
INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GMR GENCO ASSETS LIMITED

Report on the Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **GMR Genco Assets Limited** (formerly known as GMR Hosur Energy Limited) ("the Company"), which comprises the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these IND AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income), cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and -presentation of the Standalone IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone IND AS 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 there under. We conducted our audit of the standalone IND AS Financials Statements 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone IND AS 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 IND AS 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 Company's Directors, as well as evaluating the overall presentation of the Standalone IND AS 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 IND AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, therefore said IND AS 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 31st 2018, its losses including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

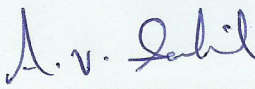
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent 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 purposes 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 including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,
 - (e) On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 in "Annexure B" to this report
 - (g) 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:
 - a. The Company does not have any pending litigation to be disclosed on its financial position in its financial statements.



**GIRISH
MURTHY & KUMAR**
Chartered Accountants

- b. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **GIRISH MURTHY & KUMAR**
Chartered Accountants
Firm's registration number: 000934S


A.V.SATISH KUMAR
Partner
Membership number: 26526



Bangalore
25th April 2018

Annexure A as referred to in clause 1 of paragraph on report on other legal and regulatory requirements of our report of even date.

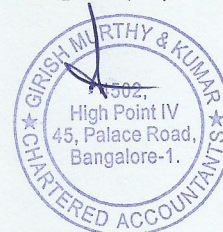
Re: GMR Genco Assets Limited

- i. According to the information and explanations given to us and on the basis of our examination of the records of the Company, company does not have any fixed assets. Accordingly requirement under Paragraph 3 (i) of the Order is not applicable.
- ii. The nature of company's operations does not warrant requirement of holding stocks and therefore had no stocks of finished goods, stores, spare part and raw materials. Thus, paragraph 3(ii) of the order is not applicable to the company.
- iii. In our opinion and according to the information and explanations given to us, the company has not granted any loans to the companies, firms, or other parties listed in the register maintained under section 189 of the companies Act 2013. Accordingly requirement under Paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of the section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The company has not accepted deposits from the public during the year and as such this clause is not applicable.
- vi. As there is no operation in the company, no cost records are required to be maintained under sub-section (1) of Section 148 of the Companies Act, 2013 for the activities carried out by the company. Hence reporting under this clause not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the Company is generally regular in payment of undisputed statutory dues including Provident Fund, income tax, Goods and service tax, Customs Duty, Wealth tax and service tax Value added tax, and cess as applicable with appropriate authorities. We are informed by the company that the provisions of Employee state insurance scheme, Investor education and protection fund, and excise duty are not applicable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, customs duty, wealth tax, service tax, value added tax, cess, goods and service tax and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(c) Investor education and protection fund is not applicable to the Company.
- viii. Based on our audit procedure and as per the information and explanation given by the management we are of the opinion that the company has not taken any loan from a financial institution or bank or Government or are there any dues to the debenture holders. Accordingly requirement under Paragraph 3 (viii) of the Order is not applicable.

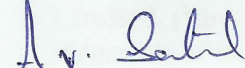
- ix. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) or has taken term loan during the year. Accordingly requirement under Paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, and based on our examination of records of the Company, the company has paid/provided any managerial remuneration during the year, as per the provisions of the companies Act, 2013
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



**GIRISH
MURTHY & KUMAR**
Chartered Accountants

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR GIRISH MURTHY & KUMAR
Chartered Accountants


A V Satish Kumar
Partner.

Membership No: 26526
FRN No.000934S



PLACE: Bangalore
DATE: 25th April 2018

Annexure B to Auditors' Report of even date

Report on the Internal Controls on Financial Reporting under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")

Re: GMR Genco Assets Limited

We have audited the internal financial controls over financial reporting of **GMR Genco Assets Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

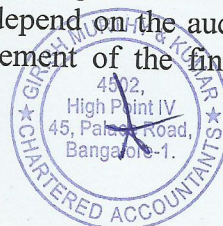
Management's Responsibility for Internal Financial Controls

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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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.

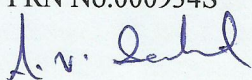
Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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.

FOR GIRISH MURTHY & KUMAR
Chartered Accountants
FRN No.000934S


A V Satish Kumar
Partner.
Membership No: 26526



PLACE: Bangalore
DATE: 25th April 2018

GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Balance Sheet as at March 31, 2018

(Amount in INR)

	Notes	March 31, 2018	March 31, 2017
I. ASSETS			
1. Non-current assets			
(a) Financial Assets			
(i) Loans	3	150,000,000	150,000,000
(b) Non Current tax assets (net)	4	2,499,872	658,479
2. Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	6	2,191,399	2,160,584
(ii) Loans	3	376,000	17,267,000
(iii) Other Financial Assets	5	22,463,815	5,926,315
Total Assets		177,531,086	176,012,378
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	7	500,000	500,000
(b) Other Equity	8	-55,633,313	-47,300,358
LIABILITIES			
1. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	205,876,192	222,767,192
(ii) Other financial liabilities	10	26,004,943	43,545
(b) Other current liabilities	11	783,264	2,000
Total Equity and Liabilities		177,531,086	176,012,378

Corporate information

1

Summary of significant accounting policies

2

The accompanying notes are an integral part of financial statements

As per our report of even date.

