (March 31, 2015: 1,013,440,000) 8% compulsorily convertible cumulative preference shares of ₹ 10 each]		
	GREEL[5,8,9,10,11,13,14]	1,103.96	1,103.96
	[11,039,649 (March 31, 2015: 11,039,649) 0.01% compulsorily convertible cumulative preference shares of ₹ 1,000 each]		
	GREEL[5,8,9,10,11,13,14]	495.60	495.60
	[495,602,500 (March 31, 2015: 495,602,500) 0.01% compulsorily convertible cumulative preference shares of ₹ 10 each]		
	Less : provision for diminution in the value of investments[12,20]	(1,102.81)	(256.70)
	(ii)	**2,729.30**	**3,438.41**
	Unquoted debentures		
E.	**In Subsidiary Companies**		
	GKSEZ	22.85	22.85
	[22.85 (March 31, 2015: 22.85) 12% unsecured optionally convertible cumulative debentures of ₹ 10,000,000 each]		
	GKSEZ	73.40	73.40
	[734 (March 31, 2015: 734) 12% unsecured optionally convertible cumulative debentures of ₹ 1,000,000 each]		
	GAPL	98.65	98.65
	[9,865 (March 31, 2015: 9,865) 12.50% unsecured optionally convertible debentures of ₹ 100,000 each]		
	GSPHPL[20]	100.00	100.00
	[100 (March 31, 2015: 100) 1% unsecured optionally convertible cumulative debentures of ₹ 10,000,000 each]		
	GSPHPL[20]	129.00	129.00
	[12,900 (March 31, 2015: 12,900) 0.1% unsecured optionally convertible cumulative debentures of ₹ 100,000 each]		
	GSPHPL[20]	263.70	-
	[263,700,000 (March 31, 2015: Nil) 0% non marketable unsecured compulsory covertible debentures of ₹ 10 each]		
	GSPHPL[20]	14.76	14.76
	[1,476 (March 31, 2015: 1,476) 12% unsecured optionally convertible cumulative debentures of ₹ 100,000 each]		
	GCAPL	-	11.50
	[Nil (March 31, 2015: 1,150,000) 1% unsecured non-convertible redeemable debentures of ₹ 100 each]		
	Deepesh Properties Private Limited ('DPPL')	1.50	1.50
	[150 (March 31, 2015: 150) 0.1% unsecured optionally convertible cumulative debentures of ₹ 100,000 each]		
	GEL[2,5,8,9,10,11,13,14]	867.50	967.50
	[10,000 (March 31, 2015: 10,000) 13.85% (March 31, 2015:14.50%) unsecured non-convertible redeemable debentures of ₹ 867,500 each (March 31, 2015: ₹ 967,500)]		
	Less: Current portion of non-current investments (refer note 16)	(112.50)	(100.00)
	(iii)	**1,458.86**	**1,319.16**
	Unquoted equity shares		
F.	**- In other Body Corporates**		
	GMR Holdings Malta Limited ('GHML')[1]	-	0.00
	[Nil (March 31, 2015: 58) equity shares of EURO 1 each] [₹ Nil (March 31, 2015: ₹ 3,924)]		
	Less: Current portion of non-current investments (refer note 16)	-	(0.00)
	Istanbul Sabiha Gokcen Uluslararasi Havalimani Yer Hizmetleri Anonim Sirketi ('SGH')[1,3]	1.27	1.27
	[4,300 (March 31, 2015: 4,300) equity shares of YTL 100 each]		
	Less: provision for diminution in value of investments[3]	(1.27)	(1.27)
	(iv)	**-**	**-**
	Total (i)+(ii)+(iii)+(iv)	**7,703.86**	**9,025.56**
	Aggregate amount of unquoted non-current investments (excluding current portion of non-current investments)	**7,703.86**	**9,025.56**
	Aggregate provision for diminution in the value of non-current unquoted investments	**1,834.90**	**257.97**

Notes to the financial statements for the year ended March 31, 2016

Notes

1 Details of investments pledged as security in respect of the loans availed by the Company and the investee Companies.

The following unquoted investments included above have been pledged as security in respect of the borrowings of the Company or the investee Companies.

Description	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
GMRHL	15.40	15.40
[15,400,000 (March 31, 2015: 15,400,000) equity shares of ₹ 10 each]		
GACEPL	23.27	23.27
[23,272,687 (March 31, 2015: 23,272,687) equity shares of ₹ 10 each]		
GMCAC	12.03	1.37
[88,405,234(March 31, 2015: 10,000,000) equity shares of PHP 1 each]		
GCORRPL	2.42	2.42
[2,418,000 (March 31, 2015: 2,418,000) equity shares of ₹ 10 each]		
GOSEHHHPL	59.80	7.99
[59,801,692 (March 31, 2015: 7,988,993) equity shares of ₹ 10 each]		
GAL	91.23	91.23
[91,226,067 (March 31, 2015: 91,226,067) equity shares of ₹ 10 each]		
GEL	527.86	375.75
[527,861,749 (March 31, 2015: 375,752,855) equity shares of ₹ 10 each]		
GHML	-	0.00
[Nil (March 31, 2015: 58) equity shares of Euro 1 each] [₹ Nil (March 31, 2015: ₹ 3,924]		
GMRHL	219.32	183.70
[21,932,040 (March 31, 2015: 18,370,040) 8% non-cumulative redeemable preference shares of ₹ 100 each]		
SGH	1.27	1.27
[4,300 (March 31, 2015: 4,300) equity shares of YTL 100 each]		

2 Pursuant to the approval of the Management Committee, the Company has entered into a Subscription and Shareholders Agreement dated May 9, 2016 with Tenaga Nasional Berhad and its affiliate, Power and Energy International (Mauritius) Limited ('Investors') whereby the investors will acquire 30% equity stake in a select portfolio of GEL assets on a fully diluted basis for a consideration of USD 30.00 Crore (INR 2,003.10 Crore) through primary issuance of equity shares of GEL. The transaction is subject to the satisfactory completion of the various precedent conditions by both parties and is expected to be completed in 3-6 months. Further, investments in certain subsidiaries/ jointly controlled entities of GEL are to be transferred from GEL to the subsidiaries of the Company prior to the completion of the investment by Tenaga in GEL. The transfer of these investments is subject to obtaining necessary approvals of the lenders and regulatory authorities and the management of the Company is confident of obtaining the requisite approvals.

3 The Company had provided ₹ 1.27 Crore for the diminution in the value of investment of SGH, a subsidiary of Istanbul Sabiha Gokcen Uluslararasi Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi (ISG) during the year ended March 31, 2014 pursuant to the divestment of its stake in ISG.

4 The Company through GIML has an investment in GMR Infrastructure (Cyprus) Limited, a subsidiary of GIML. GICL has fixed deposits of ₹ 457.71 Crore as at March 31, 2016 with Eurobank, Cyprus. The Republic of Cyprus is presently facing economic difficulties. The management of GICL 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.

5 The Company has investments (including investments in equity / preference shares / loans and debentures and interest accrued thereon) of ₹ 5,570.28 Crore and ₹ 2,613.50 Crore in GEL and GREEL, subsidiaries of the Company respectively, as at March 31, 2016. GREEL and GEL have made investments (including loans/ debentures/ preference shares which are interest free or at concessional rates) in their underlying subsidiaries/ jointly controlled entities which are implementing or operating various energy sector projects including mining operations. Some of their underlying subsidairies/jointly controlled entities as further detailed in Note 13(9), 13(10), 13(11), 13(14(a)), 13(14(b)) and these two subsidiaries have been incurring losses. Based on its internal assessment with regard to future operations and valuation assessment by an external expert, the management of the Company has made a provision of ₹ 616.60 Crore and ₹ 668.40 Crore respectively towards diminution in the value of its aforementioned investments in GREEL and GEL as the management is of the view that such dimunition in the value of the investments is other than temporary. The provision towards such diminution aggregating to ₹ 1,285.00 Crore is disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2016.

6 The Company through its subsidiary, GIML has made investments of ₹ 396.81 Crore (USD 5.94 Crore) (including equity share capital of ₹ 154.24 Crore (USD 2.31 Crore) and subordinate loans and interest accrued thereon of ₹ 242.57 Crore (USD 3.63 Crore) towards 77% equity holding in GMIAL and GIML has placed fixed deposits of ₹ 864.90 Crore (USD 12.95 Crore) with lenders towards loans taken by GMIAL. Further the Company has given a corporate guarantee of ₹ 2,620.72 Crore (USD 39.25 Crore) to the lenders in connection with the borrowings made by GMIAL.

Notes to the financial statements for the year ended March 31, 2016

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 International Airport ('MIA') for a period of 25 years ("the Concession Agreement"). On November 27, 2012, MACL and MoFT issued notices to GMIAL stating that the Concession Agreement was void ab initio and that neither MoFT nor MACL had authority under the laws of Maldives to enter into the agreement. It was also stated that MACL would take over the possession and control of MIA within 7 days of the said letter.Though GMIAL denied that the contract was void ab initio, MACL took over the possession and control of the MIA and GMIAL vacated the airport effective December 8, 2012. This has resulted in 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. On June 18, 2014, the tribunal delivered its award declaring that the Concession Agreement was not void ab initio and is valid and binding on the parties. Further, the tribunal declared that the Government of Maldives ('GoM') and MACL are jointly and severally liable to GMIAL for loss caused by repudiation of the contract. The quantum of the damages is yet to be decided and the damages are limited to the sum which would have been recovered under clause 19.4.3 (b) had the Concession Agreement been terminated on grounds of public interest pursuant to clause 19.2.1 (h). On November 26, 2014, GoM and MACL served a letter on the tribunal and on GMIAL asserting that the parties to the arbitration have different interpretations of the limitation in Paragraph 167(1)(g) of the aforesaid award of the tribunal ('preliminary issue') and the timetable had been agreed by the parties for hearing of the preliminary issue in the first half of 2015.On June 17, 2015, the tribunal issued its decision in respect of the preliminary issue stating that the limit to damages recoverable in the aforementioned award was intended to apply from the date of the Concession Agreement has been repudiated and also that the limit to recoverable damages identified in the aforementioned award means all damages recoverable by GMIAL and not only contractually contemplated damages. Accordingly, on October 1, 2015, GMIAL served the amended schedule of loss to the tribunal and a five day hearing has now been set for the quantum hearing from August 8, 2016 to August 12, 2016. In view of the aforesaid matter GMIAL continues to reflect assets amounting to ₹ 1,594.68 Crore (USD 23.88 Crore) including claim recoverable of ₹ 1,273.14 Crore (USD 19.08 Crore) at their carrying values as at March 31, 2016, net of assets written off of ₹ 202.61 Crore during the year ended March 31, 2013. GMIAL's ability to continue its future business operations and consequential impact on investments made / guarantees given by the Company and GIML is solely dependent on the outcome of arbitration and / or a negotiated settlement.

Further, GMIAL had executed work construction contracts with GADL International Limited ('GADLIL'), a subsidiary of the Company and other service providers for rehabilitation, expansion, modernization of MIA. Pursuant to the aforesaid takeover of airport, GMIAL has terminated the contracts with GADLIL and these service providers. As per the terms of contracts, in the event of discontinuation of construction, GMIAL is required to pay termination payment to the service providers. GMIAL has received claims of around USD 8.00 Crore as at March 31, 2016 from GADLIL and other service providers. However, no such claims relating to the termination of contracts have been recognized as at March 31, 2016 since the amounts payable are not certain.

Based on the aforesaid award by the tribunal, internal assessment and a legal opinion obtained by GMIAL, the management of the Company is confident that GMIAL would be entitled for compensation under the Concession Agreement at least to the extent of the carrying value of the assets taken over by the GoM / MACL and the subsequent expenditure incurred by GMIAL as at March 31, 2016 and accordingly, these financial statements of the Company do not include any adjustments that might result from the outcome of this uncertainty.

7 The Company along with its subsidiaries has investments of ₹ 394.17 Crore (including investments in equity / preference shares of ₹ 244.70 Crore made by the Company and its subsidiaries and loans and interest accrued thereon of ₹ 149.47 Crore) in GACEPL, a subsidiary of the Company as at March 31, 2016. GACEPL has been incurring losses since the commencement of its commercial operations. The management believes that these losses are primarily attributable to the loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration and the arbitration tribunal has passed an interim order staying the payment of negative grant which was due during the years ended March 31, 2014, March 31, 2015 and March 31, 2016 till further orders. Based on an internal assessment and a legal opinion obtained by the management, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the investments in GACEPL has been carried at cost and no provision for diminution in the value of investments has been made as at March 31, 2016.

8 In view of lower supplies / availability of natural gas to the power generating companies in India, the Company's subsidiaries GEL, GMR Vemagiri Power Generation Limited ('GVPGL') and GMR Rajahmundry Energy Limited ('GREL') are facing shortage of natural gas supply and delays in securing gas linkages. As a result, GEL has not generated and sold electrical energy since April 2013 and GVPGL has not generated and sold electrical energy since May 2013 till March 31, 2015 and have been incurring losses including cash losses on account of the aforesaid shortage of natural gas supply, thereby resulting in erosion of net worth. GREL had not commenced commercial operations pending linkages of natural gas supply from the Ministry of Petroleum and Natural Gas till the period ended September 30, 2015 and accordingly the consortium of lenders had approved the reschedulement of Commercial Operation Date ('COD') of GREL to October 22, 2015 and repayment of project loans and have agreed for further funding of ₹ 707.00 Crore to meet its cost overruns on account of delays in commissioning of its power plant.

Notes to the financial statements for the year ended March 31, 2016

In March 2015, the Ministry of Power, Government of India ('GoI') issued a scheme for utilization of the gas based power generation capacity for the years ended March 31, 2016 and 2017. The scheme envisages supply of imported spot RLNG "e -bid RLNG" to the stranded gas based plants as well as plants receiving domestic gas, upto the target Plant load factor (PLF), selected through a reverse e-bidding process and also intervention / sacrifices to be collectively made by all stakeholders. The aforementioned gas based power plants of the aforesaid subsidiaries are included in the list of stranded gas based power plants and are entitled to participate in the e- bidding process. GVPGL and GREL emerged as successful bidders in the auction process organised by the Ministry of Power in May 2015, September 2015 and March 2016 and have been awarded the Letter of Intent for gas allocation for 4 months period ended September 2015, for 6 months period ended March 2016 and September 2016 respectively, which has facilitated the operations of both GREL and GVPGL at varying capacity and accordingly GVPGL and GREL have commenced operations on an intermittent basis from August 2015 and October 2015 respectively. There has been a significant decline in the price of imported gas and in view of the proposed amendment to the Central Sales Tax Act with regard to gas sold or purchased and transported through a common carrier pipeline or any other common transport distribution systems, the management believes that these would result in significant reduction in the costs of imported gas.The management and the Association of Power Producers continue to monitor the macro situation and are evaluating various approaches / alternatives to deal with the situation and the management is confident that GoI would take further necessary steps / initiatives in this regard to improve the situation regarding availability of natural gas from alternate sources in the foreseeable future.

The management carried out valuation assessment of these gas based companies which includes certain assumptions relating to availability and pricing of domestic and imported gas, future tariff and other operating parameters, which it believes reasonably reflect the future expectations from these projects. The management will monitor these aspects closely and take actions as are considered appropriate and is confident that these gas based entities will be able to generate sufficient profits in future years and meet their financial obligations as they arise. Based on the aforementioned reasons, business plans and a valuation assessment by an external expert, the management is of the view that the carrying value of the investments (including advances) made by the Company in these aforesaid gas based companies as at March 31, 2016 is appropriate and these financial statements of the Company do not include any adjustments that might result from the outcome of this uncertainty. In the meantime, the Company has also committed to provide necessary financial support to these companies as may be required for continuance of their normal business operations. In this regard, also refer Note 13(2)

9 As at March 31,2016, the Company through its subsidiary, GEL has investments of ₹ 3,411.83 Crore (including investments in equity/preference share capital, share application money pending allotment, subordinate loans and interest accrued thereon) in GMR Chhattisgarh Energy Limited ('GCHEPL'), a subsidiary of the Company and has also provided corporate / bank guarantee towards loan taken by GCHEPL from the project lenders. GCHEPL has experienced certain delays and incurred cost overruns in the completion of the project including additional claims from EPC contractors. As per the management of GCHEPL, additional claims from EPC contractors are not expected to be material. GCHEPL has obtained provisional Mega Power status certificate from the Ministry of Power, GoI, vide letter dated September 8, 2011 and accordingly has availed an exemption of customs and excise duty against bank guarantees and pledge of deposits. The management of GCHEPL is certain of obtaining Mega Power status, pending which cost of customs and excise has not been considered as cost of the project. During the year ended March 31, 2015, GCHEPL was allotted two coal mines to meet its fuel requirements. GCHEPL has declared commercial operations of Unit I and coal mine on November 1, 2015 and Unit II on March 31, 2016 of its 1,370 MW coal based thermal power plant at Raipur district, Chhattisgarh. GCHEPL does not have power purchase agreements ('PPAs') currently and is taking steps to tie up the power supply through power supply agreements on a long/medium term basis with various customers including State Electricity Boards. Though the COD for Unit I was declared from June 1, 2015, GCHEPL commenced generation of power on November 1, 2015 and sold power on a merchant basis. As a result, during the year, GCHEPL has incurred losses of ₹ 454.50 Crore and has accumulated losses of ₹ 494.84 Crore as at March 31, 2016. GCHEPL's future revenues, profitability of operations and servicing of its debts is dependent upon tying up of its entire generation capacity for profitable rates through long term and medium term PPAs in a power scarce market, achievement of higher PLF and refinancing of existing loans with lower interest rates with banks and successful gains from the government announced initiatives of tolling linkage. Considering the improvement in the power market in India, GCHEPL is hopeful of tying up its significant generation through profitable long term PPAs, tolling linkage and also obtaining Mega Power Status along with refinancing of loans and reduction in interest rates on borrowings. GCHEPL is in active discussion with the lenders to restructure its loans and towards funding of cost overruns. Due to these reasons and based on business plans and valuation assessment by an external expert, the management is of the view that the carrying value of its investments in GCHEPL as at March 31, 2016 is appropriate. In estimating the future cash flows, the management has, in the absence of medium/long term PPAs', made certain key assumptions relating to the future revenues based on externally available information, restructuring of loans by the lenders, continued financial support by the Company and operating parameters which the management believes reasonably reflect the future expectations of these items. In view of the above, the Company will monitor these assumptions closely on a periodic basis and take action as is considered appropriate.

10 As at March 31, 2016, the Company through its subsidiary, GEL, has investments of ₹ 1,191.84 Crore (including investments in equity / preference share capital and subordinate loans and interest accrued thereon) in GMR Warora Energy Limited ('GWEL') ('Formerly known as EMCO Energy Limited) a subsidiary of the Company and has also provided corporate / bank guarantee towards loans taken by GWEL from the project lenders. GWEL is engaged

Notes to the financial statements for the year ended March 31, 2016

in the business of generation and sale of electrical energy from its coal based power plant of 600MW situated at Warora. GWEL has accumulated losses of ₹ 1,084.16 Crore as at March 31, 2016 which has resulted in erosion of GWEL's entire net worth. GWEL has achieved the COD of Unit I in March 2013 and of Unit II in September 2013 and has tied up entire power supplies capacity with customers and has completed the refinancing of its term and other loans with the lenders which has resulted in the reduction in the rate of interest and extended repayment period. Though the networth of GWEL is fully eroded, the losses have reduced and are ₹ 158.05 Crore for the year ended March 31, 2016 vis a vis losses of ₹ 370.61 Crore for the year ended March 31, 2015. Accordingly, the management of GWEL expects that the plant will generate sufficient profits in the future years and based on business plans and valuation assessment by an external expert, is of the view that the carrying value of the investments in GWEL as at March 31, 2016 is appropriate

11 As at March 31, 2016, the Company through its subsidiary GEL, has investments of ₹ 2,530.93 Crore (including investments in equity share capital, subordinate loans and interest accrued thereon) in GMR Kamalanga Energy Limited ('GKEL'), a subsidiary of the Company and also provided corporate / bank guarantee towards loan taken by GKEL from the project lenders. GKEL is engaged in development and operation of 3*350 MW under Phase I and 1*350 MW under Phase II, coal based power project in Kamalanga village, Orissa and has commenced commercial operation of Phase I of the project. GKEL has a fuel supply agreement for 500 MW with Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited. GKEL has accumulated losses of ₹ 1,613.03 Crore as at March 31, 2016, which has resulted in substantial erosion of GKEL's net worth due to operational difficulties faced during the early stage of its operations. However, the losses have reduced and are ₹ 269.67 Crore for the year ended March 31, 2016 vis a vis losses of ₹ 853.78 Crore for the year ended March 31, 2015. Further, pursuant to the Reserve Bank of India's framework for revitalizing distressed assets in the economy (including strategic debt restructuring scheme), the consortium of bankers have amended the rupee term loan agreement on June 29, 2015 and accordingly loan is to be repaid in 66 quarterly structured instalments from October 1, 2017. During the year ended March 31, 2016, GKEL has received favourable orders with regard to its petition for 'Tariff Determination' in case of PPA with GRIDCO Limited and for 'Tariff Revision' in case of PPAs with Haryana DISCOMS through PTC India Limited from Central Electricity Regulatory Commission ('CERC'). In view of these matters, business plans, valuation assessment by an external expert and continued financial support by the Company, the management is of the view that the carrying value of the investments in GKEL as at March 31, 2016 is appropriate.