For Girish Murthy & Kumar

ICAI firm registration number: 000934S

Chartered Accountants

A. V. Satish Kumar

A V Satish Kumar

Partner

Membership no.: 26526

Place: Bangalore

Date: 25th April, 2018



For and on behalf of the board of directors of

GMR Genco Assets Limited

Prabir Kumar Majumdar

Prabir Kumar Majumdar

Director

DIN:03519200

Place: New Delhi

Date: 25th April, 2018

Arunendu Saha

Arunendu Saha

Director

DIN:06776423



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Statement of Profit and Loss for the year ended March 31, 2018

(Amount in INR)

	Note	For the Year ended March 31, 2018	For the Year ended March 31, 2017
REVENUE			
Revenue From Operations		-	-
Other Income	12	18,413,928	6,584,795
Total Revenue		18,413,928	6,584,795
EXPENSES			
Finance Costs	13	26,697,896	26,930,663
Other Expenses	14	48,986	45,818,150
Total expenses		26,746,882	72,748,813
Profit before exceptional items and tax		(8,332,954)	(66,164,018)
Exceptional Items		-	-
Profit/(loss) before tax		(8,332,954)	(66,164,018)
Tax expense:			
Current Tax		-	-
Deferred Tax	24	-	8,166,539
Profit/(loss) for the year (A)		(8,332,954)	(57,997,479)
Other Comprehensive Income (B)			
A Items that will be reclassified to profit or loss in subsequent periods		-	-
B Items that will not be reclassified to profit or loss in subsequent periods		-	-
Total Comprehensive Income for the year (A+B)		(8,332,954)	(57,997,479)
Earnings per equity share:			
(1) Basic	15	(166.66)	-1,159.95
(2) Diluted		-166.66	-1,159.95

The accompanying notes are an integral part of financial statements
As per our report of even date.

For Girish Murthy & Kumar
ICAI firm registration number: 0009345
Chartered Accountants

A. V. Satish Kumar
A V Satish Kumar
Partner
Membership no.: 26526



Place: Bangalore
Date: 25th April, 2018

For and on behalf of the board of directors of
GMR Genco Assets Limited

Prabir Kumar Majumdar
Prabir Kumar Majumdar
Director
DIN:03519200

Arunendu Saha
Arunendu Saha
Director
DIN:06776423

Place: New Delhi
Date: 25th April, 2018

GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Statement of Cash Flows for the year ended 31 March 2018

Amounts in INR

	March 31,2018	Mar 31,2017
A Cash Flow from Operating Activities		
Profit / (loss) before tax expenses	(8,332,954)	(66,164,018)
Adjustment to reconcile profit before tax to net cash flows		
Finance Costs	26,697,896	26,930,663
Interest Income on ICD	(18,413,928)	(6,584,795)
Operating Profit before Working Capital changes	(48,986)	(45,818,150)
Movements in working capital :		
Increase/(Decrease) in Other Current Liabilities	781,264	375
Increase/(Decrease) in Other Financial Liabilities	25,961,398	(5,551)
Increase / (Decrease) in Current tax Assets (Net)	-	-
Decrease / (Increase) in other Financial Assets	(16,537,500)	(22,817,315)
Cash Generated From Operations	10,156,176	(68,640,641)
Direct Tax paid (net of refunds)	(1,841,393)	(658,479)
Net Cash Flow from Operating Activities (A)	8,314,784	(69,299,121)
B Cash Flow from Investing Activities:		
Purchase of fixed assets,including intangible assets, CWIP and capital advances	-	146,000,000
(Increase)/ Decrease in Long Term Loans & Advances	-	(129,109,000)
(Increase)/ Decrease in Short Term Loans & Advances	16,891,000	-
Write off of capital work-in progress	-	45,763,322
Interest Income on ICD	18,413,928	6,584,795
Net cash flow (used in) investing activities (B)	35,304,928	69,239,117
C Net Cash Flow From Financing Activities:		
Repayment of Short term borrowings	-16,891,000	-
Interest/Finance cost paid	(26,697,896)	(12)
Net cash flow (used in) in financing activities (C)	(43,588,896)	(12)
Net (decrease) / In cash and cash equivalents (A + B + C)	30,815	(60,016)
Cash and cash equivalents (Opening)	2,160,584	2,220,600
Cash and cash equivalents (Closing)	2,191,399	2,160,584
COMPONENTS OF CASH AND CASH EQUIVALENTS	March 31,2018	Mar 31,2017
Cash on hand	-	-
Balances with banks	-	-
- on current accounts	2,191,399	2,160,584
Total cash and cash equivalents	2,191,399	2,160,584

This cash flow statement referred to our report of even date

For Girish Murthy & Kumar

ICAI firm registration number: 0009345

Chartered Accountants

A. V. Satish Kumar

A V Satish Kumar

Partner

Membership no.: 26526

Place: Bangalore

Date: 25th April, 2018



For and on behalf of the board of directors of
GMR Genco Assets Limited

Prabir Kumar Majumdar

Prabir Kumar Majumdar

Director

DIN:03519200

Place: New Delhi

Date: 25th April, 2018

Arunendu Saha

Arunendu Saha

Director

DIN:06776423



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Additional Disclosure to Cash Flow Statement for the year ended March 31, 2018

Amendment to Ind AS 7

Effective April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The reconciliation is given as below:

Amounts in INR

Particulars	1-Apr-17	Cash Flows	Non Cash Flow Changes				31-Mar-18
			Acquisition	Dilution	Foreign Exchange Moments	Fair Value Changes	
Short Term Borrowings	222,767,192	-16,891,000					205,876,192
Total	222,767,192	-16,891,000	-	-	-	-	205,876,192