12 During the year ended March 31, 2015 and March 31, 2016, based on a valuation assessment of its investments in GMRHL, subsidiary of the Company, the Company made a provision for diminution in the value of investments / advances of ₹ 262.40 Crore and ₹ 261.23 Crore which is disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2015 and March 31, 2016 respectively. The diminution in value has primarily arisen on account of the diminution in the value of investments / advances in GHVEPL, GKUAEL and other road projects for reasons stated in (a), (b) and (c) below.

a) The Company along with its subsidiaries have made investments of ₹ 680.10 Crore (including investments in equity / preference shares of ₹ 302.03 Crore made by the Company and its subsidiary and loans of ₹ 378.07 Crore) in GHVEPL, a subsidiary of the Company. GHVEPL has been incurring losses since the commencement of its commercial operations, as a result of which, based on a valuation assessment by an external expert of GHVEPL, the Company made a provision for diminution in the value of investments in GMRHL amounting to ₹ 131.41 Crore which was disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2015.

Further, the management of GHVEPL believes that the said diminution in value is primarily due to loss of revenue arising as a result of drop in commercial traffic on account of bifurcation of State of Andhra Pradesh and ban imposed on sand mining in the region. The management based on its internal assessment and a legal opinion, believes that these events constitute a Change in Law as per the Concession Agreement and GHVEPL is entitled to the claim for losses suffered on account of the aforementioned reasons and accordingly filed its claim for the loss of revenue till the year ended March 31, 2015 with NHAI. During the year ended March 31, 2016, NHAI rejected the aforementioned claims and consequently GHVEPL has invoked dispute resolution process as per the provisions of the Concession Agreement. Subsequently, NHAI has intimated GHVEPL that conciliation has failed and the management of GHVEPL is in the process of initiating the arbitration. Accordingly, based on its internal assessment, the Company has made a further provision for diminution in the value of investments / advances amounting to ₹ 137.67 Crore during the year ended March 31, 2016 which has been disclosed as an 'exceptional item'. The management of the Company is confident that it will be able to claim compensation from the relevant authorities for the loss it has suffered due to aforementioned reasons and based on valuation assessment which is significantly dependent on the fructification of the aforesaid claims believes that no further provision for diminution in the value of investments is necessary as at March 31, 2016.

b) The Company along with its subsidiary made investments of ₹ 735.80 Crore in GKUAEL, a subsidiary of the Company, (including loans of ₹ 35.80 Crore and investments in equity / preference shares of ₹ 700.00 Crore made by the Company and its subsidiary), which is primarily utilized by GKUAEL towards payment of capital advance of ₹ 590.00 Crore to its EPC contractors and ₹ 137.47 Crore towards indirect expenditure attributable to the project and borrowing costs ('project expenses'). GKUAEL has also provided a bank guarantee of ₹ 269.36 Crore to National Highways Authority of India ('NHAI'). GKUAEL had entered into a Concession Agreement with NHAI on November 30, 2011 for six laning of Kishangarh-Udaipur-Ahmedabad section of National Highways 79A, 79, 76 and 8. Pursuant to non-fulfillment of the mandatory 'Conditions Precedent' specified under the Concession Agreement within the due date, GKUAEL had issued a notice to NHAI dated December 21, 2012 of its intention to

Notes to the financial statements for the year ended March 31, 2016

terminate the Concession Agreement. In response, NHAI vide their letter dated January 1, 2013 termed the notice not maintainable both in law and in facts. NHAI in their letter dated January 17, 2013 to GKUAEL also indicated of making good the alleged defaults of NHAI within the cure period of 90 days. The management of GKUAEL had submitted the proposal for the continuance of the project subject to certain modifications in the financial and other terms in the Concession Agreement and held discussions with NHAI for revival of the project. Considering that the efforts for revival of the project did not succeed, GKUAEL issued a notice of dispute to NHAI dated February 16, 2015 invoking arbitration provisions of the Concession Agreement. Both the parties have appointed their arbitrators and the arbitration process is pending commencement. GKUAEL had approached the Hon'ble High Court of Delhi seeking an injunction against invocation of the aforementioned performance bank guarantee by NHAI which has not been accepted by the Hon'ble High Court of Delhi.

In addition, GKUAEL awarded the EPC contract to GMR Projects Private Limited ('GPPL') and had given an advance of ₹ 590.00 Crore as stated above. Pursuant to the notice of dispute, GKUAEL has terminated the contract on May 15, 2015. During the year ended March 31, 2016, GKUAEL has received a claim of ₹ 840.76 Crore from the EPC contractor, however no such claim relating to the termination of contract has been recognized by GKUAEL as at March 31, 2016 as the amounts payable are not certain.

Due to the termination of concession agreement with NHAI, initiation of arbitration proceedings and its consequential impact on the operations, the management of the Company, based on its internal assessment, has made a provision for diminution in the value of investments amounting to ₹ 137.47 Crore (including ₹ 12.18 Crore during the year ended March 31, 2016) and advances amounting to ₹ 5.70 Crore which has been disclosed as an 'exceptional item'. Further, based on an internal assessment and a legal opinion, the management of GKUAEL is confident that it will be able to claim compensation from NHAI for the loss it has suffered due to termination of contract for reasons as stated aforesaid and accordingly is of the view that no further provision for diminution in the value of investments is necessary as at March 31, 2016.

c) During the year ended March 31, 2016, GMRHL and some of its underlying subsidiaries/associates including GCORRPL have been incurring losses and accordingly, based on an internal assessment by the management with regard to future operations of these companies and valuation assessment by an external expert, the management of the Company has made a provision of ₹ 111.38 Crore towards diminution in the value of investments in GMRHL and GCORRPL as the management is of the view that such dimunition in the value of the investments is other than temporary. The provision towards such diminution is disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2016.

13 As at March 31, 2016, the Company along with its subsidiary has investments of ₹ 369.80 Crore (including investments in equity share capital and subordinate loan and interest accrued thereon) in GBHPL, a subsidiary of the Company. GBHPL is in the process of setting up 300 MW hydro based power plant in Alaknanda river, Chamoli District of Uttarakhand. The Hon'ble Supreme Court of India ('the Court'), while hearing a civil appeal in the matters of Alaknanda Hydro Power Company Limited, directed vide its order dated May 7, 2014 that no further construction work shall be undertaken by the 24 projects coming up on the Alaknanda and Bhagirathi basins until further orders. Further, during the year ended March 31, 2016, Ministry of Environment Forest and Climate Change ('MoEF') has represented to the Supreme Court of India that of the six hydro projects in Uttarakhand, two projects including GBHPL requires certain design modifications as per the policy stipulations. However, based on its internal assessment and a legal opinion, the management of GBHPL is confident of obtaining the requisite clearances and based on business plan and a valuation assessment by an external expert, the management of the Company is of the view that the carrying value of the investments in GBHPL as at March 31, 2016 is appropriate.

14 a) The Company through its subsidiaries has investments of ₹ 414.44 Crore (USD 6.21 Crore) (including loan and interest accrued there on) in PT Dwikarya Sejati Utama ('PTDSU') as at March 31, 2016. The Company through its subsidiaries acquired PTDSU for a consideration of USD 4.00 Crore and a deferred consideration to be determined and paid on achievement of certain conditions as specified in the share purchase agreement. PT Duta Sarana Internusa ('PTDSI'), a step down subsidiary of PTDSU had pledged 60% shares of PT Barasentosa Lestari ('PTBSL') with the sellers of PTDSU. The achievement of aforementioned conditions for settlement of deferred consideration had been under dispute and pursuant to a settlement agreement dated June 25, 2014, the deferred consideration of USD 2.00 Crore was agreed with the sellers of PTDSU. As per the settlement agreement, USD 0.50 Crore was paid and the balance USD 1.50 Crore was to be paid in 16 equal quarterly instalments, commencing from June 30, 2015. Further, 35% shares of PTBSL are pledged as a security towards the payment of the balance instalments. The consolidated financial statements of PTDSU and its subsidiaries PTBSL and PTDSI as at March 31, 2016 have accumulated losses of ₹ 30.67 Crore (USD 0.50 Crore). PTBSL, a coal property company commenced coal production on a trial basis and achieved a production of 28,000 MT during the year ended March 31, 2015. Though, these entities are currently unable to produce coal in view of limitations on transportation of coal due to water levels in Musi River, the management is hopeful of resuming production once the water levels are stabilized. In addition, the coal prices have significantly declined from May 2015 onwards. The management believes that the inability to produce coal as referred above and decline in the prices is expected to be temporary and as such do not have a significant impact on the ability of these entities to continue as a going concern. PTDSU and its subsidiaries are confident of raising finance as may be required for development of mines and continuance of their normal business operations. Based on these factors and valuation assessment by an external expert, the management is of the view that the carrying value of the investments in PTDSU and its subsidiaries as at March 31, 2016 is appropriate.

Notes to the financial statements for the year ended March 31, 2016

b) The Company through its subsidiary GCRPL has investments of ₹ 3,384.71 Crore (USD 50.69 Crore) in PT Golden Energy Mines ('PTGEMS'), a jointly controlled entity of the Company as at March 31, 2016. PTGEMS along with its subsidiaries is engaged in the business of coal mining and trading activities. The Group has a Coal Supply Agreement ('CSA') with PTGEMS whereby the Group is entitled to offtake stated quantity of coal as per the terms of the CSA at an agreed discount. The Group has not significantly commenced the offtake of the coal under the CSA, however the management of the Group is of the view that the same will not have an impact on their total entitlements of offtake of coal under CSA. The management of the Group is also negotiating certain terms of the CSA which are pending conclusion. The coal prices have significantly declined from May 2015 onwards. However, the management of the Company believes that such decline in the prices is expected to be temporary and such decline has been compensated by favorable currency movements in Indonesia and cost efficiency measures in mining activities in PTGEMS. The Company along with GCRPL is also in active discussion with the lenders to restructure its loans. Based on these factors and valuation assessment carried out by an external expert, the management of the Company believes that the carrying value of the investments in PTGEMS as at March 31, 2016 is appropriate.

15 DIAL has accumulated losses of ₹ 233.09 Crore as at March 31, 2016 which has resulted in part erosion of net worth of DIAL as at March 31, 2016. However, DIAL has earned profits during the year ended March 31, 2016, March 31, 2015 and March 31, 2014 and has met all its obligations as at March 31, 2016. The Airport Economic Regulatory Authority ('AERA') vide its powers conferred by Section 13(1)(a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014.

DIAL had filed a writ petition before the Hon'ble High Court of Delhi seeking extension of existing tariff as allowed vide AERA order 03/2012-13 issued on April 24, 2012 till disposal of DIAL's appeal pending before Airports Economic Regulatory Authority Appellate Tribunal ('AERAAT'). Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 issued on April 24, 2012 shall continue till the disposal of the appeals pending against the said Tariff Order, by the AERAAT. AERA has filed a Special Leave Petition (SLP) dated April 24, 2015 with Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble High Court of Delhi dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and now listed for arguments on SLP and applications in due course.

Subsequently AERA released the tariff order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015) for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings attached to that order. As per AERA order, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period). DIAL has filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 with AERAAT on January 11, 2016. In view of above legal proceedings, the implementation of AERA order for second control period, the said order cannot be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period will be adjusted from the aggregate revenue requirement for the second control period w.e.f. April 1, 2014.

In the opinion of the management, in view of the profits earned over the last three financial years, DIAL's business plans, and cash flow projections for the next one year, DIAL expects to earn sufficient cash profits and does not foresee any difficulty in continuing its business / operations and meeting its financial obligations.

16 The investment by GEL in equity shares/ preference shares of the following subsidiary Companies has been funded by the Company against an agreement to pass on any benefits or losses out of investments by GEL to the Company and has been approved by the Board of Directors of both the Companies.

₹ in Crore

Name of the subsidiaries	March 31, 2016	March 31, 2015
Equity Shares		
JEPL	0.59	0.59
[589,125 (March 31, 2015: 589,125) equity shares of ₹ 10 each fully paid-up]		
GPEL	0.69	0.69
[690,000 (March 31, 2015: 690,000) equity shares of ₹ 10 each fully paid-up]		
DIAL	0.00	0.00
[100 (March 31, 2015: 100) equity shares of ₹ 10 each fully paid-up] [₹ 1,000 (March 31, 2015: ₹ 1,000)]		
UEPL	0.99	0.99
[993,750 (March 31, 2015: 993,750) equity shares of ₹ 10 each fully paid-up]		
GCORRPL	3.00	3.00
[3,000,000 (March 31, 2015: 3,000,000) equity shares of ₹ 10 each fully paid-up]		
GACEPL	24.22	24.22
[24,222,593 (March 31, 2015: 24,222,593) equity shares of ₹ 10 each fully paid-up]		
Preference Shares		
GCORRPL	12.00	12.00
[1,200,000 (March 31, 2015: 1,200,000) preference shares of ₹ 100 each fully paid-up]		

Notes to the financial statements for the year ended March 31, 2016

17 GAL has alloted these shares as bonus shares in their allotment and transfer committee meeting held on August 04, 2011

18 During the year ended March 31, 2016, the Company along with its subsidiary GMRHL, entered into a shares purchase agreement ('SPA') with Oriental Tollways Private Limited and Orbit Infraventures LLP for the divestment of 117,300,000 equity shares of ₹ 10 each, held by both the Company and GMRHL, representing their 51.00% stake in GOSHHEPL, a subsidiary of the Company for a sale consideration of ₹ 59.14 Crore. As at March 31, 2016, the transfer of 59,801,692 equity shares held by the Company is not completed. However, based on the SPA, the Company has made a provision for impairment of ₹ 29.65 Crore towards the diminution in the value of investments, which has been disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2016.

19 During the year ended March 31, 2016, the Company along with its subsidiaries GMRHL and GEL, entered into a SPA with India Infrastructure Fund for the sale of their entire equity stake of 26.00% in UEPL for a sale consideration of ₹ 32.50 Crore. As at March 31, 2016, the sale transaction is not completed. However, based on the SPA the Company has made a provision for impairment of ₹ 1.05 Crore which has been disclosed as an 'exceptional item' in the financial statements of the Company for the year ended March 31, 2016.

20 KSPL, a subsidiary of the Company, is acquiring land for implementing a Multi-Product Special Economic Zone within the meaning of Special Economic Zone Act, 2005. KSPL has obtained an initial notification from the Ministry of Commerce, GoI vide notification no. 635(E) dated April 23, 2007 to the extent of 1,035.67 hectares, the formal approval for which was initially granted for three years from June 2006. The said formal approval has been extended till August 2016. KSPL, has obtained further notification from GoI vide notification no. 342(E) dated February 6, 2013 to the extent of 1,013.64 hectares and the formal approval was initially granted for 3 years from February 2012, which on application by KSPL has been extended further by one year upto February 2016. KSPL proposal for merger of the SEZ notification has been approved by Ministry of Commerce in December, 2015. Considering that one of the tenants of the SEZ has started operations, the extension of the formal approvals for the merged SEZ is subsumed in the notification approving clubbing of both the SEZ's and commencement of SEZ's operations. A residual extent of about 79 hectares of land is pending statutory approval is under consideration of KSPL. KSPL upon completion of acquisition of the residual land plans to apply for an appropriate notification, pending which the entire land that has been acquired till date by KSPL is treated as land acquired for the purpose of implementation of Special Economic Zone awaiting notification. The management is confident of obtaining the aforesaid consents, as necessary and also getting the area notified for SEZ development as per the required regulations.

21 In case of GHIAL, the AERA, vide its powers conferred by section 13(1)(a) of AERA Act, 2008, passed an Aeronautical tariff order No. 38 issued on February 24, 2014, based on "Single Till", in respect of control period from April 1, 2011 to March 31, 2016. As per the aforesaid order, Passenger Service Fee (Facilitation Component) ('PSF (FC)') and User Development Fee ('UDF') for embarking passengers had been determined to be ₹ Nil for the period from April 1, 2014 to March 31, 2016. This had significantly impacted the profitability and cash flows and GHIAL had to restructure its rupee term loan which was backed by the corporate guarantee from the Company.

Aggrieved by the aforesaid AERA order, GHIAL had filed a writ petition challenging the Single Till adopted by AERA in its order with the Hon'ble High Court at Hyderabad for the State of Telangana and for the State of Andhra Pradesh. Based on an order from the Hon'ble High Court, the Ministry of Civil Aviation ('MoCA'), vide its order dated June 11, 2015 under section 42(2) of AERA Act, 2008, issued policy direction to AERA to adopt "Shared Till" with 30% cross subsidisation for the tariff determination of GHIAL.

Based on the aforesaid direction from the MoCA, GHIAL filed another writ petition with the Hon'ble High Court to restore the UDF and PSF(FC) charges at the rates existing before April 01, 2014 at the airport and the same was permitted by the Hon'ble High Court vide its order dated October 06, 2015. Based on the said permission from the Hon'ble High Court, the MoCA through Director General of Civil Aviation ('DGCA') vide its letter dated November 3, 2015, restored the UDF and PSF (FC) at the rate existing before April 1, 2014. Accordingly, revenue from operations of GHIAL for the year ended March 31, 2016 includes income from UDF and PSF (FC) charges amounting to ₹ 143.45 Crore and ₹ 15.81 Crore respectively. Restoration of UDF and PSF (FC) has improved the cash flows of GHIAL and it will be able to meet its operational and financial requirements.

Additionally, GHIAL has also filed the appeal challenging other issues in the aforesaid AERA order with the AERAAT. Due to non-constitution of AERAAT Bench, GHIAL had filed a writ petition with the Hon'ble High Court at Hyderabad for the State of Telengana and for the State of Andhra Pradesh, which is yet to be heard.

Notes to the financial statements for the year ended March 31, 2016

14 LOANS AND ADVANCES

Particulars		Non-current		Current	
		March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Capital advances					
Unsecured, considered good		-	0.02	0.31	-
	(A)	**-**	**0.02**	**0.31**	**-**
Security deposit					
Unsecured, considered good (refer note 32)		1.66	3.80	8.67	23.03
	(B)	**1.66**	**3.80**	**8.67**	**23.03**
Loan and advances to related parties					
Unsecured, considered good (refer note 32)[2]		5,695.11	3,839.61	319.91	189.69
Unsecured, considered doubtful (refer note 13(12b))		-	-	-	5.70
	(C)	**5,695.11**	**3,839.61**	**319.91**	**195.39**
Advances recoverable in cash or kind					
Unsecured considered good (refer note 32)		-	-	137.16	13.74
	(D)	**-**	**-**	**137.16**	**13.74**
Other loans and advances (unsecured considered good)					
Advance income-tax (net of provision for taxation)		77.67	69.54	-	-
MAT credit entitlement		87.12	77.91	-	-
Prepaid expenses		5.32	0.10	3.04	1.59
Loan to others[1] (refer note 32)		115.00	115.00	-	-
Loans to employees		0.24	0.46	0.17	0.13
Balances with statutory/ government authorities		16.51	18.80	-	-
	(E)	**301.86**	**281.81**	**3.21**	**1.72**
Less: Provision for doubtful loans and advances	**(F)**	-	-	-	(5.70)
Total (A+B+C+D+E-F)		**5,998.63**	**4,125.24**	**469.26**	**228.18**

1. The Company has given an interest free loan of ₹ 115.00 Crore (March 31, 2015: ₹ 115.00 Crore) to GWT during the year ended March 31, 2011 for the purpose of employee benefit scheme. Based on the confirmation received from GWT, the trust has utilised the proceeds of the loan received from the Company in the following manner:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Investment in equity shares of the Company	101.55	101.55
Investment in equity shares of GAL	11.28	11.28
Others	2.17	2.17
	115.00	**115.00**

SEBI had issued Circular CIR/CFD/DIL/3-2013 dated January 17, 2013 prohibiting listed companies from framing any employee benefit scheme involving acquisition of its own securities from the secondary market. SEBI had issued Circular CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013 extending the date of compliance to June 30, 2014. The management of the Company submitted the details of the GWT to the stock exchanges. SEBI has issued a Notification dated October 28, 2014 notifying "The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" ("SEBI Regulations") whereby the Companies having existing schemes to which these regulations apply are required to comply with these regulations within one year of the effective date of the regulations and the trusts holding shares, for the purposes of implementing general employee benefit schemes, which exceed ten percent of the total value of the assets of the trusts, shall have a period of five years to bring down trusts' holding in such shares to the permissible limits. Recently, SEBI published Frequently Asked Question ("FAQ") on SEBI Regulations and clarified that appropriation of shares towards ESPS/ESOP/SAR/General Employee Benefits Scheme / Retirement Benefit Schemes by October 27, 2015 would be considered as compliance with proviso to regulation 3(12) of the SEBI Regulations. The Company may appropriate towards individual employees or sell in the market during next four years so that no unappropriated inventory remains thereafter. The shareholders have approved the revised terms and conditions of the scheme by passing a special resolution in the Annual General Meeting of the Company held on September 23, 2015 and that the Company will ensure compliance with other applicable provisions of the new regulations within the permissible time period. Further, as per the trust deed, GWT is constituted for undertaking only employee benefit schemes and hence the Company has not consolidated the financial statements of GWT in the standalone financial statements of the Company.