For Girish Murthy & Kumar
 ICAI firm registration number: 000934S
 Chartered Accountants

A V Satish Kumar

A V Satish Kumar
 Partner
 Membership no.: 26526

Place: Bangalore
 Date: 25th April, 2018



For and on behalf of the board of directors of
 GMR Genco Assets Limited

Prabir Kumar Majumdar
Prabir Kumar Majumdar
 Director
 DIN:03519200

Place: New Delhi
 Date: 25th April, 2018

Arunendu Saha
Arunendu Saha
 Director
 DIN:06776423



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Statement of changes in equity

		Attributable to the equity holders of the parent			Total equity
		Reserves and surplus			
	Equity share capital	Equity component of Related Party Loan	Retained earnings	Total	
As at 1 April 2016	500,000	45,364,688	(34,667,568)	10,697,121	11,197,121
Profit for the period/ additions	-	-	(57,997,479)	(57,997,479)	(57,997,479)
Other comprehensive income	-	-	-	-	-
At 31 March 2017	500,000	45,364,688	(92,665,047)	(47,300,358)	(46,800,358)
Profit for the period	-	-	(8,332,954)	(8,332,954)	(8,332,954)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
At 31 March 2018	500,000	45,364,688	(100,998,001)	(55,633,313)	(55,133,313)

For Girish Murthy & Kumar
ICAI firm registration number: 000934S
Chartered Accountants

A. V. Satish Kumar
A V Satish Kumar
Partner
Membership no.: 26526

Place: Bangalore
Date: 25th April, 2018



For and on behalf of the board of directors of
GMR Genco Assets Limited

Prabir Kumar Majumdar
Prabir Kumar Majumdar
Director
DIN:03519200

Place: New Delhi
Date: 25th April, 2018

Arunendu Saha
Arunendu Saha
Director
DIN:06776423



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the year ended March 31, 2018

3 Financial assets

Loans	(Amount in INR)			
	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Carried at amortised cost				
Loans & Advances to Related Parties ¹	150,000,000	150,000,000	-	-
Security deposits ²	-	-	376,000	376,000
Other Receivables ³	-	-	-	16,891,000
Total	150,000,000	150,000,000	376,000	17,267,000

¹The Company has given unsecured loan to Kakinada SEZ Limited of Rs.15 Crores @ 12.25% P.A. Kakinada SEZ Private Limited shall repay the loan in one bullet installment at the end of 36 months from each tranche of disbursement.

²Security Deposit is receivable from Raxa Securities

³An amount of 1.69 Crores has been received from repsective entites in March'18

4 Tax Asset/(Liability)

	(Amount in INR)			
	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advance income tax (net of provision for current tax)	2,499,872	658,479	-	-

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Other Financial assets	(Amount in INR)			
	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Carried at amortised cost				
Interest accrued on Inter Corporate Deposit (**)	-	-	22,463,815	5,926,315
Total	-	-	22,463,815	5,926,315

** The company is accruing Interest @ 12.25% p.a. on a loan given to Kakinada SEZ Limited.

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Cash and Cash Equivalents	(Amount in INR)	
	March 31, 2018	March 31, 2017
-Cash on hand		
-Balances with Banks		
-In current accounts	2,191,399	2,160,584
- Deposits with original maturity of less than three months	-	-
Total	2,191,399	2,160,584



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the year ended March 31, 2018

7 Share Capital

Particulars	(Amount in INR)	
	March 31, 2018	March 31, 2017
Authorised :		
50,000 (March 31, 2017 : 50,000) Equity Shares of Rs. 10 each	500,000	500,000
	500,000	500,000
Issued :		
50,000 (March 31, 2017 : 50,000) Equity Shares of Rs. 10 each	500,000	500,000
Subscribed and Paid-up		
50,000 (March 31, 2017 : 50,000) Equity Shares of Rs. 10 each	500,000	500,000
Total	500,000	500,000

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year

Equity Shares	March 31, 2018		March 31, 2017	
	In Numbers	Amounts in INR	In Numbers	Amounts in INR crores
At the beginning of the year	50,000	500,000	50,000	500,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	500,000	50,000	500,000

b. Terms/Rights Attached to equity Shares

The company has only one class of shares having a per value of Rs.10 per share. Each holder of equity is entitled to one vote per share. In the event of liquidation of the company the holder of equity shares would be entitled to receive remaining assets of the company after distribution of all preferential amounts.

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

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	Amount	No. of Shares held	Amount
GMR Generation Assets Limited (including its nominees), the immediate holding company	50,000	500,000	50,000	500,000

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

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
GMR Generation Assets Limited (including its nominees), the immediate holding company	50,000	100.0	50,000.0	100.0

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the year ended March 31, 2018

8 Other Equity

(Amount in INR)

	March 31, 2018	March 31, 2017
Equity component of Related Party Loans		
Balance at the beginning of the year	45,364,688	45,364,688
Loss/Profit during the year	-	-
Balance at the end of the year	45,364,688	45,364,688
Surplus in the statement of profit and loss		
Balance at the beginning of the year	-92,665,047	-34,667,568
Loss/Profit during the year	-8,332,954	-57,997,479
Balance at the end of the year	-100,998,001	-92,665,047
Total	-55,633,313	-47,300,358

Financial liabilities

(Amount in INR)

9	Borrowings	Non Current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Unsecured Borrowings				
	Loan from Holding Company*		-	205,876,192	222,767,192
	Total	-	-	205,876,192	222,767,192
	Less:				
	Amount disclosed under the head "Other current financial liabilities"	-	-	-	-
	Net Amount	-	-	205,876,192	222,767,192

* The Inter Corporate Deposits from GMR Generation Assets Limited (Holding Company) (@ 12% rate of interest). An amount of Rs.1.69 crores was repaid in March-2018 Deposits shall be repayable as may be mutually agreed between the parties.

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(Amount in INR)

Other Financial Liabilities	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Other financial liabilities at amortised cost				
Non Trade Payable Group Companies		-	1,115	1,115
Non Trade Payables		-	64,476	42,430
Interest Accrued on ICD *		-	25,939,352	-
Total	-	-	26,004,943	43,545

* Represents Interest @ 12% effective from 01st April, 2017 on ICD taken from GMR Generation Assets Limited (Holding Company)

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(Amount in INR)

Other Liabilities	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Statutory liabilities				
Tax deducted at source		-	758,544	2,000
Provision for O/s Expenses	-	-	24,720	-
Total	-	-	783,264	2,000



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the year ended March 31, 2018

(Amount in INR)			
12	Other income	Year Ended Mar 31,2018	Year Ended March 31,2017
	Interest Income on ICD	18,375,000	6,584,795
	Interest Income on Bank Deposits	38,928	-
	Total	18,413,928	6,584,795

(Amount in INR)			
13	Finance Costs	Year Ended Mar 31,2018	Year Ended March 31,2017
	Interest on Loan	26,697,896	26,930,651
	Bank Charges/Finance Charges	-	12
	Total	26,697,896	26,930,663

(Amount in INR)			
14	Other expenses	Year Ended Mar 31,2018	Year Ended March 31,2017
	Payment to auditor (Refer details below)	41,150	40,319
	Logo Fees	1,120	1,115
	Rates & Taxes	4,916	12,450
	Printing & Stationery	-	944
	Consultancy Charges	1,800	-
	Capital Work in Progress Written Off	-	45,763,322
	Total	48,986	45,818,150

(Amount in INR)		
	Year Ended Mar 31,2018	Year Ended March 31,2017
Payment to Auditors (Included in other expenses above)		
As Auditor		
Audit fee	17,700	17,319
Limited Review	23,450	23,000
Total	41,150	40,319



Corporate Information and Significant Accounting Policies:

1.1 Corporate Information:

GMR Genco Assets Limited is promoted as a Special Purpose Vehicle (SPV) by GMR Energy Limited, the holding Company, to develop and operate 800 MW gas based power project in Hosur, Tamil Nadu.

Information on other related party relationships of the Company is provided in Note no.17

The financial statements were authorised for issue in accordance with a resolution of the directors passed in the Board Meeting held on 25th April, 2018

1.2 Significant Accounting Policies

a) Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees (INR)

b) Summary of significant accounting policies

i) Use of estimates

The preparation of financial statements in conformity with IND AS 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.

ii) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

iii) Property, Plant & Equipments:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost including government grants and decommissioning costs less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties, levies. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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



1 Corporate Information and Significant Accounting Policies:**Recognition:**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP in terms of paragraphs D7AA & D13AA of Ind AS 101 - 'First-time Adoption of Indian Accounting Standards' and use that carrying value as the deemed cost of the property, plant and equipment after making adjustments for decommissioning liability (paragraph D21 of Ind AS 101), transaction cost of long term borrowings and Government grants as per Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 5 (Revised).

Depreciation and amortisation

Depreciation on tangible assets dedicated for generation of power covered under CERC tariff regulations including common assets are provided on straight line method (other than BTG of Unit I and II and CTU Transmission Lines), at rates specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation.

In respect of BTG of Unit I and II and CTU Transmission lines, the Company has estimated 40 years as the useful life of the components as per technical evaluation and accordingly provided depreciation over the remaining useful life of the asset using Straight Line Method w.e.f April 1, 2016 in terms of the requirement of Schedule II of Companies Act 2013.

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

Asset Type	Estimated useful life (in years)
Buildings	25
Roads	3
Plant & Machinery - Thermal plant *	40
Plant & Machinery - General	15
Office equipments	5
Furniture & Fixtures	10
Electrical Equipments	10
Computer equipments	3
Motor cycles	8
Motor Cars	8
Railway Siding	25

* - Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.

Leasehold land from Government Authorities are amortised as per Central Electricity Regulatory Commission at rates specified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation.

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

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

Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Machinery spares which are specific to a particular item of Property, Plant & Equipments and whose use is expected to be irregular are capitalized as Property, Plant & Equipments.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months and having a value of more than 0.50 Million.

iv) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supported. If not, the change in useful life from indefinite to finite is made on a prospective basis.



1 Corporate Information and Significant Accounting Policies:

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

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

Intangible assets generated or acquired	Useful lives	Amortisation method used	Internally
Software licences	Definite (6 years)	Straight-line basis over the license period	Acquired

v) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

vi) Government grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, the cost of the asset shown at gross value and grant there on is treated as capital grant which is recognised as income in the statement of profit and loss over the period and proportion in which depreciation is charged. Revenue grants are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

vii) Leases

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

Company as a lessee :

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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

Contingent rentals are recognised as expenses in the periods in which they are incurred.

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

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

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as a lessor :

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease, unless either:

- another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

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



1 Corporate Information and Significant Accounting Policies:

Lands obtained on leases, where there is no reasonable certainty that the Company will obtain ownership by the end of the lease term shall generally be classified as finance leases. The minimum lease payments include upfront premium paid plus any annual recurring lease rental which is amortized over the lease term.

viii) Inventories

Inventories are valued as follows:

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.

ix) Impairment of non-financial 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 units' (CGUs) 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 group of assets. When 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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 generally cover a period of twenty to twenty five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the twenty fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or 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 or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives (if available) are tested for impairment annually as at December 31st at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

x) Provisions

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

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

xi) Decommissioning liability

The Company records a provision for decommissioning costs on power plant projects, where decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax risk free rate. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.