2. Refer Note 13(2), 13(4) to 13(16), 13(20) and 13(21).

Notes to the financial statements for the year ended March 31, 2016

15 TRADE RECEIVABLES AND OTHER ASSETS

15.1 Trade receivables[2]

Particulars	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Outstanding for a period exceeding six months from the date they are due for payment[1]				
Unsecured, considered good	38.45	2.57	93.48	93.83
Unsecured, considered doubtful	0.15	-	-	-
(A)	**38.60**	**2.57**	**93.48**	**93.83**
Other receivables[1]				
Unsecured, considered good	4.72	49.83	31.24	54.12
(B)	**4.72**	**49.83**	**31.24**	**54.12**
Less: Provision for doubtful debts	(0.15)	-	-	-
Total (A+B)	**43.17**	**52.40**	**124.72**	**147.95**

1. Includes retention money of ₹ 70.18 Crore (March 31, 2015: ₹ 80.73 Crore)
2. Also refer note 32

15.2 Other assets

Particulars	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note 18)	278.76	684.80	-	-
(A)	**278.76**	**684.80**	**-**	**-**
Unamortised expenditure				
Ancillary cost of arranging the borrowings	38.51	76.62	31.92	22.48
(B)	**38.51**	**76.62**	**31.92**	**22.48**
Others				
Interest accrued on fixed deposits	-	-	8.72	9.61
Interest accrued on loans and debentures to subsidiaries (refer note 32)	-	-	387.74	131.77
Forward contract receivable	-	-	0.32	-
Unbilled revenue (refer note 32)	-	-	153.99	95.52
(C)	**-**		**550.77**	**236.90**
Total (A+B+C)	**317.27**	**761.42**	**582.69**	**259.38**

16 CURRENT INVESTMENTS

	Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	Current portion of long-term investments (valued at cost)		
A	**Unquoted debentures**		
	GEL (refer note 13 & 32)	112.50	100.00
	(i)	**112.50**	**100.00**
B	**Unquoted equity shares**		
	GHML (refer note 13) (March 31, 2015: ₹ 3,924)	-	0.00
	GOSEHHHPL (refer note 13)	30.15	-
	UEPL (refer note 13)	1.99	-
	(ii)	**32.14**	**0.00**
C	**Investments in Mutual Funds (valued at lower of cost and fair value)**		
	ICICI Prudential Liquid Regular Plan	11.00	-
	491,818.16 (March 31, 2015: Nil) units of ₹ 223.66 each (March 31, 2015: Nil)		
	(iii)	**11.00**	**-**
	Total (i)+(ii)+(iii)	**155.64**	**100.00**
	Aggregate amount of unquoted investments	155.64	100.00

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Raw materials	8.73	4.55
	8.73	**4.55**

Notes to the financial statements for the year ended March 31, 2016

18 CASH AND BANK BALANCES

Particulars	Non-current		Current	
	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Cash and cash equivalents				
Balances with banks:				
- On current accounts [6,7,8]	0.28	10.18	35.63	398.38
- Deposits with original maturity of less than three months	-	7.03	294.16	-
Cheques on hand	-	-	-	0.10
Cash on hand	-	-	0.20	0.06
	0.28	**17.21**	**329.99**	**398.54**
Other bank balances				
- Deposits with remaining maturity for less than 12 months	265.10	656.04	-	0.04
- Deposits with remaining maturity for more than 12 months	13.38	11.55	-	0.06
	278.48	**667.59**	**-**	**0.10**
Amount disclosed under non-current assets (refer note 15.2)	(278.76)	(684.80)	-	-
	-	**-**	**329.99**	**398.64**

1. A charge has been created over the deposits of ₹ 121.90 Crore (March 31, 2015: ₹ 82.69 Crore) towards DSRA maintained by the Company for loans availed by the Company from banks and financial institutions (refer note 5).
2. A charge has been created over the deposits of ₹ 20.55 Crore (March 31, 2015: ₹ 20.55 Crore) for working capital facility availed by the Company (refer note 9).
3. A charge has been created over the deposits of ₹ 85.12 Crore (March 31, 2015 : ₹ 66.30 Crore) for loan availed by the Company from a bank (refer note 5).
4. A charge has been created over the deposits of ₹ 1.80 Crore (March 31, 2015: ₹ 2.98 Crore) towards DSRA maintained by the Company with a bank for loan availed by GMRHL.
5. A charge has been created over the deposits of ₹ Nil (March 31, 2015: ₹ 502.10 Crore) for loan against deposits availed by KSPL.
6. Includes unclaimed dividend of ₹ 0.27 Crore (March 31, 2015: ₹ 0.27 Crore)
7. Includes ₹ 0.01 Crore (March 31, 2015: ₹ 9.91 Crore) towards DSRA maintained by the Company with ICICI (refer note 5).
8. Includes ₹ Nil (March 31, 2015: ₹ 347.65 Crore) towards share application money for issue of rights shares. The funds were received in an escrow account and were restricted till the allotment of equity shares pursuant to the right issue (refer note 3(f)).
9. A charge has been created over the deposits of ₹ 6.50 Crore (March 31, 2015: ₹ Nil) towards margin money for hedging of FCCB interest (refer note 5).
10. A charge has been created over the deposits of ₹ 42.61 Crore (March 31, 2015: ₹ Nil) towards bank guarantee facilities availed by the Company.

Notes to the financial statements for the year ended March 31, 2016

19 REVENUE FROM OPERATIONS

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Sale of services		
EPC:		
Construction revenue (refer note 32)	178.01	164.89
	178.01	**164.89**
Other operating revenue		
Others:		
Income from management and other services (refer note 32)	14.31	22.87
Dividend income on current investments (other than trade) (gross) [₹ 10,732 (March 31, 2015: ₹ 10,732)] (refer note 32)	0.00	0.00
Interest income (gross)		
- Bank deposits	63.36	74.20
- Long term loans and investments (refer note 32)	542.12	366.78
- Current investments	-	0.75
Profit on sale of current investments (others)	1.30	20.25
	621.09	**484.85**
	799.10	**649.74**

20 OTHER INCOME

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Gain on account of foreign exchange fluctuations (net)	0.63	6.67
Provisions no longer required, written back	8.42	10.56
Other non-operating income	6.02	2.25
	15.07	**19.48**

21 COST OF MATERIALS CONSUMED

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Inventory at the beginning of the year	4.55	8.92
Add: Purchases during the year	31.75	28.93
	36.30	**37.85**
Less: inventory at the end of the year	8.73	4.55
Cost of materials consumed	**27.57**	**33.30**
Detail of materials consumed		
Steel	6.50	4.55
Bitumen	-	0.27
High speed diesel	3.90	6.31
Cement	1.95	1.36
Aggregates	10.04	6.28
Granular (March 31, 2015: ₹ 22,341)	0.04	0.00
Sand	0.83	0.66
Boulders	-	0.03
Others	4.31	13.84
	27.57	**33.30**

22 EMPLOYEE BENEFIT EXPENSES*

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Salaries, wages and bonus	34.15	21.13
Contribution to provident and other funds (refer note 28(b))	2.62	2.31
Gratuity expense (refer note 28(a))	0.40	0.43
Staff welfare expenses	2.08	1.16
	39.25	**25.03**

* Employee benefit expenses are net of ₹ 34.13 Crore (March 31, 2015: ₹ 34.15 Crore) cross charged to certain subsidiaries.

Notes to the financial statements for the year ended March 31, 2016

23 OTHER EXPENSES**

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Bidding charges	0.03	0.10
Bad debts written off	0.14	-
Provision for doubtful debts	0.15	-
Lease rental and equipment hire charges	4.33	2.71
Rates and taxes	8.22	9.83
Insurance	0.62	1.17
Repairs and maintenance		
Others	3.18	1.58
Advertising and sales promotion	0.35	0.21
Freight	3.16	2.01
Travelling and conveyance	3.06	2.77
Communication costs	0.19	0.28
Printing and stationery	1.50	1.33
Logo Fees (refer note 32) (March 31, 2015: ₹ 1,055.00)	0.01	0.00
Legal and professional fees	15.38	19.84
Payment to auditors# (refer details below)	2.92	2.31
Directors' sitting fees	0.39	0.57
Meetings and seminars	0.07	0.16
Security expenses	1.00	0.90
Donation	0.06	0.08
CSR expenditure***	-	2.92
Loss on sale of fixed assets	0.03	-
Miscellaneous expenses	1.60	2.10
	46.39	**50.87**

** Other expenses are net of ₹ 86.56 Crore (March 31, 2015: ₹ 131.95 Crore) cross charged to certain subsidiaries.

*** CSR expenditure:

(a) Gross amount required to be spent by the Company during the year : ₹ Nil (March 31, 2015: ₹ Nil)

(b) Amount spent during the year under CSR expenditure includes donation to GMR Varalakshmi Foundation ('GVF') of ₹ Nil (March 31, 2015: ₹ 2.92 Crore) as approved by the CSR committee of the Company.

#Payment to auditors (Exclusive of service tax and swachh bharat cess)

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
As auditors:		
Audit fees (including fees for internal controls over financial reporting, consolidated financial statements of the Company and quarterly limited reviews)	2.12	1.92
Tax audit fees	0.04	0.04
Other services (including certification fees)*	0.54	0.21
Reimbursement of expenses	0.22	0.14
	2.92	**2.31**

* The above amount excludes payment to auditors amounting to ₹ 1.03 Crore (March 31, 2015 : ₹ 0.95 Crore for services rendered on account of QIB as detailed in note 3(h)) for services rendered on account of issue of right shares as detailed in note 3(f), which has been adjusted against the securities premium account.

* The above amount excludes payment to auditors amounting to ₹ 0.52 Crore (March 31, 2015 : Nil) for services rendered on account of issue of foreign currency convertible bonds as detailed in note 5(19), which has been adjusted against the securities premium account.

24 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Depreciation of tangible assets	14.80	18.99
Amortisation of intangible assets	0.97	1.04
	15.77	**20.03**

25 FINANCE COSTS***

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Interest expenses	444.28	471.78
Bank and other finance charges	37.25	25.56
Amortization of ancillary borrowing costs	33.35	39.95
	514.88	**537.29**

*** Finance costs are net of ₹ 0.04 Crore (March 31, 2015: ₹ 0.57 Crore) cross charged to certain subsidiaries.

Notes to the financial statements for the year ended March 31, 2016

26 EXCEPTIONAL ITEMS

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Provision for diminution in the value of investments / advances in subsidiaries/associates[1]	(1,576.93)	(262.40)
	(1,576.93)	**(262.40)**

1 Refer note 13(5), 13 [12(a), 12(b), 12(c)], 13(18) and 13(19) with regard to provision for diminution in the value of investments / advances made in GEL, GREEL, GMRHL and its subsidiaries and associates.

27 EARNINGS PER SHARE (EPS)

Calculation of EPS - (Basic and Diluted)

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Nominal value of equity shares (₹ per share)	1	1
Weighted average number of equity shares outstanding during the year	5,66,30,23,512	4,23,28,05,171
Net (loss)/profit after tax for the purpose of EPS (₹ in Crore)	(1,518.90)	(352.65)
EPS - Basic and Diluted (₹)	(2.68)	(0.83)

Notes:

(i) Refer note 3(c) pertaining to the terms / rights attached to CCPS.

(ii) Refer note 3(f) as regards further issue of shares during the year ended March 31, 2016.

(iii) Considering that the Company has incurred losses during the year ended March 31, 2015 and March 31, 2016, the allotment of shares against share warrants, share application money pending allotment, and conversion option in case of FCCBs would decrease the loss per share for the respective years and accordingly has been ignored for the purpose of calculation of diluted earnings per share.

28 (A) GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

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

Statement of profit and loss

Net employee benefit expenses (as recognised in the employee cost)

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Current service cost	0.51	0.64
Interest cost on defined benefit obligation	0.25	0.34
Expected return on plan assets	(0.09)	(0.22)
Net actuarial (gain) / loss recognised in the year	0.24	0.55
Net benefit expenses*	0.91	1.31

* Gross of ₹ 0.51 Crore (March 31, 2015: 0.88 Crore) cross charged to certain subsidiaries.

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Actual return on plan assets	0.03	(0.79)

Balance sheet

Benefit asset/ liability

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Present value of defined benefit obligation	3.98	3.88
Fair value of plan assets	0.59	1.45
Plan asset/ (liability)	(3.39)	(2.43)

Notes to the financial statements for the year ended March 31, 2016

Changes in the present value of the defined benefit obligation are as follows:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Opening defined benefit obligation	3.88	3.78
Interest cost	0.25	0.34
Current service cost	0.51	0.64
Benefits paid	(1.27)	(0.27)
Acquistion Adjustment	0.43	(0.15)
Actuarial (gains)/ losses on defined benefit obligation	0.18	(0.46)
Closing defined benefit obligation	3.98	3.88

Changes in the fair value of plan assets are as follows:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Opening fair value of plan assets	1.45	2.43
Expected return	0.09	0.22
Contributions by employer	0.38	0.08
Benefits paid	(1.27)	(0.27)
Actuarial gains / (losses) on plan assets	(0.06)	(1.01)
Closing fair value of plan assets	0.59	1.45

The Company expects to contribute ₹ 0.38 Crore (March 31, 2015: ₹ 0.07 Crore) towards gratuity fund in 2016-17

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

Particulars	March 31, 2016	March 31, 2015
Investments with insurer	100%	100%

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

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.80%	7.80%
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 4 below	Refer Note 4 below

Notes :

1. Plan assets are fully represented by balance with the Life Insurance Corporation of India.
2. The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
3. The estimates of future salary increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
4. As per Indian Assured Lives Mortality (2006-08) (modified) Ultimate [March 31, 2015- Indian Assured Lives Mortality (2006-08) (modified) Ultimate.]

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

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore	March 31, 2014 ₹ in Crore	March 31, 2013 ₹ in Crore	March 31, 2012 ₹ in Crore
Defined benefit obligation	3.98	3.88	3.78	4.08	3.20
Plan assets	0.59	1.45	2.43	2.79	2.69
Surplus/ (deficit)	(3.39)	(2.43)	(1.35)	(1.29)	(0.51)
Experience (gain) / loss on plan liabilities	0.18	(0.46)	(1.08)	(0.03)	(0.86)
Experience gain / (loss) on plan assets	(0.06)	(1.01)	0.03	0.00	-

(b) Defined Contribution Plans

Amount recognised in the statement of profit and loss

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Provident Fund	2.74	2.26
Superannuation Fund	1.42	1.76

* Gross of ₹ 0.92 Crore (March 31, 2015 : ₹ 1.04 Crore) towards contribution to provident fund and ₹ 0.62 Crore (March 31, 2015 ₹ 0.67 Crore) towards contribution to superannuation fund cross charged to certain subsidiaries.

Notes to the financial statements for the year ended March 31, 2016

29 LEASES

Office premises and equipments taken by the Company are obtained on operating leases. The Company entered into certain cancellable operating lease arrangements and certain non-cancellable operating lease arrangement towards office premises. The equipments are taken on hire on need basis. There are no escalation clauses in the lease agreements. There are no restrictions imposed by lease arrangements. There are no subleases. The lease rentals charged during the year and maximum obligation on the long term non-cancellable operating leases as per the lease agreement are as follows:

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Lease rentals under cancellable leases and non-cancellable leases [net of ₹ 5.38 Crore (March 31, 2015: ₹ 15.16 Crore) cross charged to certain subsidiaries]	4.33	2.71
Obligations on non-cancellable leases:		
Not later than one year	0.01	0.18
Later than one year and not later than five years	-	-
Later than five years	-	-

30 INFORMATION ON JOINTLY CONTROLLED ENTITY AS PER ACCOUNTING STANDARD-27

The Company directly holds 1.74% (March 31, 2015: 0.21%) of the equity shares of GMCAC and 38.26% (March 31, 2015: 39.79%) of the equity shares of GMCAC through its subsidiary company. GMCAC is incorporated in Phillipines and is involved in development and operation of airport infrastructure.

The Company's ownership and voting power of GMCAC along with its share in the assets, liabilities, income, expenses, contingent liabilities and commitments are as follows:

Name of Jointly controlled entity	Country of Incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2016	March 31, 2015
GMCAC	Phillipines	40.00%	40.00%

Particulars				March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
(1)	Contingent liabilities - Company has incurred in relation to jointly controlled entity			-	807.86
(2)	Company's share of contingent liabilities of jointly controlled entity			-	-
(3)	Company's share of capital commitments of the jointly controlled entity			-	-
(4)	Aggregate amount of Company's share in each of the following:				
	(a)	Current assets		1.38	0.16
	(b)	Non current assets		51.27	4.94
	(c)	Current liabilities		3.33	3.61
	(d)	Non current liabilities (March 31, 2015 ₹ 38,016)		35.57	0.00
Equity (a+b-c-d)				**13.75**	**1.49**
	(e)	Income			
		1.	Revenue	3.55	0.06
		2.	Other income ₹ 7,627 (March 31, 2015 ₹ 2,688)	0.01	0.00
(i)	**Total revenue**			**3.56**	**0.06**
	(f)	Expenses			
		1.	Employee benefit expense	0.40	0.01
		2.	Other expenses	0.81	0.03
		3.	Depreciation and amortisation expenses	0.29	0.03
		4.	Finance costs (March 31, 2015 ₹ 48,177)	0.31	0.00
(ii)	**Total expenses**			**1.81**	**0.07**
	(g)	**Profit/(Loss) before tax [(i)-(ii)]**		**1.75**	**(0.01)**
5.	Income tax expenses			0.53	-
	(h)	**Profit/ (Loss) after tax**		**1.22**	**(0.01)**

Note:

1 Disclosure of financial data as per Accounting Standard – 27 'Financial Reporting of Interest in the Joint Venture' has been done based on the audited financial statements of GMCAC for the period ended December 31, 2015 and December 31, 2014.

31 SEGMENT INFORMATION

The segment reporting of the Company has been prepared in accordance with Accounting Standard 17 on Segment Reporting, notified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The primary segment reporting format is determined to be business segment as the Company's risk and rates of return are affected predominantly by difference in the services provided. Secondary information is reported geographically.

The business segments of the Company comprise of the following:

Segment	Description of Activity
EPC	Handling of engineering, procurement and construction activities in Infrastructure Sector.
Others	Investment activity and corporate support to various infrastructure SPVs.

Notes to the financial statements for the year ended March 31, 2016

Business segment

(₹ in Crore)

Particulars	EPC		Others		Unallocated		Inter Segment		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue										
Revenue	178.01	164.89	621.09	484.85	-	-	-	-	799.10	649.74
Inter segment revenue	-	-	-	-	-	-	-	-	-	-
Segment Revenue	**178.01**	**164.89**	**621.09**	**484.85**	**-**	**-**	**-**	**-**	**799.10**	**649.74**
Other income	14.26	8.04	0.81	11.44	-	-	-	-	15.07	19.48
Total income	**192.27**	**172.93**	**621.90**	**496.29**	**-**	**-**	**-**	**-**	**814.17**	**669.22**
Expenses										
Cost of materials consumed	27.57	33.30	-	-	-	-	-	-	27.57	33.30
Subcontracting expenses	97.70	90.83	-	-	-	-	-	-	97.70	90.83
Employee benefit expenses	32.58	17.60	6.67	7.43	-	-	-	-	39.25	25.03
Other expenses	26.29	15.84	20.10	35.03	-	-	-	-	46.39	50.87
Depreciation and amortisation expenses	13.51	16.85	2.26	3.18	-	-	-	-	15.77	20.03
Segment result	**(5.38)**	**(1.49)**	**592.87**	**450.65**	**-**	**-**	**-**	**-**	**587.49**	**449.16**
Finance costs	-	-	-	-	514.88	537.29	-	-	514.88	537.29
Exceptional items (refer note 26)										
Provision for dimunition in value of investments/ advances in subsidiaries/ associates	-	-	(1,576.93)	(262.40)	-	-	-	-	(1,576.93)	(262.40)
(Loss)/Profit before tax	**(5.38)**	**(1.49)**	**(984.06)**	**188.25**	**-**	**-**	**-**	**-**	**(1,504.32)**	**(350.53)**
Tax expenses										
Curent tax	-	-	-	-	23.79	5.92	-	-	23.79	5.92
Less: MAT credit entitlement	-	-	-	-	(9.21)	(5.92)	-	-	(9.21)	(5.92)
Charge/ (reversal) of current tax of earlier years	-	-	-	-	-	(0.79)	-	-	-	(0.79)
MAT credit written off	-	-	-	-	-	0.79	-	-	-	0.79
Deferred tax charge / (credit)	-	-	-	-	-	2.12	-	-	-	2.12
(Loss)/Profit after tax	**(5.38)**	**(1.49)**	**(984.06)**	**188.25**			**-**	**-**	**(1,518.90)**	**(352.65)**
Other information									-	-
Segment assets	554.16	394.08	14,905.04	14,430.98	350.54	361.54	-	-	15,809.74	15,186.60
Segment liabilities	429.30	216.40	65.20	150.20	5,893.39	4,332.32	-	-	6,387.89	4,698.92
Capital expenditure	7.04	2.58	1.57	1.52	-	-	-	-	8.61	4.10
Depreciation and amortisation expenses	13.51	16.85	2.26	3.18	-	-	-	-	15.77	20.03
Other non-cash expenses	0.15	-	1,577.10	262.40	-	-	-	-	1,577.25	262.40

Geographical segment

The following table represents revenue and certain assets information regarding the Company's geographical segment:

(₹ in Crore)

Particulars	Segment revenue		Segment assets		Capital expenditure	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
India	780.69	627.61	14,111.58	13,688.75	8.61	4.10
Outside India	18.41	22.13	1,698.16	1,497.85	-	-

Notes to the financial statements for the year ended March 31, 2016

32 RELATED PARTIES

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Holding Company	GMR Holdings Private Limited (GHPL)
Subsidiary Companies	GMR Renewable Energy Limited (GREEL)
	GMR Energy Limited (GEL)
	GMR Power Corporation Limited (GPCL)
	GMR Vemagiri Power Generation Limited (GVPGL)
	GMR Energy Trading Limited (GETL)
	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)
	GMR Mining and Energy Private Limited (GMEL)
	GMR Kamalanga Energy Limited (GKEL)
	GMR Consulting Services Private Limited (GCSPL)
	GMR Rajahmundry Energy Limited (GREL)
	SJK Powergen Limited (SJK)
	GMR Coastal Energy Private Limited (GCEPL)
	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)
	GMR Chhattisgarh Energy Limited (GCHEPL)
	GMR Londa Hydropower Private Limited (GLHPPL)
	GMR Kakinada Energy Private Limited (GKEPL)
	GMR Warora Energy Limited (GWEL) (formerly EMCO Energy Limited (EMCO))
	Delhi International Airport Private Limited (DIAL)
	Delhi Aerotropolis Private Limited (DAPL)
	GMR Hyderabad International Airport Limited (GHIAL)
	Hyderabad Menzies Air Cargo Private Limited (HMACPL)
	Hyderabad Airport Security Services Limited (HASSL)
	GMR Hyderabad Airport Resource Management Limited (GHARML)
	GMR Hyderabad Aerotropolis Limited (HAPL)
	GMR Hyderabad Aviation SEZ Limited (GHASL)
	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)
	GMR Hotels and Resorts Limited (GHRL)
	Gateways for India Airports Private Limited (GFIAL)
	GMR Highways Limited (GMRHL)
	GMR Tuni Anakapalli Expressways Limited (GTAEPL)
	GMR Highways Projects Private Limited (GHPPL)
	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)
	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)
	GMR Pochanpalli Expressways Limited (GPEPL)
	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)
	GMR Chennai Outer Ring Road Private Limited (GCORRPL)
	GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL)
	GMR Krishnagiri SEZ Limited (GKSEZ)
	Advika Properties Private Limited (APPL)
	Aklima Properties Private Limited (AKPPL)
	Amartya Properties Private Limited (AMPPL)
	Baruni Properties Private Limited (BPPL)
	Camelia Properties Private Limited (CPPL)
	Eila Properties Private Limited (EPPL)
	Gerbera Properties Private Limited (GPL)
	Lakshmi Priya Properties Private Limited (LPPPL)
	Honeysuckle Properties Private Limited (HPPL)
	Idika Properties Private Limited (IPPL)
	Krishnapriya Properties Private Limited (KPPL)

Notes to the financial statements for the year ended March 31, 2016

Description of relationship	Name of the related parties
	Nadira Properties Private Limited (NPPL)
	Prakalpa Properties Private Limited (PPPL)
	Purnachandra Properties Private Limited (PUPPL)
	Shreyadita Properties Private Limited (SPPL)
	Sreepa Properties Private Limited (SRPPL)
	Bougainvillea Properties Private Limited (BOPPL)
	Honeyflower Estates Private Limited (HFEPL)
	Namitha Real Estate Private Limited (NREPL)
	GMR Gujarat Solar Power Private Limited (GGSPPL)
	GMR Airports Limited (GAL)
	GMR Corporate Affairs Private Limited (GCAPL)
	GMR SEZ & Port Holdings Private Limited (GSPHPL)
	GMR Aviation Private Limited (GAPL)
	GMR Business Process and Services Private Limited (GBPSPL)
	Dhruvi Securities Private Limited (DSPL)
	Himtal Hydro Power Company Private Limited (HHPPL)
	GMR Upper Karnali Hydro Power Limited (GUKPL)
	GMR Energy (Mauritius) Limited (GEML)
	GMR Lion Energy Limited (GLEL)
	GMR Energy (Cyprus) Limited (GECL)
	GMR Energy (Netherlands) BV (GENBV)
	PT Unsoco (PT)
	PT Dwikarya Sejati Utma (PTDSU)
	PT Duta Sarana Internusa (PTDSI)
	PT Barasentosa Lestari (PTBSL)
	GMR Infrastructure (Mauritius) Limited (GIML)
	GMR Infrastructure (Cyprus) Limited (GICL)
	GMR Infrastructure Overseas (Malta) Limited (GIOSL) (Formerly known as GMR Infrastructure Overseas Sociedad Limitada)
	GMR Infrastructure (UK) Limited (GIUL)
	GMR Airports (Malta) Limited (GMRAML)[13]
	GMR Infrastructure (Global) Limited (GIGL)
	GMR Infrastructure (Singapore) Pte Limited (GISPL)
	GMR Energy (Global) Limited (GEGL)
	Homeland Energy Group limited (HEGL)[8]
	Homeland Energy Corporation (HEC)[12]
	Homeland Mining & Energy SA (Pty) Limited (HMES)[12]
	Homeland Coal Mining (Pty) Limited (HCM)[12]
	Ferret Coal (Kendal) (Pty) Limited (FCK)[12]
	Corpclo 331 (Pty) Limited (CPL)[12]
	GMR Maharashtra Energy Limited (GMAEL)
	GMR Bundelkhand Energy Private Limited (GBEPL)
	GMR Rajam Solar Power Private Limited (GRSPPL) (Formely known as GMR Uttar Pradesh Energy Private Limited (GUPEPL))
	GMR Hosur Energy Limited (GHOEL)
	Karnali Transmission Company Private Limited (KTCPL)
	Marsyangdi Transmission Company Private Limited (MTCPL)
	GMR Indo-Nepal Energy Links Limited (GINELL)
	GMR Indo-Nepal Power Corridors Limited (GINPCL)
	Aravali Transmission Service Company Limited (ATSCL)
	Maru Transmission Service Company Limited (MTSCL)
	GMR Energy Projects (Mauritius) Limited (GEPML)
	Hyderabad Duty Free Retail Limited (HDFRL)
	GMR Airport Developers Limited (GADL)

Notes to the financial statements for the year ended March 31, 2016

Description of relationship	Name of the related parties
	GADL International Limited (GADLIL)
	GADL (Mauritius) Limited (GADLML)
	Deepesh Properties Private Limited (DPPL)
	Larkspur Properties Private Limited (LAPPL)
	Padmapriya Properties Private Limited (PAPPL)
	Radha Priya Properties Private Limited (RPPL)
	Pranesh Properties Private Limited (PRPPL)
	Kakinada SEZ Private Limited (KSPL)
	GMR Power Infra Limited (GPIL)
	GMR Male International Airport Private Limited (GMIAL)
	GMR Male Retail Private Limited (GMRPL)[13]
	GMR Coal Resources Pte Limited (GCRPL)
	GMR Airport Handling Services Company Limited (GAHSCL)
	GMR Airport Global Limited (GAGL)
	GMR Hosur Industrial City Private Limited (GHICL) (Formerly known as Lantana Properties Private Limited (LPPL))
	Asteria Real Estate Private Limited (AREPL)
	GMR Infrastructure Overseas Limited (GIOL)
	GMR Hosur EMC Private Limited(GHEMCPL)
	GMR Airports (Mauritius) Limited (GAML)
	Delhi Duty Free Services Private Limited (DDFS)
	GMR Hyderabad Airport Power Distribution Limited (GHAPDL)
	GMR Aerospace Engineering Limited (GAEL) (formerly known as MAS GMR Aerospace Engineering Company Limited (MGAECL))[6]
	Delhi Airport Parking Services Private Limited (DAPSL)[6]
	GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited (MGATL))[6]
	East Godavari Power Distribution Company Private Limited (EGPDCPL)[3]
	Suzone Properties Private Limited (SUPPL)[3]
	Lilliam Properties Private Limited (LIPPL)[3]
	GMR Utilities Private Limited (GUPL)[2]
	Raxa Security Services Limited (RSSL)[9]
	Indo Tausch Trading DMCC (Indo Tausch)[1]
Enterprises where significant influence exists	Rampia Coal Mine and Energy Private Limited (RCMEPL)
	Limak GMR Construction JV (CJV)
	LGM Havalimani Isletmeleri Ticaret Ve Turizm Anonim Sirketi (LGM)[14]
	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)
	Delhi Cargo Service Centre Private Limited (DCSCPL)[7]
	Delhi Aviation Services Private Limited (DASPL)
	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)
	Devyani Food Street Private Limited (DFSPL)[7]
	Delhi Select Services Hospitality Private Limited (DSSHPL)[7]
	Wipro Airport IT Services Limited (WAISL)
	TIM Delhi Airport Advertisment Private Limited (TIM)
	PT Golden Energy Mines Tbk (PTGEMS)
	PT Tanjung Belit Bara Utama (TBBU)
	PT Roundhill Capital Indonesia (RCI)
	PT Kuansing Inti Makmur (KIM)
	PT Trisula Kencana Sakti (TKS)
	PT Borneo Indobara (BIB)
	PT Karya Cemerlang Persada (KCP)
	PT Bungo Bara Utama (BBU)
	PT Bara Harmonis Batang Asam (BHBA)
	PT Berkat Nusantara Permai (BNP)

Notes to the financial statements for the year ended March 31, 2016

Description of relationship	Name of the related parties
	PT Bumi Anugerah Semesta (BAS)
	Shanghai Jingguang Energy Co. Ltd (SJECL)[5]
	PT Gems Energy Indonesia (PTGEI)[5]
	GEMS Trading Resources Pte Limited (GEMSCR) (Formerly known as GEMS Coal Resources Pte Limited)
	Delhi Aviation Fuel Facility Private Limited (DAFF)
	Laqshya Hyderabad Airport Media Private Limited (Laqshya)
	Jadcherla Expressways Private Limited (JEPL) (formerly known as GMR Jadcherla Expressways Limited (GJEPL))
	Ulundurpet Expressways Private Limited (UEPL) (GMR Ulundurpet Expressways Private Limited (GUEPL))
	GMR Trading Resources Pte. Limited (GEMSCR)
	Megawide - GISPL Construction JV(MGCJV)[4]
	Asia Pacific Flight Training Academy Limited (APFT)
	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)[10]
	East Delhi Waste Processing Company Private Limited (EDWPCPL)
Enterprises where key managerial personnel or their relatives exercise significant influence (Where transactions have taken place)	Welfare Trust of GMR Infra Employees (GWT)
	GMR Varalaxmi Foundation (GVF)
	GMR Family Fund Trust (GFFT)
	GMR Infra Ventures LLP (GIVLLP)
	GMR Enterprises Private Limited (GEPL)
	Grandhi Enterprises Private Limited (GREPL)
	GMR Business and Consulting LLP ('GBC')
Jointly controlled enity	GMR Megawide Cebu Airport Corporation (GMCAC)[11]
	ISG[14]
Fellow Subsidiaries (Where transactions have taken place)	GMR Projects Private Limited (GPPL)
	GMR Bannerghatta Properties Private Limited (GBPPL)
	GMR Holding Malta Limited (GHML)
	Ravi Verma Realty Private Limited (RRPL)
	Cadence Retail Private Limited ('CRPL')
	GEOKNO India Private Limited (GEOKNO)
Key management personnel and their relatives	Mr. G.M. Rao (Executive Chairman)
	Mrs. G Varalakshmi (Relative)
	Mr. G.B.S. Raju (Director)
	Mr. Grandhi Kiran Kumar (Managing Director)
	Mr. O.B. Raju (Director)
	Mr. Srinivas Bommidala (Director)
	Mr. B.V. Nageswara Rao (Director)
	Mr. C.P. Sounderarajan (Company Secretary) (Resigned w.e.f. August 12, 2015)
	Mr. Adiseshavataram Cherukupalli (Company Secretary) (Appointed w.e.f August 13, 2015)
	Mr. Madhva Bhimacharya Terdal (Group CFO)

Notes

1. Subsidiaries incorporated during the year ended March 31,2016.
2. Subsidiaries incorporated during the previous year.
3. Subsidiaries acquired during the previous year.
4. Jointly controlled entity incorporated during the year ended March 31,2016.
5. Subsidiary of PTGEMS incorporated during the year ended March 31,2016.
6. Ceased to be a jointly controlled entity and became a subsidiary during the previous year.
7. Ceased to be a jointly controlled entity during the previous year.
8. Ceased to be a subsidiary during the year ended March 31,2016.
9. Ceased to be a fellow subsidiary during the year ended March 31, 2016 and became a subsidiary
10. Ceased to be a subsidiary and became an associate during the year ended March 31,2016.
11. Jointly controlled entity incorporated during the previous year.
12. Ceased to be a subsidiary during the previous year.
13. Subsidiaries liquidated during the year ended March 31, 2016.
14. Ceased to be a jointly controlled entity during the year ended March 31, 2014

Notes to the financial statements for the year ended March 31, 2016

32 RELATED PARTIES

B SUMMARY OF TRANSACTIONS WITH ABOVE RELATED PARTIES ARE AS FOLLOWS:

Nature of Transaction		March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
i)	**Interest Income - Gross**		
	Subsidiary Companies		
	- GEL	308.74	225.87
	- GMRHL	34.09	26.07
	- DSPL	26.50	34.11
	- GBPSPL	0.63	0.50
	- GKSEZ	17.76	14.52
	- GAPL	14.00	12.33
	- GSPHPL	22.17	8.89
	- KSPL	113.18	42.79
	- DPPL(₹ 15,041 (March 31, 2015 : ₹ 15,001))	0.00	0.00
	- GCAPL	0.55	1.30
	- GIML	4.10	-
	- CPPL	-	0.17
	- GPIL	-	0.05
	- GPL	-	0.18
	- RSSL	0.40	-
ii)	**Construction revenue**		
	Subsidiary Companies		
	- GMRHL	1.10	52.55
	- GHVEPL	2.58	-
	- GKEL	2.91	-
iii)	**Income from management and other services**		
	Subsidiary Companies		
	- GIML	10.59	9.88
	- GCRPL	3.72	7.42
	- GISPL	-	4.83
	Enterprises where significant influence exists		
	- JEPL	-	0.46
	Fellow subsidiary		
	- GPPL	-	0.11
iv)	**Dividend income on current investments**		
	Subsidiary Company		
	- GAL (₹ 10,732 [March 31, 2015: ₹ 10,732])	0.00	0.00
v)	**Miscellaneous income**		
	Subsidiary Company		
	- GIOSL	-	5.23
vi)	**Subcontracting expenses**		
	Subsidiary Company		
	- GHIAL	-	0.04
	- RSSL	0.11	-
	Fellow subsidiary		
	- GEOKNO	4.21	-
	- RSSL	0.15	0.47
vii)	**Finance costs**		
	Holding Company		
	- GHPL	-	4.47
	Subsidiary Companies		
	- GAL	5.52	7.99
	- GAPL	-	0.03
	- GADL	10.99	11.67

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction		March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
viii)	**Legal and professional fees**		
	Holding Company		
	- GHPL	-	0.14
	Subsidiary Companies		
	- GKSEZ	-	0.02
	- GAL	-	0.54
	- GCAPL	36.08	31.94
	- GBPSPL	1.38	1.48
	Enterprises where significant influence exists		
	- GOSEHHHPL (₹ 15,000) (March 31, 2015 : Nil)	0.00	-
	- DAFF	0.01	0.01
ix)	**Lease rental and equipment hire charges**		
	Subsidiary Companies		
	- DIAL	1.14	-
	- GHIAL	0.04	0.16
	- HFEPL	-	3.08
	Fellow Subsidiary		
	- RRPL	-	0.03
	Holding Company		
	- GHPL	0.01	-
	Enterprises where significant influence exists		
	- GOSEHHHPL	0.03	-
	Enterprises where key managerial personnel or their relatives exercise significant influence		
	- GFFT	0.11	9.40
	- GREPL	1.25	0.14
x)	**Security expenses**		
	Subsidiary Company		
	- RSSL	0.75	-
	Fellow subsidiary		
	- RSSL	0.26	7.69
xi)	**Travelling and conveyance**		
	Subsidiary Companies		
	- GHIAL ₹ 15,090 (March 31,2015: ₹ 30,728)	0.00	0.00
	- DIAL	0.01	0.03
	- GAPL	0.41	4.65
	- GHRL ₹ 4,423 (March 31,2015: ₹ 46,277)	0.00	0.00
	- GAL	-	0.05
	Enterprises where significant influence exists		
	- GOSEHHHPL (₹ 29,767)	0.00	-
	Fellow subsidiary		
	- GPPL	0.01	-
xii)	**Repairs and maintenance**		
	Subsidiary Companies		
	- GCAPL	0.52	1.29
	- HFEPL	-	0.36
	- DIAL	0.25	-
	- GHIAL ₹ (March 31, 2015: ₹ 9,362)	0.02	0.00
	Fellow subsidiary		
	- RSSL	-	0.09

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction				March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
xiii)	**Rates & Taxes**				
	Subsidiary Companies				
	-	GKSEZ		-	0.02
	-	GMRHL		-	0.54
	Fellow Subsidiary				
	-	GBPPL (March 31, 2015 : ₹ 53,000)		-	0.01
xiv)	**Communication Costs**				
	Subsidiary Company				
	-	GHIAL		0.01	0.01
	Enterprises where significant influence exists				
	-	GOSEHHHPL (₹ 2,702)		0.00	-
xv)	**Miscelleneous Expenses**				
	Subsidiary Company				
	-	DIAL			-
	-	GIOL		0.09	-
	-	KSPL (₹ 46,233)		0.00	-
	Fellow Subsidiary				
	-	GPPL (March 31, 2015 ₹ 34,213)		-	0.00
xvi)	**Bidding Charges**				
	Subsidiary Company				
	-	GMRHL (March 31, 2015 ₹ 10,000)		-	0.00
xvii)	**Corporate Social Responsibility**				
	Enterprises where key managerial personnel or their relatives exercise significant influence				
	-	GVF		-	2.92
xviii)	**Staff welfare expense**				
	Enterprises where significant influence exists				
	-	GOSEHHHPL (₹ 5,900)		0.00	-
	Fellow subsidiary				
	-	RSSL		-	0.08
xix)	**Expenses incurred by GIL on behalf of others- Cross charges**				
	a)	**Cross charges during the year**			
		Subsidiary Companies			
		-	ATSCL	0.20	0.58
		-	MTSCL	0.25	0.90
		-	GCHEPL	24.82	36.38
		-	GGSPPL	1.18	1.27
		-	DIAL	33.47	36.67
		-	GCORRPL	1.08	3.16
		-	GEL	1.38	2.30
		-	GHIAL	9.50	10.48
		-	GKSEZ	1.27	1.55
		-	KSPL	3.10	4.64
		-	GPCL	0.37	0.48
		-	GSPHPL	0.44	0.87
		-	GTTEPL	1.28	2.51
		-	GAPL	0.29	0.78
		-	GMRHL	0.95	13.56
		-	GTAEPL	1.20	2.40
		-	GVPGL	2.33	2.62
		-	DSPL	0.10	0.10