1 Corporate Information and Significant Accounting Policies:

xii) Retirement and other Employee Benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund, pension fund, superannuation fund etc. are defined contribution scheme. The Company has no obligation, other than the contribution payable.

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The company presents the accumulated leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Gratuity is a defined benefit scheme. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

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

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

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine
- Net interest expense or income.

xiii) Financial Instruments - Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash-flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI: A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.



1 Corporate Information and Significant Accounting Policies:

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on;

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

1 Corporate Information and Significant Accounting Policies:

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- a) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- b) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

xiv) Financial Instruments - Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss : Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings : This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowing.



1 Corporate Information and Significant Accounting Policies:**Derecognition**

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

xv) Revenue Recognition

- a) Revenue from energy units sold is recognised on accrual basis as per the terms of the Power Purchase Agreement (PPA) and Letter of Intent (LOI) [collectively hereinafter referred to as 'the PPAs'] and tariff rates determined by CERC. Revenue includes unbilled revenue accrued up to the end of the accounting year. The revenue is also recognised / adjusted towards truing up of fixed charges and energy charges in terms of CERC tariff regulation 2014-19, wherever applicable.

Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to the customers based on the units of energy delivered and rates agreed with customers.

- b) Revenue from sale of infirm power are recognised as per the guidelines of Central Electricity Regulatory Commission. Revenue prior to date of commercial operation are reduced from Project cost.
- c) Revenue/charges from Unscheduled Interchange for the deviation in generation with respect to scheduled units are recognized/ charged at rate notified by CERC from time to time, are adjusted to revenue from sale of energy.
- d) Revenue earned in excess of billings has been included under "other assets" as unbilled revenue and billings in excess of revenue have been disclosed under "other liabilities" as unearned revenue.



1 Corporate Information and Significant Accounting Policies:

- e) Revenue from sale of power is net of prompt payment rebate eligible to the customers.
- f) Claims for delayed payment charges and any other claims, which the Company is entitled to under the PPAs, are accounted for in the year of acceptance by the customers. Similarly Commission, liquidated damages and any other charges are accounted for in the year of acceptance.
- g) Interest is recognized using the time proportion method based on rates implicit in the transaction. Dividend income is accounted for in the year in which the right to receive the same is established by the reporting date.

xvi) Cash and cash equivalents

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

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

Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

xvii) Foreign currencies

The financial statements are presented in INR, which is also the company's functional currency.

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

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

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

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

xviii) Fair value measurement

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

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

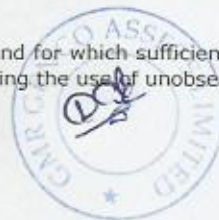
- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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



1 Corporate Information and Significant Accounting Policies:

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

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

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

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management after discussion. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every five years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Contingent consideration
- c) Quantitative disclosures of fair value measurement hierarchy
- d) Investment in unquoted equity shares (discontinued operations)
- e) Property, plant and equipment under revaluation model
- f) Investment properties
- g) Financial instruments (including those carried at amortised cost)
- h) Non-cash distribution

xix) Taxes on income

Current income tax

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.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss



1 Corporate Information and Significant Accounting Policies:

b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

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

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

xx) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the period ended March 31, 2018

15 Calculation of Earning per share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year. There is no dilutive potential ordinary shares as at March 31, 2018 and March 31, 2017. Thus, diluted EPS equals basic EPS.

The following reflects the income and share data used in the basic / diluted EPS computations:

Particulars	March 31, 2018	March 31, 2017
a. Nominal value of Equity shares (in Rupees per share)	10	10
b. Total No. of Equity Shares outstanding at the beginning of the year	50,000	50,000
c. Add: Shares allotted during the year	-	-
d. Total No. of Equity Shares outstanding at the end of the year	50,000	50,000
e. Weighted average number of Equity shares at the year end (in	50,000	50,000
f. Profit attributable to equity holders of the Company for basic	(8,332,954)	(57,997,479)
g. Basic/Diluted Earning per share of Rs. 10/- each (in Rs.) [(f)/(e)]	(166.66)	(1,159.95)

16 Retirement & Other Employee Benefits

As there are no employees, the company has not determined any liability for gratuity and long term compensated absences in accordance with revised IND AS 19.

17 Related Party Disclosures:

a. Names of related parties and related party relationship:

Enterprises that control the company	GMR Generation Assets Limited GMR Infrastructure Limited
Ultimate holding company	GMR Enterprises Private Limited
Fellow Subsidiaries	GMR Sports Private Limited GMR League Games Private Limited GMR Infratech Private Limited Cadence Enterprises Private Limited PHL Infrastructure Finance Company Private Limited Vijay Nivas Real Estates Private Limited Fabcity Properties Private Limited Kondampeta Properties Private Limited Hyderabad Jabilli Properties Private Limited Leora Real Estates Private Limited Pashupati Artex Agencies Private Limited Ravivarma Realty Private Limited GMR Solar Energy Private Limited Rajam Enterprises Private Limited Grandhi Enterprises Private Limited Ideaspace Solutions Private Limited National SEZ Infra Services Private Limited Kakinada Refinery and Petrochemicals Private Limited Corporate Infrastructure Services Private Limited GMR Bannerghatta Properties Private Limited Kirthi Timbers Private Limited AMG Healthcare Destination Private Limited GMR Holding (Malta) Limited GMR Infrastructure (Malta) Limited GMR Holdings (Overseas) Limited GMR Holdings (Mauritius) Limited Crossridge Investments Limited Interzone Capital Limited GMR Holdings Overseas (Singapore) Pte Limited GMR Business & Consultancy LLP GMR Power Corporation Limited (GPCL) GMR Vemagiri Power Generation Limited (GVPGI) GMR (Badrinath) Hydro Power Generation Private Limited GMR Mining & Energy Private Limited (GMEI) GMR Kamalanga Energy Limited (GKEL) Himtal Hydro Power Company Private Limited (HHPL) GMR Energy (Mauritius) Limited (GEML) GMR Lion Energy Limited (GLEL) GMR Upper Karnali Hydropower Limited (GUKPL) GMR Energy Trading Limited (GETL) GMR Energy Limited (GEL) GMR Consulting Services Private Limited (GCSPL) GMR Coastal Energy Private Limited (GCEPL) GMR Bajoli Holi Hydropower Private Limited (GBHPL) GMR Londa Hydropower Private Limited (GLHPPL) GMR Kakinada Energy Private Limited (GKEPL) GMR Chhattisgarh Energy Limited (GCHEPL) GMR Energy (Cyprus) Limited (GECI)



GMR Energy (Netherlands) B.V. (GENBV)
 PT Dwikarya Sejati Utama (PTDSU)
 PT Duta Sarana Internusa (PTDSI)
 PT Barasentosa Lestari (PTBSL)
 SJK Powergen Limited (SJK)
 PT Unsoco (PT)
 GMR Warora Energy Limited (Formerly EMCO Energy Limited)
 Indo Tausch Trading DMCC (ITTD)
 GMR Maharashtra Energy Limited (GMEL)
 GMR Rajam Solar Power Private Limited (formerly known as GMR Uttar Pradesh Energy Private Limited (GUPEPL)
 GMR Hosur Energy Limited (GHOEL)
 GMR Gujarat Solar Power Private Limited (GGSPP)
 Karnali Transmission Company Private Limited (KTCPL)
 Marsyangdi Transmission Company Private Limited (MTCPL)
 GMR Indo-Nepal Energy Links Limited (GINELL)
 GMR Indo-Nepal Power Corridors Limited (GINPCL)
 GMR Genco Assets Limited (formerly known as GMR Hosur Energy Limited (GHOEL))
 Aravali Transmission Service Company Limited (ATSCL)
 Maru Transmission Service Company Limited (MTSCL)
 GMR Energy Projects (Mauritius) Limited (GEPML)
 GMR Infrastructure (Singapore) Pte Limited (GISPL)
 GMR Coal Resources Pte Limited (GCRPL)
 GMR Power Infra Limited (GPIL)
 GMR Highways Limited (GMRHL)
 GMR Tambaram Tindivanam Expressways Limited (GTTEPL)
 GMR Tuni Anakapalli Expressways Limited (GTAEPL)
 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 (GCCRPL)
 GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEPL)
 GMR Highways Projects Private Limited (GHPPL)
 GMR Hyderabad International Airport Limited (GHIAL)
 Gateways for India Airports Private Limited (GFIAL)
 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 Aerospace Engineering Limited (GAEL (formerly known as MAS GMR Aerospace Engineering Company Limited)
 GMR Aero Technic Limited (GATL) (formerly known as MAS GMR Aero Technic Limited (MGATL))
 Hyderabad Duty Free Retail Limited (HDFRL)
 GMR Airport Developers Limited (GADL)
 GADL International Limited (GADLIL)
 GADL (Mauritius) Limited (GADLML)
 GMR Hotels and Resorts Limited (GHRL)
 GMR Hyderabad Airport Power Distribution Limited
 Delhi International Airport Private Limited (DIAL)
 Delhi Aerotropolis Private Limited (DAPL)
 Delhi Duty Free Services Private Limited (DDFS)
 Delhi Airport Parking Services Private Limited (DAPSL)
 GMR Airports Limited (GAL)
 GMR Airport Global Limited (GAGL)
 GMR Airports (Mauritius) Limited (GALM)
 GMR Aviation Private Limited (GAPL)
 Raxa Security Services Limited (Raxa)
 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)
 Bougainvillea Properties Private Limited (BOPPL)
 Camelia Properties Private Limited (CPPL)
 Deepesh Properties Private Limited (DPPL)