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction			March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
	-	GWEL	8.55	14.83
	-	GKEL	14.38	25.62
	-	GCSPL	0.27	-
	-	GBHHPL	2.65	-
	-	GACEPL	0.61	-
	-	GPEPL	0.61	-
	-	GETL	6.01	-
	-	GHVEPL	1.59	-
	-	GREL	2.02	-
	-	GAL	0.50	-
	-	GPIL (₹ 24,023) (March 31, 2015- Nil)	0.00	-
	-	GREEL	0.02	-
	-	GPIL (₹ 14,431) (March 31, 2015- Nil)	0.00	-
	-	GADL (₹ 43,332) (March 31, 2015- Nil)	0.00	-
		Enterprises where significant influence exists		
	-	GOSEHHHPL	0.27	-
	-	UEPL	0.03	-
	b)	**Reimbursement of expenses**		
		Holding Company		
	-	GHPL	-	2.87
		Subsidiary Company		
	-	GAL	-	2.11
	-	GKSEZ	0.50	-
		Fellow subsidiary		
	-	GEOKNO	0.33	0.37
xx)	**Logo fee**			
	Holding Company			
	-	GHPL (₹ 1,000) (March 31, 2015 ₹ 1,055)	0.00	0.00
xxi)	**Security deposit given**			
	Subsidiary Companies			
	-	HFEPL	-	2.03
	Enterprises where key managerial personnel or their relatives exercise significant influence			
	-	GFFT	1.35	15.00
xxii)	**Security deposit refunded**			
	Fellow subsidiary			
	-	GPPL	0.02	-
	Enterprises where key managerial personnel or their relatives exercise significant influence			
	-	GFFT	15.00	-
xxiii)	**Purchase of fixed assets**			
	Subsidiary Companies			
	-	GKUAEL	0.08	-
	Fellow subsidiary			
	-	GPPL	1.78	0.27
xxiv)	**Investment in preference shares of**			
	a)	**Allotment of preference shares**		
		Subsidiary Company		
	-	GMRHL	137.00	-
xxv)	**Redemption of debentures of**			
	Subsidiary Companies			
	-	GEL	100.00	10.00
	-	GCAPL	11.50	138.50

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction		March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
xxvi)	**Sale of investments**		
	Subsidiary Companies		
	- GMRHL (₹ 30)	0.00	-
	Fellow subsidiary		
	- GHML (₹ 3,924)	0.00	-
xxvii)	**Provision for diminution in value of investments**		
	Subsidiary Companies		
	- GEL	668.40	-
	- GMRHL	241.24	239.20
	- GCORRPL	4.12	-
	- GKUAEL	-	7.00
	- GREEL	616.60	-
	- GHVEPL	15.87	10.50
	Enterprises where significant influence exists		
	- UEPL	1.05	-
	- GOSEHHHPL	29.65	-
xxviii)	**Transfer of unbilled revenue on account of novation agreement**		
	Subsidiary Companies		
	- GCORRPL	16.10	-
	- GHVEPL	9.18	-
xxix)	**Provision for diminution in value of Advances**		
	Subsidiary Company		
	- GKUAEL	-	5.70
xxx)	**Equity share application money alloted**		
	Jointly Controlled Entity		
	- GMCAC	10.66	1.37
xxxi)	**Share Application money given**		
	Jointly Controlled Entity		
	- GMCAC	-	12.03
xxxii)	**Investment in debentures of**		
	Subsidiary Companies		
	- GSPHPL	263.70	-
xxxiii)	**Loans given**		
	Subsidiary Companies		
	- GAPL	22.50	10.00
	- GEL	1,288.26	1,227.67
	- GMRHL	278.17	191.48
	- DSPL	233.12	904.05
	- GBPSPL	31.06	-
	- KSPL	716.33	188.03
	- GKSEZ	24.01	40.85
	- GSPHPL	107.01	66.80
	- GCAPL	39.35	-
	- GIML	227.02	-
	- RSSL	24.00	-
xxxiv)	**Loans repaid by**		
	Subsidiary Companies		
	- GIML	40.06	-
	- GBPSPL	15.00	2.49
	- GMRHL	50.00	16.14

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction			March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
	-	DSPL	623.11	476.50
	-	GEL	192.71	403.21
	-	GSPHPL	61.37	26.75
	-	GKSEZ	-	0.50
	-	CPPL	-	25.00
	-	GPL	-	26.03
	-	GPIL	-	3.80
xxxv)	**Loans received from**			
	Holding Company			
	-	GHPL	-	215.00
	Subsidiary Company			
	-	GAL	180.00	-
xxxvi)	**a)**	**Loans repaid to**		
		Subsidiary Companies		
		- GAL	188.00	-
		- GADL	4.72	4.71
		- GAPL	-	11.00
	b)	**Conversion of loans in to Share application Money**		
		Holding Company		
		- GHPL	-	215.00
xxxvii)	**Advance received from customers**			
	Subsidiary Company			
	-	GWEL	3.80	-
	-	GKEL	1.00	-
	-	GMRHL	0.69	-
	-	GCORRPL	5.00	-
xxxviii)	**Advance repaid to customers**			
	Subsidiary Company			
	-	GCORRPL	5.00	-
	-	GMRHL	0.44	-
xxxix)	**Corporate Guarantees/ Comfort Letters given on behalf of**			
	Subsidiary Companies			
	-	GISPL	33.39	-
	-	KSPL	150.00	-
	-	GKEL	400.00	-
	-	PAPPL	3.60	-
	-	GWEL	295.00	915.50
	-	GEL	68.00	961.00
	-	PTBSL	66.10	-
	-	RSSL	30.00	-
	-	GHIAL	-	1,480.00
	-	GISPL	-	920.29
	-	GIML	-	925.68
	-	GGSPPL	-	35.00
	-	ATSCL	-	13.20
	-	MTSCL	-	18.70
	Jointly controlled entity			
	-	GMCAC	-	769.82
xxxx)	**Bank Guarantees given on behalf of**			
	Subsidiary Companies			
		- GKEL	-	22.85

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction	March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
xxxxi) Corporate Guarantees/ Comfort Letters extinguished on behalf of		
Subsidiary Companies		
- GAPL	19.00	-
- GENBV	302.69	-
- GGSPPL	25.00	-
- GPCL	275.00	-
- GIML	599.07	877.12
- GHIAL	100.00	442.00
- GISPL	-	283.77
- GEL	-	100.00
- GPEPL	-	8.00
- DIAL	-	25.00
Enterprises where significant influence exists		
- UEPL	596.25	-
- JEPL	353.48	-
- LGM	-	56.22
Fellow Subsidary		
- GHML	-	205.66
Jointly controlled entity		
- GMCAC	807.86	-
- ISG	-	950.84
xxxxii) Bank Guarantees extinguished on behalf of		
Subsidiary Companies		
- GPCL	-	85.00
- GMRHL	-	8.50
Fellow subsidiary		
- GEOKNO	-	6.29
xxxxiii) Managerial remuneration to		
Key management personnel and their relatives		
- Mr.G.M.Rao	0.82	0.84
- Mr. Grandhi Kiran Kumar	0.95	-
- Mr. C.P. Sounderarajan	0.35	0.69
- Mr. Adiseshavataram Cherukupalli	0.47	-
- Mr. Madhva Bhimacharya Terdal	1.65	3.33
xxxxiv) Advances adjusted against inventories		
Fellow subsidiary		
- GPPL	-	29.19
xxxxv) Money received against Share Warrants		
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GIVLLP	-	141.75
xxxxvi) Renounciation of right issue entitlement by GHPL in favour of		
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GBC	-	215.00
xxxxvii) Share application money received against rights issue		
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GBC	-	674.57
xxxxviii) Allotment of shares in right issue from share application money (including securities premium)		
Enterprises where key managerial personnel or their relatives exercise significant influence		
- GBC	889.57	-

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction			March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
xxxxix)	Share warrents forfeited			
	Enterprises where key managerial personnel or their relatives exercise significant influence			
	-	GIVLLP	141.75	-
xxxxx)	Outstanding balances as at the year end			
	a)	Loans receivable – Non-Current		
		Subsidiary Companies		
	-	GEL	2,933.34	1,919.46
	-	GIML	186.96	-
	-	DSPL	-	398.20
	-	GAPL	22.50	-
	-	KSPL	1,145.35	429.03
	-	GMRHL	1,179.40	951.23
	-	GBPSPL	2.89	-
	-	GSPHPL	132.31	86.67
	-	GKSEZ	68.36	44.35
	-	RSSL	24.00	-
		Enterprises where key managerial personnel or their relatives exercise significant influence		
	-	GWT	115.00	115.00
	b)	Loans receivable – Current		
		Subsidiary Companies		
	-	GEL	81.67	-
	-	GCAPL	39.35	-
	-	GBPSPL	16.06	2.89
	-	GAPL	10.00	10.00
	-	DSPL	64.56	56.35
	c)	Loans payables – Current		
		Subsidiary Companies		
	-	GAL	60.00	68.00
	-	GADL	9.43	4.72
	d)	Loans payables – Non Current		
		Subsidiary Companies		
	-	GADL	73.14	82.57
	e)	Investment in share application money		
		Jointly controlled entity		
	-	GMCAC	-	10.66
	f)	Trade receivables- Current		
		Subsidiary Companies		
	-	GWEL	26.97	28.47
	-	GMRHL	3.21	7.78
	-	GTTEPL (₹ 24,000)	0.00	1.40
	-	GKSEZ	-	0.13
	-	GCRPL	11.58	7.42
	-	GHEMCPL	0.02	-
	-	GCORRPL	0.74	0.04
	-	GIML	5.32	-
	-	GHVEPL	5.53	-
		Enterprises where significant influence exists		
	-	JEPL	0.47	0.51

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction			March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
g)	**Trade receivables- Non Current**			
	Subsidiary Companies			
	-	GCORRPL	0.08	-
	-	GTTEPL	-	0.23
	-	GHVEPL	0.31	-
	-	GKEL	1.21	0.82
h)	**Unbilled revenue - Current**			
	Subsidiary Companies			
	-	GCORRPL	14.19	-
	-	GHVEPL	5.49	-
	-	GWEL	9.55	9.55
	-	GMRHL	0.72	-
	-	GTTEPL	0.01	0.01
	-	GKEL	0.18	4.17
i)	**Accrued interest on loans given**			
	Subsidiary Companies			
	-	GEL	185.00	20.34
	-	GMRHL	37.26	7.54
	-	DSPL	0.72	34.03
	-	GCAPL	0.43	-
	-	GAPL	1.56	-
	-	GIML	4.10	-
	-	KSPL	106.78	33.90
	-	GKSEZ	0.03	2.98
	-	GBPSPL	0.61	0.02
	-	GSPHPL	-	5.88
	-	RSSL	0.01	-
j)	**Accrued interest on investment in debentures**			
	Subsidiary Companies			
	-	GEL	26.31	-
	-	GKSEZ	-	11.24
	-	GCAPL	-	0.05
	-	GSPHPL	-	2.82
	-	GAPL	24.93	12.97
	-	DPPL ₹ 3,374 (March 31, 2015 ₹ 13,500)	0.00	0.00
k)	**Accrued interest but not due on borrowings**			
	Holding Company			
	-	GHPL	-	4.02
	Subsidiary Companies			
	-	GAL	-	0.62
	-	GADL	-	0.97
l)	**Advances receivable in cash or kind (Other advances)**			
	Holding Company			
	-	GHPL	0.13	2.87
	Subsidiary Companies			
	-	GEL	0.70	1.41
	-	GETL	6.61	-
	-	GKSEZ	0.25	0.85
	-	GVPGL	4.79	2.88
	-	GBHHPL	1.29	-

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction		March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
	- GPIL (₹ 25,035)	0.00	-
	- GADL	0.01	-
	- GHVEPL	7.31	5.66
	- GWEL	1.70	0.87
	- GCHEPL	12.64	39.77
	- DIAL	8.52	4.49
	- GHIAL	2.71	1.44
	- GGSPPL	1.60	0.40
	- KSPL	9.29	5.76
	- GAPL	2.29	1.96
	- GKUAEL	-	5.70
	- GTTEPL	5.20	3.90
	- GTAEPL	2.80	1.61
	- GPCL	0.86	0.44
	- GMRHL	14.63	24.37
	- GKEL	14.88	8.90
	- GISPL	-	0.16
	- GCORRPL	6.12	6.38
	- MTSCL	0.13	0.54
	- GCAPL	-	2.76
	- GSPHPL	0.24	0.47
	- ATSCL	0.16	0.53
	- GAL	0.48	1.80
	- DSPL	0.22	0.11
	- GPEPL	0.69	-
	- GREEL	0.01	-
	- GCSPL	0.30	-
	- GACEPL	0.66	-
	- RSSL	0.25	-
	Fellow subsidiaries		
	- GEOKNO	0.11	-
	- RSSL	-	0.63
	- GPPL	-	0.53
	Enterprises where significant influence exists		
	- UEPL	0.04	-
	Enterprises where key managerial personnel or their relatives exercise significant influence		
	- GFFT	0.65	0.21
m)	**Security deposits receivable - Non current**		
	Subsidiary Company		
	- GHIAL	0.04	0.04
	- RSSL	0.28	-
	Fellow subsidiaries		
	- GPPL	-	0.02
	- RSSL	-	0.28
n)	**Security deposits receivable - Current**		
	Subsidiary Company		
	- HFEPL	2.51	2.51
	Enterprises where key managerial personnel or their relatives exercise significant influence		
	- GFFT	1.35	15.00
o)	**Trade payables - Current**		
	Holding Company		
	- GHPL Rs, 15,754 (March 31, 2015 ₹ 3,604)	0.00	0.00
	Subsidiary Companies		

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction		March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
	- GMRHL	0.19	0.22
	- GAPL	1.44	3.97
	- GHIAL	0.03	0.01
	- GHVEPL	0.04	0.04
	- GWEL (₹ 11,732)	0.00	-
	- GHRL	0.01	-
	- GAL	0.42	0.42
	- GCAPL	3.81	15.86
	- GBPSPL	2.49	1.19
	- DIAL (March 31, 2015: ₹ 27,442)	1.22	0.00
	- GKSEZ	0.08	0.01
	- GPEPL (₹ 3,589) (March 31, 2015 : ₹ 3,589)	0.00	0.00
	- GTTEPL	1.05	1.05
	- HFEPL	-	0.86
	- DDFS	-	0.06
	- RSSL	0.33	-
	Fellow Subsidiaries		
	- GPPL	1.02	-
	- RSSL	-	1.82
	- RRPL	0.01	0.01
	Enterprises where significant influence exists		
	- DAFF	0.02	-
	Enterprises where key managerial personnel or their relatives exercise significant influence		
	- GFFT	0.76	1.36
	- GREPL	0.30	0.13
	Key management personnel and their relatives		
	- Mr. G.M.Rao	-	0.30
p)	**Non-Trade payables - Current**		
	Holding Company		
	- GHPL	-	0.14
	Subsidiary Companies		
	- GEL	33.27	36.05
	- GREL	7.96	10.28
	Fellow Subsidiary		
	- GBPPL	-	0.01
q)	**Advance from customers – Current**		
	Subsidiary Companies		
	- GMRHL	1.30	1.08
	- GKEL	5.55	12.23
	- GIML	-	5.08
	- GWEL	15.80	12.00
	Fellow subsidiary		
	- GPPL	10.26	10.66
r)	**Corporate Guarantees/ Comfort Letters sanctioned on behalf of**		
	Subsidiary Companies		
	- DIAL	377.11	373.10
	- GADL	100.00	100.00
	- GAPL	214.18	224.44
	- GCORRPL	786.78	786.78
	- GCRPL	3,452.01	3,260.20
	- GEL	2,559.00	2,491.00
	- PAPPL	3.60	-
	- GKEL	400.00	-
	- GENBV	-	302.69

Notes to the financial statements for the year ended March 31, 2016

Nature of Transaction			March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
	-	GHIAL	1,480.00	1,580.00
	-	GHVEPL	1,690.00	1,690.00
	-	GIML	968.17	1,513.44
	-	GISPL	2,605.59	2,390.37
	-	GMIAL	2,620.72	2,475.11
	-	GMRHL	450.00	450.00
	-	GOSEHHHPL	-	1,080.00
	-	KSPL	400.00	250.00
	-	GGSPPL	35.00	60.00
	-	PTBSL	381.92	298.27
	-	GPCL	-	275.00
	-	GETL	60.00	60.00
	-	GAL	500.00	500.00
	-	GCHEPL	1,893.90	1,819.61
	-	GTTEPL	105.00	105.00
	-	GTAEPL	45.00	45.00
	-	GBHHPL	1,545.00	1,545.00
	-	GWEL	1,210.50	915.50
	-	MTSCL	18.70	18.70
	-	ATSCL	13.20	13.20
	-	RSSL	30.00	-
	Jointly Controlled Entity			
	-	GMCAC	-	807.86
	Enterprises where significant influence exists			
	-	UEPL	-	596.25
	-	GOSEHHHPL	1,080.00	-
	-	JEPL	-	353.48
s)	**Bank Guarantee outstanding on behalf of**			
	Subsidiary Companies			
	-	GKSEZ	45.66	45.66
	-	GMRHL	2.13	1.50
	-	GKEL	-	22.85
	Fellow subsidiary			
	-	GEOKNO	2.48	2.48
t)	**Share application money pending allotment**			
	Enterprises where key managerial personnel or their relatives exercise significant influence			
	-	GBC	-	889.57
u)	**Money received against share warrants**			
	Enterprises where key managerial personnel or their relatives exercise significant influence			
	-	GIVLLP	-	141.75

Notes:

a. The Company has provided securities by way of pledge of investments for loans taken by certain Companies (refer note 13).

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

c. A charge has been created over the deposits of ₹ Nil Crore (March 31, 2015: ₹ 502.10 Crore) for loan against deposits availed by KSPL.

d. A charge has been created over the deposits of ₹ 1.80 Crore (March 31, 2015: ₹ 2.98 Crore) for the purpose of DSRA maintained by the Company with a bank for loan against Company for loan availed by GMRHL.

e. Also refer note 13 on non-current investments and note 16 on current investments.

f. Also refer note 5 for long term borrowings and note 9 for short term borrowings as regards security given by related parties for loans availed by the Company.

Notes to the financial statements for the year ended March 31, 2016

33 CAPITAL AND OTHER COMMITMENTS

Capital commitments

a) Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances ₹ Nil Crore (March 31, 2015: Nil).

Other commitments

1. The Company has committed to provide financial assistance as tabulated below:

Name of Jointly controlled entity	Outstanding commitment for financial assistance	
	March 31, 2016 (₹ in Crore)	March 31, 2015 (₹ in Crore)
Subsidiaries	1,230.88	1,073.43
Jointly controlled entity	18.92	18.92
Total	**1,249.79**	**1,092.35**

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

March 31, 2016	March 31, 2015
- GMIAL	- GMIAL

3. The Company has extended comfort letters to provide continued financial support to the following subsidiaries, to ensure that these subsidiaries are able to meet their debts, committments (including committments towards investee entities) and liabilities as they fall due and they continue as going concerns:

March 31, 2016	March 31, 2015
- GIOL	- GIOL
- GEL	- GEL
- GEPML	- GEPML
- GICL	- GICL
- GMRHL and its subsidiaries	- GMRHL and its subsidiaries
- GISPL	- GISPL
- GCHEPL	- GHIAL (comfort letter issued by GAL)
- GAPL	

4. The Company has entered into agreements with the lenders wherein the promoters of the Company and the Company has committed to hold directly or indirectly at all times at least 51% of the equity share capital of the below mentioned subsidiary Companies and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders:

March 31, 2016	March 31, 2015
- GIML	- GIML
- GCRPL	- GCRPL
- GENBV	- GENBV
- GMIAL	- GMIAL
- GEL	- GEL
- GAL	- GAL
- DIAL	- DIAL
- GMRHL	- GMRHL
- GISPL	- GISPL
- GAML	- GAML
- GHIAL	- GHIAL
- GWEL (formerly EMCO)	- GWEL (formerly EMCO)

Notes to the financial statements for the year ended March 31, 2016

5. GEL has issued following fully paid up CCCPS:

Investors	No. of CCCPS		March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
	March 31, 2016	March 31, 2015		
CCCPS - Portion B Securities of ₹ 1,000 each				
Claymore Investments (Mauritius) Pte Limited	37,05,749	37,05,749	370.57	370.57
IDFC Private Equity Fund III	9,99,940	9,99,940	99.99	99.99
Infrastructure Development Finance Company Limited	1,99,988	1,99,988	20.00	20.00
IDFC Investment Advisors Limited	4,49,988	4,49,988	45.00	45.00
Ascent Capital Advisors India Private Limited	1,99,988	1,99,988	20.00	20.00
GKFF Capital	3,25,000	3,25,000	32.50	32.50
CCCPS - Portion A Securities of ₹ 1,000 each				
GREEL	64,00,000	64,00,000	640.00	640.00
GEPML	6,50,000	6,50,000	65.00	65.00

During the year ended March 31, 2011, GEL had issued 13,950,000 CCCPS of ₹ 1,000 each. These preference shares were held by Claymore Investments (Mauritius) Pte Limited, IDFC Private Equity Fund III, Infrastructure Development Finance Company Limited, IDFC Investment Advisors Limited, Ascent Capital Advisors India Private Limited, and Argonaut Ventures (collectively called as Investors). During the year ended March 31, 2014, GEL has entered into an amended and restated share subscription and shareholders agreement ('Amended SSA') with the investors, the Company and other GMR group companies. The Investors continue to hold 6,900,000 CCCPS in GEL and a new investor GKFF Capital has subscribed to additional 325,000 CCCPS of ₹ 1,000 each (collectively referred to as 'Portion B securities'). As per the Amended SSA and Share Purchase Agreement ('SPA') between the investors, GEL and other GMR Group Companies, 7,050,000 CCCPS with a face value of ₹ 705.00 Crore ('Portion A Securities') have been bought by GREEL and GEPML for a consideration of ₹ 11,69.17 Crore. Portion A securities shall be converted into equity shares of GEL as per the terms prescribed in clause 5 of the SPA not later than the date of conversion of Portion B securities. As defined in the terms of Amended SSA, GEL has to provide an exit to the Portion B Securities investors within 30 months from last return date (November 29, 2013) at the agreed price of ₹ 1,278.67 Crore ("Investor exit amount"). In case of non-occurrence of QIPO within 24 months from the last return date, GMR Group may give an exit to Portion B securities investors at investor exit amount by notifying them the intention to purchase the preference shares within 30 days from the expiry of the 24th month. In case of non-occurrence of QIPO or no notification from GMR group companies as stated aforesaid, the Portion B securities investors have the sole discretion to exercise the various rights under clause 10 of the Amended SSA. Prior to the completion of the transaction as per the Subscription Agreement as detailed above, the Portion B Securities held by the Investors need to be converted into a fixed number of equity shares of GEL along with the Portion A Securities held by GEPML and GREEL.

During the year ended March 31, 2016, the Investors have not exercised various rights under clause 10 of the Amended SSA and the management of GEL is currently negotiating with the Investors to amend the Amended SSA.

6. During the year ended March 31, 2011 GAL has issued 2,298,940 non-cumulative compulsory convertible non-participatory preference shares (CCPS 1) bearing 0.0001% dividend on the face value of ₹ 1,000 each fully paid up amounting to ₹ 229.89 Crore at a premium of ₹ 2,885.27 each totaling to ₹ 663.31 Crore to Macquaire SBI Infrastructure Investments 1 Limited, ("Investor I") for funding and consolidation of airport related investments by the Group. Further, during the year ended March 31.2013 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"). The Company and GAL have provided Investor I and Investors II various conversion and exit options at an agreed internal rate of return as per the terms of the Restructuring Options Agreements and Investment agreements executed between the Company, GAL, Investor I and Investor II.

As per the terms of CCPS 1 & CCPS 2, these were either convertible into equity shares on or before April 06, 2015 or the Company had an option to exercise the call Options requiring the investors to transfer these shares in favour of the Company. The Company exercised such call option on April 01, 2015 on all these shares. The payment of call price is subject to the prior approval of the Reserve Bank of India. The Company and the Investors thereafter, basis mutual discussions, decided to restructure the investments, which is subject to prior approval of Reserve Bank of India and have filed a joint application to the Reserve Bank of India on October 01, 2015. As per the revised understanding, these shares will be converted into equity shares in two tranches ending on June 2017. Pending approval of RBI, the Company and these shareholders and GAL have signed an 'Amended and Restated Investment Agreement' on December 24, 2015 which shall be effective upon receipt of approval from RBI. Further the Company has also entered into a Share Purchase Agreement with JM Financials Trustee Private Limited (JMFI) and Build India Capital Advisors (BICA) on December 21, 2015 to buy out their shares. Share transfer is yet to be completed."

Notes to the financial statements for the year ended March 31, 2016

7. For commitment relating to lease arrangements (refer note 29).

8. The Company has certain long term unquoted investments which have been pledged as security towards loan facilities sanctioned to the Company and the investee Companies (refer note 13).

9. During the year ended March 31, 2014, the Company along with its subsidiaries entered into a definitive agreement ('SPA') with Malaysia Airports MSC Sdn Bhd ('Buyer') for sale of 40% equity stake in their jointly controlled entities, ISG, LGM. Pursuant to the SPA entered with the buyer, the Company along with its subsidiaries had provided a guarantee of Euro 4.50 Crore towards tax claims, as specified in the SPA for a period till May 2019.

10. For commitment relating to FCCB's (refer note 5(19)).

34 CONTINGENT LIABILITIES

a) Contingent liabilities include[2]

Particulars	As at March 31, 2016 ₹ in Crore	As at March 31, 2015 ₹ in Crore
Corporate guarantees availed by the group Companies		
(a) sanctioned	23,929.67	25,247.37
(b) outstanding	15,548.27	16,923.36
Bank guarantees		
(a) sanctioned	917.21	300.00
(b) outstanding	890.07	190.98
Letter of comfort provided on behalf of group Companies to banks		
(a) sanctioned	1,435.00	1,435.00
(b) outstanding	465.08	277.22
Matters relating to indirect taxes under dispute	44.54	93.54
Matters relating to direct taxes under dispute[1]	154.55	5.83
Claims against the company not acknowlegded as debts	17.49	53.02

1 A search under Section 132 of the Income Tax Act, 1961 ('IT Act') was carried out at the premises of the Company by the Income Tax Authorities on October 11, 2012, followed by search closure visits on various dates thereafter during the year ended March 31, 2013 to check the compliance with the provisions of the IT Act. The Income Tax Department has subsequently sought certain information / clarifications. During the years ended March 31, 2015 and March 31, 2016, block assessments have been completed for certain years and the Company has received orders /demand amounting to ₹ 94.60 Crore under Section 143(3) r.w.s.153A of the IT Act from the Income Tax Authorities in respect to Assessment Years 2007-08 to 2013-14. The management of the Company has filed the appeals against the above orders and believes that these demands are not tenable and it has complied with all the applicable provisions of the IT Act with respect to its operations.

2 Refer Note 33(9) in respect of future claims if any arising on account of the divestment of shareholding in ISG.

Notes to the financial statements for the year ended March 31, 2016

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

(₹ in Crore)

Name of the entity	Amount outstanding as at March 31,		Maximum amount outstanding during the year		Interest rate during the year		Investment by loanee in the Company/ subsidiary Companies Shares
	2016	2015	2016	2015	2016	2015	
Loans given/ debentures subscribed							
- GEL[1]^	3,015.01	1,919.46	3,015.01	1,941.00	12.25% to 14.75%	11.25% to 14.75%	Refer note 1
- GMRHL[1]^	1,179.40	951.23	1,179.40	951.23	0% to 14.75%	0% to 14.75%	Refer note 2
- GKSEZ[2]^	96.25	96.25	96.25	96.25	12%	12%	Refer note 3
- CPPL[1]^	-	-	-	25.00	-	12%	Nil
- GKSEZ[1]^	68.36	44.35	68.36	44.85	12% to 14.75%	12% to 14.75%	Refer note 3
- GPL[1]^	-	-	-	26.03	-	12%	Nil
- GSPHPL[1]^	132.31	86.67	193.68	86.67	12.25%	12.25% to 14.75%	Refer note 5
- GAPL[2]^	98.65	98.65	98.65	98.65	12.50%	12.50%	Nil
- GSPHPL[2]^	507.46	243.76	507.46	243.76	0% to 12%	0.10% to 12%	Refer note 5
- GWT[1]^	115.00	115.00	115.00	115.00	0%	0%	Refer note 14(1) on loans and advances
- DSPL[1]^	64.56	454.55	454.55	557.90	12.25%	12.25% to 15%	Refer note 7
- GAPL[1]^	32.50	10.00	32.50	10.00	0% to 12.25%	0%	Nil
- GBPSPL[1]^	18.95	2.89	33.95	5.38	12.25% to 14.75%	12% to 14.75%	Nil
- GEL[2]^	867.50	967.50	967.50	977.50	13.85% to 14.5%	14.50%	Refer note 1
- DPPL[2]^	1.50	1.50	1.50	1.50	0.10%	0.10%	Nil
- GCAPL[1]^	39.35	-	39.35	-	12.25%	-	Refer note 4
- GPIL[1]^	-	-	-	3.80	-	10%	Refer note 6
- GCAPL[2]^	-	11.50	11.50	150.00	-	1% to 5%	Refer note 4
- KSPL[1]^	1,145.36	429.03	1,145.36	429.03	12.25% to 14.75%	12.25% to 14.75%	Nil
- RSSL[1]^	24.00	-	24.00	-	12.25%	-	Nil
- GIML[1]^	186.96	-	186.96	-	6.00%	-	Refer note 8

1. Loans given
2. Debentures subscribed

^ Excludes interest accrued.

(₹ in Crore)

Name of the entity	Amount outstanding as at March 31,		Maximum amount outstanding during the year		Investment by loanee in the Company/ subsidiary Companies Shares (Nos.)
	2016	2015	2016	2015	
Investment in share/ debenture application money					
- GMCAC	-	10.67	-	12.03	Nil

Note:

1. GEL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity Shares		
GVPGL	295.90	295.90
GPCL	164.98	164.98
GBHPL	5.00	5.00
GKEL	1,847.67	1,847.67
GCSPL	0.05	0.01
GBHHPL	182.54	182.54
GKEPL (net of provision of ₹ 0.01 Crore (March 31, 2015: ₹ Nil))	-	0.01
GCEPL (net of provision of ₹ 0.01 Crore (March 31, 2015: ₹ Nil))	-	0.01
GLHPPL (net of provision of ₹ 0.01 Crore (March 31, 2015: ₹ Nil))	-	0.01
GWEL (formerly EMCO)	998.75	563.75

Notes to the financial statements for the year ended March 31, 2016

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
GCHEPL	1,658.40	1,658.40
GREL	1,157.00	520.00
SJK (net of provision of ₹ 65.00 Crore (March 31, 2015: ₹ 65.00 Crore))	-	-
GMAEL	0.05	0.05
GRSPPL (formerly GUPEPL)	0.01	0.01
GGSPPL	73.60	73.60
GBEPL	0.01	0.01
GHOEL	-	0.05
ATSCL	5.48	5.48
MTSCL	9.39	9.39
GINELL	0.05	0.05
GINPCL	0.05	0.05
GEML[₹ 3,954 (March 31, 2015: ₹ 3,954)]	0.00	0.00
HHPPL	31.79	31.79
GCRPL (net of provision of ₹ 2.10 Crore (March 31, 2015: ₹ Nil))	-	2.10
GETL	14.06	14.06
HEGL (net of provision of ₹ Nil (March 31, 2015: ₹ 167.94 Crore))	-	-
GPEPL	0.69	0.69
DIAL [₹ 1,000 (March 31, 2015: ₹ 1,000)]	0.00	0.00
GCORRPL	3.00	3.00
GACEPL	24.22	24.22
Preference Shares		
GEML (net of provision of ₹ 89.56 Crore (March 31, 2015: ₹ Nil))	-	147.10
GCRPL (net of provision of ₹ 149.59 Crore (March 31, 2015: ₹ Nil))	-	30.18
GCHEPL	1,035.59	521.02
GWEL (formerly EMCO)	75.00	-
GCORRPL	12.00	12.00

2. GMRHL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GPEPL	135.93	135.93
GACEPL	50.74	45.63
GKUAEL	134.95	134.95
GTAEPL	23.76	23.76
GTTEPL	30.25	30.25
GHVEPL	2.45	2.45
GCORRPL	14.70	14.70
GOSEHHHPL (net of provision of ₹ 11.41 Crore (March 31, 2015: ₹ Nil)	11.61	57.50
GHPPL	0.02	0.02
Preference shares		
GACEPL	0.80	0.80
GHVEPL	216.00	216.00
GCORRPL	74.08	74.08
GKUAEL	558.05	558.05

3. GKSEZ has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GHEMCPL	0.45	0.45

4. GCAPL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GBPSPL	0.01	0.01

Notes to the financial statements for the year ended March 31, 2016

5. GSPHPL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
APPL	1.00	1.00
AKPPL	1.00	1.00
AMPPL	1.00	1.00
BPPL	1.00	1.00
BOPPL	1.00	1.00
CPPL	1.00	1.00
DPPL	1.00	1.00
DSPL [₹ 5,000 (March 31, 2015: ₹ 5,000)]	0.00	0.00
EPPL	1.00	1.00
GPL	1.00	1.00
LPPPL	1.00	1.00
LAPPL	1.00	1.00
HPPL	1.00	1.00
HFEPL	33.26	33.26
IPPL	1.00	1.00
KSPL	47.94	47.94
KPPL	1.00	1.00
NPPL	1.00	1.00
PPPL	1.00	1.00
PUPPL	1.00	1.00
PAPPL	1.00	1.00
SPPL	1.00	1.00
PRPPL	1.00	1.00
RPPL	1.00	1.00
AREPL	0.03	0.03
SRPPL	1.00	1.00
NREPL	0.01	0.01
EGPDCPL	0.01	0.01
SUPPL	0.01	0.01
LIPPL	0.01	0.01
GUPL	0.01	0.01
GHICL (formerly LPPL)	0.01	0.01
RSSL	225.00	-

6. GPIL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GETL	9.72	9.72

7. DSPL has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GMRHL [₹ 30 (March 31, 2015: ₹ Nil)]	0.00	-
Preference shares		
GMRHL	200.00	-
GAL	47.83	47.83

8. GIML has invested in following subsidiary Companies:

Name of the Company	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Equity shares		
GICL	70.92	66.98
GIOL Malta (formerly GIOSL)	0.03	0.03
GIUL (net of provision of ₹ 60.10 Crore (March 31, 2015: ₹ Nil)	-	56.76
GISPL	320.49	302.68
GMIAL	154.23	145.66

Notes to the financial statements for the year ended March 31, 2016

36 (a) Earnings in foreign currency

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Income from management and other services	14.31	22.12
Interest income	4.10	-
Total	**18.41**	**22.12**

(b) Imported and indigenous materials consumed

Particulars	March 31, 2016 (₹ in Crore)	March 31, 2016 % of total consumption	March 31, 2015 (₹ in Crore)	March 31, 2015 % of total consumption
Raw materials				
Imported	-	0.00%	-	0.00%
Indigenously obtained	27.57	100.00%	33.30	100.00%
Total	**27.57**	**100.00%**	**33.30**	**100.00%**

37 UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars	Amount	
Long Term Borrowings	-	₹ 2,003.10 Crore (USD: 30.00 Crore)
		[March 31, 2015: ₹ Nil (USD Nil)]
Loans and advances	-	₹ 187.02 Crore (USD 2.80 Crore)
		[March 31, 2015: ₹ 0.31 Crore (USD 0.00 Crore) (USD 48,818)]
	-	₹ Nil (PHP Nil)
		[March 31, 2015: ₹ 10.66 Crore (PHP 7.84 Crore)]
Investments (net of provision)	-	₹ 1,477.99 Crore (USD 32.06 Crore)
		[March 31, 2015: ₹ 1,477.99 Crore (USD 32.06 Crore)]
	-	₹ 0.11 Crore (SGD 0.00 Crore) (SGD 30,000)
		[March 31, 2015: ₹ 0.11 Crore (SGD 0.00 Crore) (SGD 30,000)]
	-	₹ 12.03 Crore (PHP 8.84 Crore)
		[March 31, 2015: ₹ 1.36 Crore (PHP 1.00 Crore)]
		₹ Nil (EURO Nil)
		[March 31, 2015: ₹ 0.00 Crore (₹ 3,924) (EURO 0.00 Crore) (EURO: 58)]
		₹ 0.00 Crore (₹ 4,917) (MRF 0.00 Crore) (MRF 154)
		[March 31, 2015: ₹ 0.00 Crore (₹ 4,917) (MRF 0.00 Crore) (MRF 154)]
Payables	-	₹ 1.01 Crore (USD 0.02 Crore)
		[March 31, 2015: ₹ 6.68 Crore (USD 0.11 Crore)]
	-	₹ Nil (AUD Nil)
		[March 31, 2015: ₹ 0.74 Crore (AUD 0.02 Crore)]
	-	₹ Nil (CHF Nil)
		[March 31, 2015: ₹ 1.63 Crore (CHF 0.03 Crore)]
Trade receivables	-	₹ 16.91 Crore (USD 0.25 Crore)
		[March 31, 2015: ₹ 7.42 Crore (USD 0.12 Crore)]
Other current assets	-	₹ 4.10 Crore (USD 0.06 Crore)
		[March 31, 2015: ₹ Nil (USD Nil)]

Foreign currencies

USD = United States Dollar

SGD = Singapore Dollar

MRF = Maldivian Rufiyaa

PHP= Phillipines Peso

CHF= Swiss Franc

EURO

AUD= Australian Dollar

Forward contract outstanding as at balance sheet date:

Particulars	Amount in foreign currency in crore		
	March 31, 2016	March 31, 2015	Currency
Forward cover for hedging of interest on FCCB	2.25	-	USD

Notes to the financial statements for the year ended March 31, 2016

38 DISCLOSURE IN TERMS OF ACCOUNTING STANDARDS 7 - CONSTRUCTION CONTRACTS

Particulars	March 31, 2016 ₹ in Crore	March 31, 2015 ₹ in Crore
Contract revenue recognised during the year	178.01	164.89
Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	1,990.89	2,306.71
Amount of customer advances outstanding	318.56	89.08
Retention money due from customers for contracts in progress	70.18	80.73
Gross amount due from customers for contract works as an asset (unbilled portion)	153.99	95.52
Gross amount due to customers for contract works as a liability	-	-

39 As per the transfer pricing rules prescribed under the IT Act, the Company is examining domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transaction involved.

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

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

As per our report of even date

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

per Sunil Bhumralkar
Partner
Membership number: 035141

Place: Bengaluru
Date: May 30, 2016

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

Grandhi Kiran Kumar
Managing Director
DIN: 00061669

Srinivas Bommidala
Director
DIN: 00061464

Madhva Bhimacharya Terdal
Group CFO

Adiseshavataram Cherukupalli
Company Secretary

Place: Bengaluru
Date: May 30, 2016

GMR INFRASTRUCTURE LIMITED

(CIN: L45203MH1996PLC281138)

Regd. Office: Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of GMR Infrastructure Limited will be held on Wednesday, September 14, 2016 at 3.00 p.m. at Rangsharda Auditorium, Hotel Rangsharda, Near Lilavati Hospital, KC Marg, Bandra Reclamation Flyover, Bandra (West), Mumbai - 400050, Maharashtra, India, to transact the following businesses:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements (including consolidated financial statement) of the Company for the Financial Year ended March 31, 2016, and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. G. B. S. Raju (DIN: 00061686), who retires by rotation and being eligible, offers himself for re-appointment.

3. To re-appoint M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

   In this connection, to consider and if thought fit, to pass the following resolution, with or without modification(s) as an **Ordinary Resolution:**

   "**RESOLVED THAT** M/s S. R. Batliboi & Associates LLP, Chartered Accountants (Firm's Registration No. 101049W), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company, on such remuneration as may be fixed by the Board of Directors of the Company on recommendation of the Audit Committee."

Special Business:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** Mr. Jayesh Desai (DIN: 00038123), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 13, 2015, in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Vissa Siva Kameswari (DIN: 02336249), an Independent Director of the Company, who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. R.S.S.L.N. Bhaskarudu (DIN: 00058527), an Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. N.C. Sarabeswaran (DIN: 00167868), an Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. S. Sandilya (DIN: 00037542), an Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. S. Rajagopal (DIN: 00022609), an Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C.R. Muralidharan (DIN: 02443277), an Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years or upto the conclusion of twenty fifth Annual General Meeting whichever is earlier."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the remuneration payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2017, being ₹ 125,000/- (Rupees One Lakh Twenty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified."

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which expression shall also include a Committee thereof) for acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate including subsidiaries, joint ventures, associates, along with the investments already made in the securities of any other body corporate, upto an aggregate amount of ₹ 16,000/- Crore (Rupees Sixteen Thousand Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to give effect to the aforesaid resolution."