	Ella 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) Larkspur Properties Private Limited (LAPPL) Nadira Properties Private Limited (NPPL) Padmapriya Properties Private Limited (PAPPL) Prakalpa Properties Private Limited (PPPL) Purnachandra Properties Private Limited (PUPPL) Shreyadita Properties Private Limited (SPPL) Pranesh Properties Private Limited (PRPPL) Sreepa Properties Private Limited (SRPPL) Radhapriya Properties Private Limited (RPPL) Asteria Real Estates Private Limited (AREPL) GMR Hosur Industrial City Private Limited (GHICL) Namitha Real Estates Private Limited (NREPL) Honey Flower Estates Private Limited (HFEPL) GMR Hosur EMC Limited (GHEMCL) GMR SEZ and Port Holdings Limited (GSPHL) East Godavari Power Distribution Company Private Limited Suzone Properties Private Limited (SUPPL) GMR Utilities Private Limited (GUPL) Lilliam Properties Private Limited (LUPPL) GMR Corporate Affairs Private Limited (GCAPL) Dhruvi Securities Private Limited (DSPL) Larkspur Properties Private Limited (LAPPL) GMR Business Process and Services Private Limited (GBPSPL) GMR Infrastructure (Mauritius) Limited (GIML) GMR Infrastructure (Cyprus) Limited (GICL) GMR Infrastructure Overseas Limited (GIOI) GMR Infrastructure (UK) Limited (GIUL) GMR Infrastructure (Global) Limited (GIGL) GMR Energy (Global) Limited (GEGL) Kakinada Gateway Port Limited (KGPL) GMR Goa International Airport Limited (GGIAL) GMR SEZ Infra Services Limited (GSISL) GMR Infrastructure (Overseas) Limited (GIOL) GMR Infra Developers Limited (GIDL) GMR Infrastructure (Cyprus) Limited (GICL) GMR Infrastructure Overseas Limited (GIOI) GMR Infrastructure (UK) Limited (GIUL) GMR Infrastructure (Global) Limited (GIGL) GMR Energy (Global) Limited (GEGL) Kakinada Gateway Port Limited (KGPL) GMR Goa International Airport Limited (GGIAL) GMR SEZ Infra Services Limited (GSISL) GMR Infrastructure (Overseas) Limited (GIOL) GMR Infra Developers Limited (GIDL)
Key Management Personnel	Mr. Arunendu Saha, Director Mr. Prabir Kumar Majumdar, Director
Enterprises where key management personnel & their relatives significant influence	GMR Varalakshmi Foundation [GVF] GMR Varalakshmi DAV Public School [GVDPs] GMR Family Fund Trust [GFFT]

b. Details of the transactions are as follows :

Particulars	(Amt. in Rupees)	
	March 31, 2018	March 31, 2017
a. Logo fee & trade mark fee GMR Enterprises Private Limited	1,120	1,115
b. Notional Interest expense on Loan GMR Generation Assets Limited	-	2,69,30,651
c. Loan given during the year Kakinada SEZ Private Limited	-	15,00,00,000
d. Interest Income on Loan Kakinada SEZ Private Limited	18,375,000	65,84,795
e. Interest Expense on Loan GMR Generation Assets Limited	26,697,896	-
f. Loan Novated from GEL during the year GMR Generation Assets Limited	-	22,27,67,192
g. Security Deposit received from		
Sreepa Properties Pvt Ltd	2,038,000	-
Bougainvillea Properties Pvt Ltd	3,182,000	-
Camelia Properties Pvt Ltd	2,780,000	-
Gerbera Properties Pvt Ltd	1,856,000	-
Honeysuckle Properties Pvt Ltd	1,384,000	-
Purnachandra Properties Pvt Ltd	2,710,000	-
Shreyadita Properties Pvt Ltd	2,319,000	-
Advika Properties Pvt Ltd	252,000	-
Aklima Properties Pvt Ltd	370,000	-



Closing balances with the above related parties:

Particulars	(Amt. in Rupees)	
	March 31,2018	March 31,2017
I) GMR Generation Assets Limited		
a) Share Capital	500.000	500.000
b) Loan	205.876.192	222.767.192
c) Equity Component of Related party Loan-GGAL	45.364.688	45.364.688
II) Kakinada SEZ Private Limited		
a) Loan	150.000.000	150.000.000
b) Interest accrued on Loan	22.463.815	5.926.315
III) GMR Holdings Private Limited		
a) Logo fee payable	1.115	1.115
IV) Sreepa Properties Pvt Ltd-Lease deposit (Other Receivables)	-	2.038.000
V) Bougainvillea Properties Pvt Ltd-Lease deposit (Other Receivables)	-	3.182.000
VI) Camella Properties Pvt Ltd-Lease deposit (Other Receivables)	-	2.780.000
VII) Gerbera Properties Pvt Ltd-Lease deposit (Other Receivables)	-	1.856.000
VIII) Honeysuckle Properties Pvt Ltd-Lease deposit (Other Receivables)	-	1.384.000
IX) Purnachandra Properties Pvt Ltd-Lease Deposit (Other Receivables)	-	2.710.000
X) Shreyadita Properties Pvt Ltd-Lease deposit (Other Receivables)	-	2.319.000
XI) Advika Properties Pvt Ltd-Lease deposit (Other Receivables)	-	252.000
XII) Aklima Properties Pvt Ltd-Lease Deposit (Other Receivables)	-	370.000
XIII) Raxa Securities Services Ltd-Security Deposit (Other Receivables)	376.000	376.000

18 The company has not dealt with any party as defined under the provisions of of Micro, Small and Medium Enterprises Development Act,2006 during the year

19 Segment Reporting

The company is engaged primarily in the business of procurement of land. Accordingly separate primary and secondary segment reporting disclosures as envisaged in Ind AS 108 on Segmental Reporting issued by the ICAI are not applicable to the present activities of the company.

20 Commitments and Contingencies

Leases:- There is no operating lease commitments as on March 31,2018 (March 31,2017:- Nil)

Litigations and Contingent Liabilities:-There are no Litigations and contingent liabilities as on March 31,2018 (March 31,2017:- Nil)

21 Financial Assets & Liabilities

The carrying value and fair value of each category of financial assets and liabilities as at March 31,2018 and March 31,2017.