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) and any applicable provision of the Companies Act, 2013 read with rules thereunder, the Material Related Party Transactions as entered by the Company for the Financial Year 2015-16 with GMR Energy Limited (GEL), being Loans extended by the Company to GEL to an extent of ₹ 1,288.26 Crore (Rupees One Thousand Two Hundred Eighty Eight Crore and Twenty Six Lakh Only), be and is hereby ratified."

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c) and 71 of the Companies Act, 2013 (the Act) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time and the provisions of the Foreign Exchange Management Act, 1999, as amended (the "FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended (the "FEMA Regulations"), the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and subject to any required approval, consent, permission and / or sanction including from the Ministry of Finance (Foreign Investment Promotion Board, Department of Economic Affairs), the Ministry of Commerce & Industry (Department of Industrial Policy & Promotion/ Secretariat for Industrial Assistance), all other Ministries / Departments of the Government of India ("GoI"), the Reserve Bank of India ("RBI"), and the Securities and Exchange Board of India ("SEBI") and / or any other competent authorities and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by GoI, RBI, SEBI and / or any other competent authorities and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges on which the Company's equity shares of face value ₹ 1 each ("Equity Shares") and non-convertible debentures are listed and subject to necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee thereof), the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option, either in India or in the course of international offering(s) in one or more foreign markets, such number of Equity Shares, Global Depository Receipts **("GDRs")**, American Depository Receipts **("ADRs")**, Foreign Currency Convertible Bonds **("FCCBs")** (whether listed or otherwise), non-convertible debentures with or without warrants, other financial instruments convertible into Equity Shares (including warrants or otherwise, in registered or bearer form), bonds or notes (whether listed or unlisted), any security convertible into Equity Shares with or without voting / special rights, securities linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares, secured or otherwise including the issue and allotment of Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as **"Securities"**) or any combination of Securities, in one or more tranches, whether Indian rupee denominated or denominated in foreign currency, to any eligible person, as permitted under applicable law including qualified institutional buyers, foreign / Indian resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), foreign institutional investors, Indian and / or multilateral financial institutions, foreign portfolio investors, mutual funds, non-resident Indians, stabilizing agents and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the Investors) whether or not such Investors are members of the Company as may be decided by the Board in their discretion and permitted under applicable laws and regulations, of an aggregate amount up to ₹ 2,500/- Crore (Rupees Two Thousand Five Hundred Crore) or equivalent thereof in one or more foreign currency and / or Indian rupees, inclusive of such premium as may be fixed on such Securities by offering the Securities in one or more countries through public issue(s) of prospectus, private placement(s), follow on offer or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) either in foreign currency or equivalent Indian rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER THAT pursuant to the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Act, the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI (ICDR) Regulations"); and the provisions of the FEMA, the FEMA Regulations, the Board may at its absolute discretion, issue, offer and allot Equity Shares, fully convertible debentures, partly convertible debentures, non-convertible debentures with or without warrants or any securities which are convertible into or exchangeable with equity shares (collectively referred to as "Securities") of an aggregate amount up to ₹ 2,500/- Crore or equivalent thereof in one or more foreign currency and / or Indian rupees inclusive of such premium, as specified above, to qualified institutional buyers (as defined by the SEBI (ICDR) Regulations) pursuant to a Qualified Institutions Placement (QIP), as provided under Chapter VIII of the SEBI (ICDR) Regulations and such Securities shall be fully paid up and the allotment of such Securities shall be completed within 12 months from the date of the shareholders resolution approving the proposed issue or such other time as may be allowed by the SEBI (ICDR) Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula of the aforementioned SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT pursuant to Regulation 85(1) of the SEBI (ICDR) Regulations, the Board be and is hereby authorized to, at its absolute discretion, offer a discount of not more than 5% or such other percentage as permitted under applicable law to the price calculated in accordance with the pricing formula provided under Chapter VIII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

a. the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

b. the relevant date for the determination of applicable price for the issue of the Securities shall be as per the regulations prescribed by SEBI, RBI, GoI through its various departments or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable rules / regulations / statutory provisions.

RESOLVED FURTHER THAT the issue to the holders of any Securities with underlying Equity Shares shall be, inter alia, subject to the following terms and conditions:

- in the event of the Company making a bonus issue by way of capitalization of its profits or reserves, prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted to the holders of such Securities at the relevant time, shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- in the event of the Company making a rights offer by issue of Equity Shares, prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted to the holders of such Securities at the relevant time may be increased in the same proportion as that of the rights offer and such additional Equity Shares may be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders if so determined by the Board in its absolute discretion; and
- in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of shares, the price and the time period as aforesaid shall be suitably adjusted.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board, subject to applicable laws, regulations and guidelines, be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, redemption period, listings on one or more overseas stock exchanges, execution of various transaction documents, creation of mortgage/ charge in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any Securities as may be required either on pari-passu basis or otherwise, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board or Management Committee or any other Committee thereof be and is hereby authorized to engage / appoint the Lead Managers, Legal Advisors, Underwriters, Guarantors, Depositories, Custodians, Registrars, Stabilizing Agent, Trustees, Bankers, Escrow Agents, Paying and Conversion Agents Advisors and all such agencies as may be involved or concerned depending on the nature of the offering of the Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies and to seek the listing of such Securities on one or more national and/or international stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari-passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 42 and 71 of the Act, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, the consent of the Company, be and is hereby accorded to the Board to offer, issue and allot Secured or Unsecured redeemable Non-convertible Debentures/Bonds in one or more tranches, on private placement basis, on such terms and conditions as the Board of Directors / may determine and consider proper and most beneficial to the Company including as to when the said Debentures to be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto, for an amount up to ₹ 2,500/- Crore (Rupees Two Thousand Five Hundred Crore) including the amounts raised through issue of any other Securities.

RESOLVED FURTHER THAT subject to the applicable law, the Board be and is hereby authorized to form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors / Company Secretary / other persons authorized by the Board to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Securities including but not limited to:

a. Approving the offer document and filing the same with any other authority or persons as may be required;

b. Approving the specific nature and size of Security (in Indian rupees or such other foreign currency) to be offered, the issue price, the number of Securities to be allotted, the basis of allocation and allotment of Securities;

c. To affix the Common Seal of the Company on any agreement(s) / document(s) as may be required to be executed in connection with the above, in the presence of any Director of the Company and any one of the above Authorised Persons, who shall sign the same in token thereof;

d. Arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Securities by the Company;

e. Opening such bank accounts and demat accounts as may be required for the transaction;

f. To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions;

g. To make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;

h. Making applications for listing of the Securities on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s); and

i. To authorize or delegate all or any of the powers herein above conferred to any one or more persons, if need be."

By order of the Board of Directors
For GMR Infrastructure Limited

Sd/-
Adi Seshavataram Cherukupalli
Company Secretary & Compliance Officer

Place : New Delhi
Date : August 06, 2016

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies, in order to be effective, must be received at the Registered office of the Company at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, not less than forty-eight hours before the commencement of the AGM.

2. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to item nos. 4 to 14 and the additional information required to be provided pursuant to Regulation 36 read with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR") relating to item Nos. 2, 4, 5, 6, 7, 8, 9 and 10 are annexed hereto.

3. Copies of all documents referred to in the notice and explanatory statement annexed thereto are available for inspection at the registered office of the Company between 10.00 a.m. to 1.00 p.m. on all working days till the date of the AGM.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 07, 2016 to Wednesday, September 14, 2016 (both days inclusive).

5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

6. M/s. Karvy Computershare Private Limited is the Registrar and Share Transfer Agent (RTA) of the Company to perform the share related work for shares held in physical and electronic form. Members holding shares in physical form are requested to de-materialize their shares. Members holding shares in physical mode are requested to intimate changes in their address to Karvy Computershare Private Limited, RTA of the Company located at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Members holding shares in electronic mode are requested to send the intimation for change of address to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

7. As per the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to the members, in respect of equity shares held by them. Nomination forms can be obtained from the RTA.

8. As per Rule 3 of Companies (Management and Administration) Rules, 2014, Register of Members of the Company should have additional details pertaining to e-mail, PAN / CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective Depository Participants in case of shares held in electronic form and with the Company's RTA in the case of physical holding, immediately.

9. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s. Karvy Computershare Private Limited (RTA) / Depositories.

10. In terms of Section 205 C of the Companies Act, 1956, the Company has transferred the share application money received by the Company for allotment of shares and due for refund remaining unpaid or unclaimed for a period of seven years from the date they became due for payment to the Investor Education and Protection Fund, established by the Central Government.

11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary, at the Company's Registered Office. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the provisions of Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013, once notified), be transferred to the Investor Education and Protection Fund.

12. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to send their queries at an early date so that the desired information may be made available at the Meeting.

13. Members or Proxies should bring the attendance slip duly filled in for attending the Meeting.

14. As a measure of austerity, copies of the Annual Report will not be distributed at the Meeting. Members are requested to bring their copy of Annual Report to the Meeting.

15. No compliment or gift of any nature will be distributed at the Meeting.

16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015, Secretarial Standard-2 on General Meetings and Regulation 44 of SEBI LODR, the Company is pleased to provide members with facility to exercise their votes by electronic means through remote e-voting services provided by M/s. Karvy Computershare Private Limited (Service Provider) on all resolutions set forth in this Notice. The facility for voting, through ballot paper, will also be made available at the meeting, to the Members attending the AGM and who have not already cast their votes by remote e-voting. Such Members shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM, but shall not be entitled to cast their votes again.

The instructions and other information relating to remote e-voting are as under:

The procedure for remote e-voting is as below:

(i) In case of Members receiving e-mail from M/s. Karvy Computershare Private Limited:

a) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'.

b) Enter the login credentials i.e. User ID and Password mentioned below this communication. Your Folio No. / DP ID-Client ID will be your User ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 character DP ID followed by 8 digits Client ID b) For CDSL :- 16 digits Beneficiary ID For Members holding shares in physical form :- • Event Number followed by Folio Number registered with the Company
Password	In case of members who have not registered their email addresses, their User-Id and Password is printed below.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

c) After entering the details appropriately, Click on "LOGIN".

d) You will now reach Password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

e) You need to login again with the new credentials.

f) On successful login, the system will prompt you to select the "EVENT" i.e., GMR Infrastructure Limited.

g) On the voting page, the number of shares as held by the members as on the Cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click "FOR/AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN in case you wish to abstain from voting. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

h) Members holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.

i) You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

j) Institutional Members (i.e. other than Individuals, HUF, NRI, etc.,) are also required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer through e-mail ID: sree@sreedharancs.com with a copy marked to evoting@karvy.com.

k) Once you have cast your vote on resolution, you will not be allowed to modify it subsequently.

l) The facility for voting through ballot and e-voting, other than remote e-voting, shall also be made available at the venue of AGM. Members attending the AGM and who have already not cast their vote by remote e-voting will only be able to exercise their right to vote at the AGM through a ballot paper or e voting as the case may be. However, this facility shall be operational till all the resolutions are considered and voted upon in the meeting.

m) The e-voting period commences on September 11, 2016 at 9.00 a.m. and ends on September 13, 2016 at 5.00 p.m. (both days inclusive). During this period, the Members of the Company holding shares in physical form or in dematerialized form, may cast their votes by remote e-voting in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, being Wednesday, September 07, 2016 will be entitled to cast their votes by remote e-voting.

n) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting i.e., Wednesday, September 07, 2016, he / she may write to Karvy on the email id evoting@karvy.com requesting for the User ID and Password. However, Karvy shall endeavour to send User ID and Password to those new Members whose e-mail ids are available.

ii) In case of Members receiving physical copy of the Notice of AGM by Post (for Members whose e-mail addresses are not registered with the Company/ Depositories):

(i) Initial Password is provided as below / at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

(ii) Please follow all steps from SI. No. (a) to (j) of (i) above, to cast vote.

o) In case of any query pertaining to e-voting, please visit Help & Frequently Asked Questions (FAQ's) for members and e-voting User Manual for members available at the download section of https://evoting.karvy.com (Karvy's website) or contact M/s. Karvy Computershare Private Limited at 1800 345 4001 (Toll free).

p) It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

q) The results of voting (remote e-voting, e-voting and voting through ballot paper) will be announced by the Company on its website and the same shall also be informed to the Stock Exchanges.

Other Instructions

1. Mr. V. Sreedharan, (Membership No. FCS 2347) Practicing Company Secretary has been appointed as the Scrutinizer for conducting the remote e-voting, e-voting process and the Ballot Form received from the members who do not have access to the remote e voting/ e-voting process (in a fair and transparent manner).

2. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two (2) witnesses not in the employment of the Company and, not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

3. The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

4. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at www.gmrgroup.in and on Service Provider's website at https://evoting.karvy.com immediately after the result is declared by the Chairman or by person authorized by him and communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Jayesh Desai was appointed as an Additional Director with effect from November 13, 2015, in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 119 of the Articles of Association of the Company, to holds office up to the date of ensuing Annual General Meeting. In this regard, the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Jayesh Desai for appointment as Director of the Company liable to retire by rotation.

The brief resume and other details of Mr. Desai, pursuant to SEBI LODR are furnished in annexure to the notice.

The Board views the presence of Mr. Jayesh Desai on the Board as desirable and beneficial to the Company and hence recommends resolution No. 4 for approval as an Ordinary Resolution.

Except Mr. Jayesh Desai, being appointee, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are concerned or interested, financially or otherwise, in the resolution set out in Item No. 4.

Item No. 5.

Mrs. Vissa Siva Kameswari was appointed as an Independent Director of the Company at 19th Annual General Meeting of the Company to hold office for a term up to the conclusion of the 20th Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, an independent director shall hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company. Further, no independent director shall hold office for more than two consecutive terms.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹ 1,00,000/- proposing the candidature of Mrs. Vissa Siva Kameswari for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Vissa Siva Kameswari (i) consent in writing to act as director pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, as well as, Regulation 16 of SEBI LODR.

The Nomination and Remuneration Committee at its meeting held on August 05, 2016 recommended the re-appointment of Mrs. Vissa Siva Kameswari, as an Independent Director to hold office for a second term of five years or upto the conclusion of the Twenty Fifth Annual General Meeting of the Company whichever is earlier.

The Board of Directors of the Company at its meeting held on August 06, 2016 accorded its consent to the re-appointment of Mrs. Vissa Siva Kameswari as an Independent Director for the second term subject to approval of Members in the ensuing Annual General Meeting.

The brief resume and other details of Mrs. Kameswari, pursuant to SEBI LODR are furnished in annexure to the notice.

In the opinion of the Board, Mrs. Vissa Siva Kameswari, fulfils the conditions of appointment specified in SEBI LODR, the Companies Act, 2013 and rules made thereunder for her re-appointment as an Independent Director of the Company.

In Compliance with the provisions of Section 149 read with schedule IV of the Companies Act, 2013 and SEBI LODR, the resolution for the re-appointment of Mrs. Vissa Siva Kameswari as an Independent Director of the Company for a second term of five years or upto the conclusion of the Twenty Fifth Annual General Meeting of the Company whichever is earlier, is placed before the members for their approval. She will not be liable to retire by rotation.

Except Mrs. Vissa Siva Kameswari, being appointee, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are concerned or interested, financially or otherwise, in the resolution set out in Item No. 5.

The Board recommends passing of the resolution set out in Item No. 5 as a Special Resolution.

Item No. 6 to 10

Mr. R.S.S.L.N. Bhaskarudu, Mr. N.C. Sarabeswaran, Mr. S. Sandilya, Mr. S. Rajagopal and Mr. C. R. Muralidharan (hereinafter collectively referred to as “the said Directors”) were appointed as Independent Director(s) of the Company at the 18th Annual General Meeting of the Company to hold office for a term up to the conclusion of the 20th Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, an independent director shall hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company. Further, no independent director shall hold office for more than two consecutive terms.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member(s), along with deposit of ₹ 1,00,000/- each proposing the candidature of the said Directors for the office of Independent Director(s), to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received separately from each of the said Directors (i) consent in writing to act as director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules 2014, (ii) intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, as well as, Regulation 16 of SEBI LODR.

The brief resume and other details of each of the said Directors, pursuant to SEBI LODR, are furnished in annexure to the notice.

The Nomination and Remuneration Committee at its meeting held on August 05, 2016 recommended the re-appointment of the said Directors, as Independent Directors to hold office for a second term of five years or upto the conclusion of the Twenty Fifth Annual General Meeting of the Company whichever is earlier.

The Board of Directors of the Company at its meeting held on August 06, 2016 accorded its consent to the re-appointment of the said Directors as Independent Directors for the second term subject to approval of Members at the ensuing Annual General Meeting.

In the opinion of the Board, the said Directors fulfil the conditions of appointment specified in SEBI LODR, the Companies Act, 2013 and rules made thereunder for their re-appointment as Independent Directors of the Company.

In Compliance with the provisions of Section 149 read with schedule IV of the Companies Act, 2013 and SEBI LODR, the resolutions for the re-appointment of the said Directors as Independent Directors of the Company for a second term of five years or upto the conclusion of the Twenty Fifth Annual General Meeting of the Company whichever is earlier, are placed before the members for their approval. The said Directors will not be liable to retire by rotation.

Except the said Directors, being respective appointees, none of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives, are concerned or interested, financially or otherwise, in the resolutions set out in Item Nos. 6 to 10.

The Board recommends passing of the resolutions set out in Item Nos. 6 to 10 as Special Resolutions.

Item No. 11

The Board of Directors of the Company at its meeting held on August 06, 2016, on recommendation of the Audit Committee, approved the appointment of and remuneration payable to M/s Rao, Murthy & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2017.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2017 as set out in the resolution, for the services rendered / to be rendered by the Cost Auditor.

None of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested in the Resolution set out in Item No. 11.

The Board recommends passing of the resolution set out in Item No.11 as an Ordinary Resolution.

Item No. 12

In terms of Section 186 of the Companies Act, 2013, the Board of Directors of a company is permitted to make investments in the securities of other bodies corporate to the extent of 60% of its paid-up share capital and free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is higher, from time to time, for business purposes.

However, in case of investments beyond the aforesaid limits, approval of shareholders by way of special resolution is required. Further, pursuant to Rule 11(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 in relation to any acquisition by a holding company by way of subscription, purchase or otherwise of the Securities of its wholly owned subsidiary company, the requirement of passing a special resolution under Section 186(3) of the Companies Act, 2013 shall not apply.

Considering the increasing business operations and future growth plans of the Company which would require making investments in the securities of other bodies corporate including subsidiaries, joint ventures, associates, over a period of time exceeding the higher of 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, it is necessary to empower the Board (including the Committees thereof) to acquire by way of subscription, purchase or otherwise the securities of body corporate(s) in India or abroad, for an amount up to of ₹ 16,000/- Crore (Rupees Sixteen Thousand Crore only) along with the investments already made in the securities of any other body corporate(s).

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives is concerned or interested in the aforesaid Resolution.

The Board recommends passing of the resolution set out in Item No. 12 as a Special Resolution.

Item No. 13

The SEBI LODR which was effective from December 01, 2015, at Regulation 23 deals with Related Party Transactions. The Regulation defines the term Material Related Party Transaction as a transaction with a related party, to be entered individually or taken together with previous transactions during a financial year, exceeds 10% of the Annual Consolidated Turnover of the Company (listed entity) as per the Last Audited Financial Statement of the Company. Such Material Related Party Transactions requires approval of the Shareholders by passing a Resolution.

The Regulation 23 of SEBI LODR further provides that all existing material related party contracts or arrangements entered into prior to the notification of the SEBI LODR and which are likely to continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to the notification date.

During the Financial Year 2015-16, your Company has advanced certain loans to GMR Energy Limited (GEL), a subsidiary of the Company, which is a "Related Party" as defined under Section 2(76) of the Companies Act, 2013. The Loans aggregating in all to ₹ 1,288.26 Crore were advanced during the year with due approval of the Audit Committee and the Management Committee of Board of Directors of the Company. However, as the said loans of ₹ 1,288.26 Crore were in excess of the 10% of the consolidated revenue of the Company as on March 31, 2015 (₹ 1141.5 Crore), the same is being placed before the shareholders of the company for ratification in terms of Regulation 23(8) of the SEBI LODR.

None of the Directors, Key Managerial Personnel of the Company and or their relatives are, in any way, concerned or interested in the resolution as set out at No. 13 of the Notice, except the following directors/KMP due to Common directorship:-

i) Mr. S. Rajagopal

ii) Mr. B. V. N. Rao

iii) Mr. G. B. S. Raju

iv) Mr. V Santhanaraman

v) Mr. Madhva Bhimacharya Terdal

The Board recommends the passing of the Resolution as set out at item No. 13 as an Ordinary Resolution.

Item No. 14

The Special Resolution proposed is an enabling resolution to facilitate the continuing efforts to reduce the debts of the Company and its subsidiaries or other entities in the group and to meet the capital expenditure needs of the ongoing projects of the Company, its subsidiaries, associates etc., and to meet any exigencies including pursuing new opportunities, etc., As the Company has done in the past, it is proposed to create, offer, follow on offer, issue and allot Equity shares, GDRs, ADRs, FCCBs, equity linked instruments, debentures and such other securities as stated in the resolution (the "Securities") at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead managers, either in foreign currency or equivalent Indian Rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement with Qualified Institutional Buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be amended from time to time ("the SEBI (ICDR) Regulations"). The Board of Directors, may in their discretion adopt this mechanism, as prescribed under Chapter VIII of the SEBI (ICDR) Regulations in order to facilitate and meet its capital expenditure needs of the ongoing projects of the Company, its subsidiaries, associates etc. and to meet any exigencies including pursuing new opportunities, etc. without the need for fresh approval from the shareholders. The pricing of the Securities to be issued to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI (ICDR) Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the SEBI (ICDR) Regulations. The Company may, in accordance with applicable laws, offer a discount of not more than 5% or such other percentage as permitted under applicable law to the price determined pursuant to the SEBI (ICDR) Regulations. The "Relevant Date" for this purpose will be the date when the Board or the Committee thereof decides to open the Qualified Institutions Placement for subscription.

The Company therefore seeks a fresh approval which will enable the Company to meet its fund requirements as and when required, by providing an option to the Board of Directors to decide the type and manner of securities to be offered, in the best interests of the Company.

The Special Resolution seeks to give the Board the powers to issue any of the Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Lead Managers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue / allotment / conversion would be subject to the availability of regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

Section 62(1) (c) of the Companies Act, 2013 and the relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company unless the shareholders in a General Meeting decide otherwise. Since, the Special Resolution proposed in the business of the Notice results in the issue of shares of the Company otherwise than to the members of the Company, consent of the shareholders is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Special Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company. The Company with this resolution intends to retain the right and flexibility to undertake any of the following activities; namely issue of GDRs, ADRs, FCCBs, QIPs, Equity linked instruments, Non-Convertible debentures and other securities up to ₹ 2,500 Crore.

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives is concerned or interested in the aforesaid Resolution.

The Board recommends passing of the resolution set out in Item No. 14 as a Special Resolution.

By order of the Board of Directors
For GMR Infrastructure Limited

Sd/-
Adi Seshavataram Cherukupalli
Company Secretary & Compliance Officer

Place : New Delhi
Date : August 06, 2016

ANNEXURE

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 14, 2016, PURSUANT TO SEBI LODR, AS ON MARCH 31, 2016:

Mr. G. B. S. Raju, Group Director, is the elder son of Mr. G. M. Rao and has been on the Company's Board since 1999. He completed his Bachelor's degree in commerce from Vivekananda College, University of Madras, Chennai, in 1995. He began his career as the Managing Director of GMR Energy Limited and was responsible for setting up the 220 MW barge-mounted power plant. He steered the Company's involvement in the roads sector, led Corporate Services including fund raising initiatives and spearheaded Company's foray into international business. He currently heads energy, resources and other allied businesses of the group.

He is elder son of Mr. G. M. Rao and brother to Mr. Grandhi Kiran Kumar. However, there is no inter-se relationship between him and other directors of the Company.

He holds 5,44,160 (including holding as Karta of his HUF) shares of ₹ 1 each equity shares of the Company.

Names of listed entities in which Mr. G. B. S. Raju holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Stakeholders' Relationship Committee
		Debenture Allotment Committee
		Management Committee
		Corporate Social Responsibility Committee
2.	GMR Energy Limited	Audit Committee
		Shareholders Transfer & Grievance Committee
		Securities Allotment Committee
		Executive Committee
3.	GMR Holdings Private Limited	Audit Committee

Mr. Jayesh Desai is a Chartered Accountant with professional experience of more than 25 years in the field of corporate finance, financial services and infrastructure industry. He is the Managing Partner of Structured Investments Group at Piramal Enterprises Limited (Piramal), Mumbai, India. Mr. Desai joined Piramal in April 2012 heading the Structured Investments Group which provides structured mezzanine funding to corporates in various sectors including infrastructure. His longest stint was with Ernst & Young as Director for Infrastructure and National Director for Transaction Advisory Services at different points of time. He previously had a 6-year stint with Coca Cola India. His last assignment was as CEO of Unitech Infrastructure.

Mr. Desai has been instrumental in concluding Piramal investments in Green Infra Limited, Navayuga Road Projects Private Limited and Regen Infrastructure and Services Private Limited as also in exiting Piramal's investment in Green Infra. Mr. Desai was also active in formalizing Piramal Enterprises' JV with leading Dutch Pension Fund Asset Manager APG Asset Management NV Hong Kong in July 2014 with a commitment of USD 1 Bn investments in the Indian Infrastructure Space.

There is no inter se relationship between Mr. Jayesh Desai and other directors of the Company.

He does not hold any shares of the Company.

Names of listed entities in which Mr. Jayesh Desai holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Nil

Mrs. Vissa Siva Kameswari is a Chartered Accountant having more than 25 years of experience comprising of management consultancy and industry experience. Her sector experience includes automotive, light & heavy engineering, process industries such as chemicals, petrochemicals, life sciences, FMCG, financial services, infrastructure, IT/ ITES and retail. She has significant experience in the areas of Business Strategy, Corporate Planning, Performance Improvement, Activity Based Costing, Supply Chain, Strategic Cost reduction, IT strategy and Implementation. At present, she is an independent management consultant and also offers financial advisory services as part of her portfolio.

There is no inter-se relationship between Mrs. Vissa Siva Kameswari and other directors of the Company.

She does not hold any equity shares of the Company.

Names of listed entities in which Mrs. Vissa Siva Kameswari holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Audit Committee

Mr. R.S.S.L.N. Bhaskarudu has been on the Company's Board since September, 2005. He is a graduate in electrical engineering from College of Engineering, Andhra University. He has over 48 years of work experience in management and leadership positions. He has served for more than two decades at Bharat Heavy Electricals Limited (BHEL). During his tenure in BHEL, he was involved in the development and production of turbine generator sets including auxiliaries all over the country. He has also worked for over 16 years with Maruti Udyog Limited (MUL) since its inception and has served as its Managing Director. He has also served as a member / Chairman of the Public Enterprises Selection Board of the Government of India.

There is no inter-se relationship between Mr. R.S.S.L.N. Bhaskarudu and other directors of the Company.

He does not hold any shares of the Company.

Names of listed entities in which Mr. R.S.S.L.N. Bhaskarudu holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Audit Committee
		Stakeholders' Relationship Committee
		Nomination and Remuneration Committee
		Corporate Social Responsibility Committee

Mr. N. C. Sarabeswaran is a Chartered Accountant and the Founding partner of Jagannathan & Sarabeswaran, Chartered Accountants, an Audit Firm with 40 years standing. He renders advisory services to various corporate clients. He was a Nominee Director of Reserve Bank of India and later professional and Independent Director on the Board of Vysya Bank Limited, the predecessor of ING Vysya Bank Limited for 13 years. He was Chairman of the Audit Committee and a member of Management and Joint Venture Committees. He was the past President of Indo-Australian Chamber of Commerce. He is an Advisory Board member of a US and Australian Private Equity Fund. He is an Independent Director and Chairman of the Audit committee of the largest Micro Finance Company in Tamil Nadu.

There is no inter se relationship between Mr. N.C. Sarabeswaran and other directors of the Company.

He holds 24,285 equity shares of ₹ 1 each of the Company.

Names of listed entities in which Mr. N. C. Sarabeswaran holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Audit Committee
		Nomination and Remuneration Committee
2.	GMR Energy Limited	Audit Committee
		Shareholders Transfer & Grievance Committee
		Remuneration Committee

Mr. S. Sandilya is a Commerce Graduate from Chennai University and an MBA from the Indian Institute of Management, Ahmedabad. He is the current President of Society of Indian Automobile Manufacturers (SIAM) and a National Council member of the Confederation of Indian Industry (CII). He is also the current President of the International Motorcycle Manufacturers Association, Geneva. He is the Chairman of Lean Management Institute of India and a member of the Board of Lean Global Network, USA. At present, he is also the President of SOS Children's Villages of India, a Not-for-Profit Organization taking care of children in need.

There is no inter se relationship between Mr. S. Sandilya and other directors of the Company.

He holds 7,000 equity shares of ₹ 1 each of the Company.

Names of listed entities in which Mr. S. Sandilya holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Nil
2.	Eicher Motors Limited	Audit Committee
		Shareholder Grievance Committee
		Nomination and Remuneration Committee
		Risk Management Committee
		Corporate Social Responsibility Committee
3.	Tube Investments of India Limited	Audit Committee
		Nomination and Remuneration Committee
		Corporate Social Responsibility Committee
4.	Rane Brake Lining Limited	Audit Committee
		Nomination and Remuneration Committee
5.	Mastek Limited	Audit Committee
		Nomination and Remuneration Committee
		Investor Grievances and Stakeholders' Relationship Committee

Mr. S. Rajagopal holds Masters' Degree in Economics, Degrees in Commerce and Law from Gujarat University, besides Professional Qualification from Indian Institute of Banking and Finance. Having been on Boards of various Corporates and Development funds in India and abroad, Mr. S. Rajagopal has in-depth knowledge of Commerce, Industry, Finance and Insurance. He has 36 years of experience in the field of Banking Industry. He was earlier Chairman and Managing Director of Bank of India, Chairman and Managing Director of Indian Bank and Chairman of Banking Services Recruitment Board. He is also an Advocate with specialization in company matters. He is closely associated with Academics. As the Chairman of Indian Banks' Association, he has conducted Studies on Tyre, Sugar, Granite, Electronics and Film Industry among others. He was a Member of Governing Body of Madras School of Economics and Court of Banaras Hindu University.

There is no inter se relationship between Mr. S. Rajagopal and other directors of the Company.

He does not hold any shares in the Company.

Names of listed entities in which Mr. S. Rajagopal holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Audit Committee
2.	SREI Infrastructure Finance Limited	Audit committee
3	GMR Energy Limited	Audit Committee
		Remuneration Committee

Mr. C. R. Muralidharan has an impressive career spanning nearly four decades in supervision and regulation of the Banking and Insurance sectors – two significant segments of the Indian financial sector. A unique blend of experience, in both operational and executive capacities, in both sectors involving their opening to greater competition, aligning their regulatory and supervisory frameworks to international standards, and consolidation, requiring careful sequencing and coordinating with the overall financial sector and economic reform process. He has served as an Executive at senior levels in the Reserve Bank of India (RBI) with Central banking and Bank supervisory responsibilities and later at the Board level in the Insurance Regulatory and Development Authority (IRDA) for close to four decades. He has significant professional expertise on bank regulation and supervision and headed the Bank regulation Division in RBI before moving to Insurance Regulation for adding insights on another arm of Financial Sector. He also served as a Whole time Member, a Board level position, in IRDA, Hyderabad for about 5 years between 2005-2009. The major responsibilities included oversight of regulatory initiatives to align with international standards, involving significant liaison with the Government, other domestic financial regulators (RBI and SEBI) and the International Association of Insurance Supervisors (IAIS). He actively participated and contributed to the work of the IAIS and represented India on its various Sub Committees on Accounting, Insurance Laws, Systems and Practices, Corporate Governance, Insurance Core Principles and Conglomerate Supervision. He was member of Joint Forum Committee on Principles of Conglomerate Supervision.

There is no inter se relationship between Mr. C. R. Muralidharan and other directors of the Company.

He does not hold any shares in the Company.

Names of listed entities in which Mr. C. R. Muralidharan holds directorship and membership of Committees of the board:

S. No.	Name of Listed Companies (Directorship)	Membership of Committees of the Board
1.	GMR Infrastructure Limited	Nil
2.	PTC India Financial Services Limited	Audit Committee
		Asset Liability Committee
		Risk Management Committee
3.	City Union Bank Limited	Audit Committee
		Risk Management Committee
		IT Strategy Committee

GMR INFRASTRUCTURE LIMITED
(CIN: L45203MH1996PLC281138)
Regd. Office: Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.
Ph: +91 22 4202 8000 Fax: +91 22 4202 8004 Web: www.gmrgroup.in E-mail: Gil.Cosecy@gmrgroup.in

Form MGT-11

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s):		E-mail Id:	
Registered address:		Folio No/Client Id*:	
		DP ID*:	

I / We being the members of .... shares of GMR Infrastructure Limited, hereby appoint:

1) .... of .... having e-mail id .... or failing him

2) .... of .... having e-mail id .... or failing him

3) .... of .... having e-mail id ....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 20th Annual General Meeting of the Company to be held on Wednesday, September 14, 2016 at 3.00 p.m. at Rangsharda Auditorium, Hotel Rangsharda, Near Lilavati Hospital, KC Marg, Bandra Reclamation Flyover, Bandra (West), Mumbai - 400050, Maharashtra, India and / or at any adjournment thereof.

** I / We direct my / our proxy to vote on the resolution(s) in the manner as indicated below:

Sl. No.	Resolutions	For	Against
1.	Adoption of Audited financial statements (including consolidated financial statement) of the Company for the financial year ended March 31, 2016, and the Reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr. G. B. S. Raju as Director.		
3.	Re-appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company.		
4.	Appointment of Mr. Jayesh Desai as a Director of the Company.		
5.	Re-appointment of Mrs. Vissa Siva Kameswari as an Independent Director of the Company.		
6.	Re-appointment of Mr. R.S.S.L.N. Bhaskarudu as an Independent Director of the Company.		
7.	Re-appointment of Mr. N.C. Sarabeswaran as an Independent Director of the Company.		
8.	Re-appointment of Mr. S. Sandilya as an Independent Director of the Company.		
9.	Re-appointment of Mr. S. Rajagopal as an Independent Director of the Company.		
10.	Re-appointment of Mr. C.R. Muralidharan as an Independent Director of the Company.		
11.	Ratification of remuneration to Cost Auditor for the financial year ending March 31, 2017.		
12.	Approval to make investment in securities under Section 186 of the Companies Act, 2013.		
13.	Ratification of the Material Related Party Transactions entered by the Company for the financial year 2015-16.		
14.	Approval for issue and allotment of Securities, for an amount upto ₹ 2,500 Crore in one or more tranches.		

Signed this .... day of 2016

....
Signature of Shareholder

Affix Revenue Stamp

....
Signature of first Proxy holder

....
Signature of second Proxy holder

....
Signature of third Proxy holder

NOTES:
1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The proxy form should be deposited at least 48 hours before the commencement of the meeting at the registered office of the Company.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
6. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
7. In case a member wishes his / her votes to be used differently, he / she should indicate the number of shares under the column "For" or "Against" as appropriate.

* Applicable for the members holding shares in electronic form.

** This is optional. Please put a tick mark (√) in the appropriate column against the Resolutions indicated in the Box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.

GMR INFRASTRUCTURE LIMITED
(CIN: L45203MH1996PLC281138)
Regd. Office: Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra, India.
Ph: +91 22 4202 8000 Fax: +91 22 4202 8004 Web: www.gmrgroup.in E-mail: Gil.Cosecy@gmrgroup.in

ATTENDANCE SLIP

(20th Annual General Meeting to be held on Wednesday, September 14, 2016)

Name of the Member: .... *DP ID No.: ....

Regd. Folio No.: .... *Client ID No.: ....

No. of shares held: ....

Note: Member / Proxy must hand over the duly signed attendance slip at the venue.
*Applicable for the members holding shares in electronic form.

....
Signature of the Member / Proxy

GMR INFRASTRUCTURE LIMITED

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Ph: +91 22 4202 8000 Fax: +91 22 4202 8004 Web: www.gmrgroup.in E-mail: Gil.Cosecy@gmrgroup.in

SHAREHOLDERS' FEEDBACK FORM

It is our constant endeavor to provide best possible services to our valuable Shareholders. We seek your feedback on the services provided by the Company.

Please spare your valuable time to fill the questionnaire given below and send it back to the Company Secretary at the Registered Office address mentioned above, to serve you better.

You may also fill the feedback form online, which is available on the website of the Company www.gmrgroup.in.

Name of the Shareholder: .... DP ID No. :..

Address:..

Regd. Folio No.: .... Client ID No ....

No. of shares held: .... Signature of the Shareholder: ....

Kindly rate on a five point scale (5 = excellent, 4 = very good, 3 = good, 2 = satisfactory, 1 = needs improvement)

	5	4	3	2	1
Quality and contents of Financial and Non-Financial information in the Annual Report					
Information provided on the website of the Company					
Speed and quality of the responses to your queries / complaints					
Services provided by our Registrar and Share Transfer Agent, Karvy Computershare Private Limited					
Overall rating of investor services					

Your comments and suggestions, if any ....

....

....

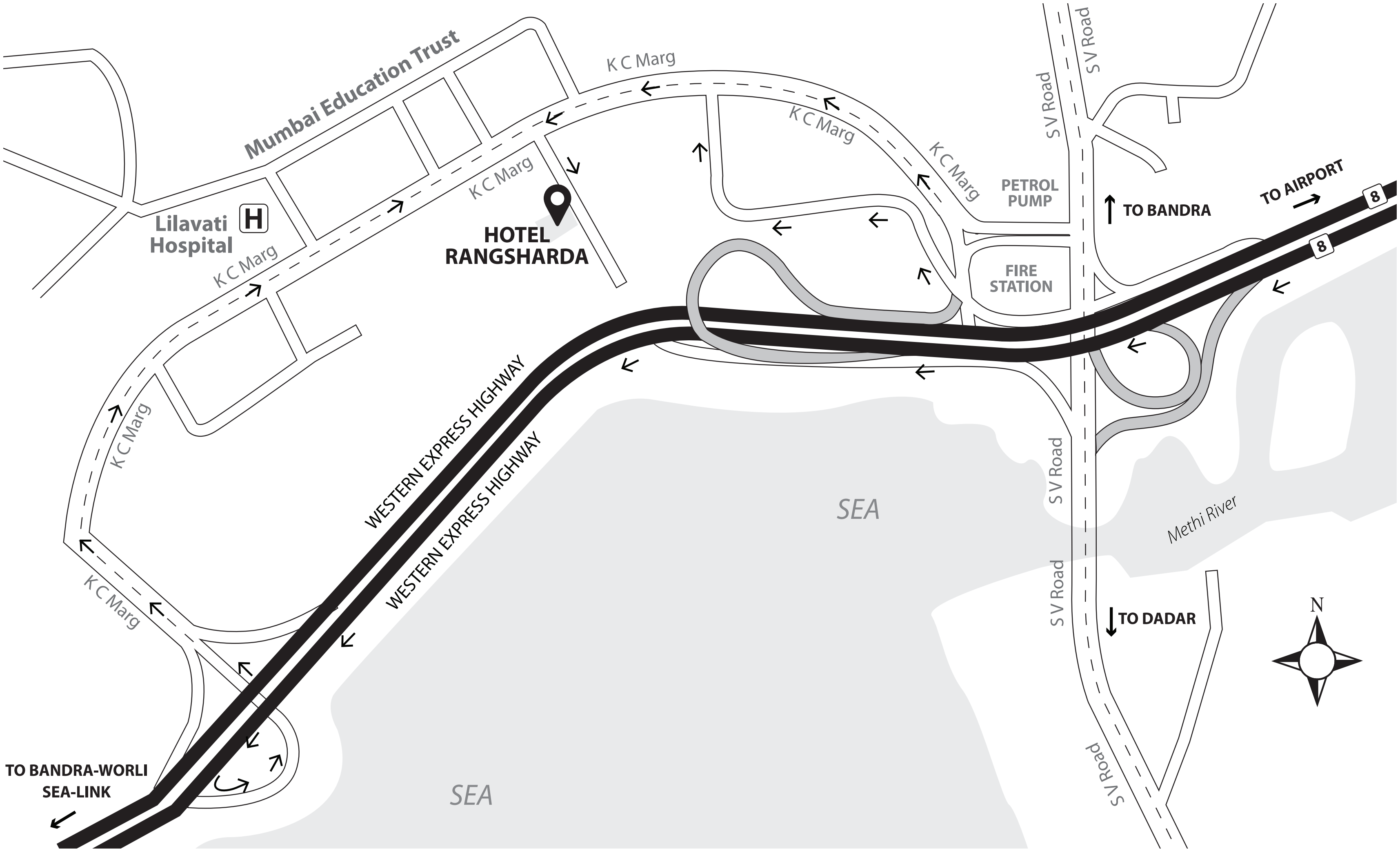
....

....

Map for AGM Venue – turn page

Venue Map

Rangsharda Auditorium, Hotel Rangsharda, Near Lilavati Hospital, KC Marg, Bandra Reclamation Flyover, Bandra (West), Mumbai - 400050, Maharashtra, India



Note

Note

Airports Energy Transportation Urban Infra Foundation

GMR INFRASTRUCTURE LIMITED

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