As at March 31,2018		(Amount in Rs)			
Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Loans	-	-	150.376.000	150.376.000	150.376.000
(ii) Cash and cash equivalents	-	-	2.191.399	2.191.399	2.191.399
(iii) Other financial assets	-	-	22.463.815	22.463.815	22.463.815
Total	-	-	175.031.214	175.031.214	175.031.214
Financial liabilities					
(i) Borrowings	-	-	205.876.192	205.876.192	205.876.192
(ii) Other financial liabilities	-	-	26.004.943	26.004.943	26.004.943
Total	-	-	231.881.135	231.881.135	231.881.135

As at March 31,2017		(Amount in Rs)			
Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying value	Total Fair value
Financial assets					
(i) Loans	-	-	167.267.000	167.267.000	167.267.000
(ii) Cash and cash equivalents	-	-	2.160.584	2.160.584	2.160.584
(iii) Other financial assets	-	-	5.926.315	5.926.315	5.926.315
Total	-	-	175.353.899	175.353.899	175.353.899
Financial liabilities					
(i) Borrowings	-	-	222.767.192	222.767.192	222.767.192
(ii) Other financial liabilities	-	-	43.545	43.545	43.545
Total	-	-	222.810.737	222.810.737	222.810.737



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the period ended March 31, 2018

22 Financial risk management objectives and policies

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

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

Market risk

(a) Market risk- Interest rate risk

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

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

(b) Market risk- Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Company has entered into certain derivative contracts which are not designated as hedge.

Credit risk

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

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 17,50,31,214 and Rs. 17,53,53,899 as at March 31, 2018 and March 31, 2017 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.

The Company's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2018 and March 31, 2017.

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

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

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



Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors etc.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

(Amount in Rs.)				
Particulars	0-1 year	1 to 5 years	> 5 years	Total
March 31, 2018				
Borrowings (other than convertible preference shares)	205,876,192	-	-	205,876,192
Other financial liabilities	26,004,943	-	-	26,004,943
Total	231,881,135	-	-	231,881,135
March 31, 2017				
Borrowings (other than convertible preference shares)	222,767,192	-	-	222,767,192
Other financial liabilities	43,545	-	-	43,545
Total	222,810,737	-	-	222,810,737

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures of the Company include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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

(Rs.)

Tax expenses

- (a) Current tax
- (b) Adjustments of tax relating to earlier periods
- (c) MAT credit entitlement
- (d) Deferred tax expense / (credit)

Total taxes

March 31, 2018	March 31, 2017
-	-
-	-
-	-
-	(8,166,539)
-	(8,166,539)

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

	March 31, 2018	March 31, 2017
Profit before tax	(8,332,954)	(66,164,018)
Applicable tax rates in India (% Rate)	25.75%	29.87%
Computed tax charge	-2,145,736	-19,763,192
<u>Tax effect of income that are not taxable in determining taxable profit:</u>		
a) Utilisation of tax Losses and unabsorbed Depreciation	2,145,736	19,763,192
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
(a) Items not deductible	-	(8,166,539)
Tax expense as reported	-	(8,166,539)



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the period ended March 31, 2018

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

(Amount in INR)

A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed

An explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Deferred tax:

	Balance Sheet		Statement of profit and loss	
	As at 31-Mar-18	As at 31-Mar-17	31-Mar-18	31-Mar-17
Deferred tax liability:				
Borrowings	-20,286,091	-20,286,091		
Total deferred tax liability (A)	-20,286,091	-20,286,091	-	-
Deferred tax assets:				
Borrowings	20,286,091	20,286,091	-	8,166,539
Total deferred tax assets (B)	20,286,091	20,286,091	-	8,166,539
Deferred Tax Liability (Net) (A - B)	-	-	-	-8,166,539

Reconciliations of deferred tax liabilities/assets(net)/

	31-Mar-18	31-Mar-17
Opening balance	-0	-8,166,540
Tax income/(expense) during the period recognised in profit or loss	-	8,166,539
Tax income/(expense) during the period recognised in OCI	-	-
Amount recognised directly in equity	-	-
Deferred taxes acquired in business combinations	-	-
Closing balance	-0	-0

Amount recognised directly in equity

	31-Mar-18	31-Mar-17
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited/(credited) to equity:		
Deferred tax in convertible preference shares/ related party loans	-	0

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



GMR GENCO ASSETS LIMITED (Formerly Known as GMR Hosur Energy Limited)
Notes to Financial Statements for the period ended March 31, 2018

25 Capital management

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

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

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

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

(Amount in Rs)		
Particulars	March 31, 2018	March 31, 2017
Borrowings other than convertible preference shares (refer notes 19 and 24)	205,876,192	222,767,192
Total debt (i)	205,876,192	222,767,192
Capital components		
Equity share capital	500,000	500,000
Other equity	-55,633,313	-47,300,358
Total Capital (ii)	-55,133,313	-46,800,358
Capital and borrowings (iii = i + ii)	150,742,879	175,966,833
Gearing ratio (%) (i / iii)	136.57%	126.60%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.



26 New Indian Accounting Standard (Ind AS) issued but not yet effective

Ind AS 115 'Revenue from Contracts with Customers' was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 and permits two possible methods of transition:

(i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or

(ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

Upon adoption the Company expects there to be a change in the manner that variable consideration in certain revenue arrangements is recognized from the current practice of recognizing such revenue as the services are performed and the variable consideration is earned to estimating the achievability of the variable conditions when the Company begins delivering services and recognizing that amount over the contractual period. The Company also expects a change in the manner that it recognizes certain incremental and fulfilment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective

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

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the company as the company has no deductible temporary differences or assets that are in the scope of the amendments.



Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

27 The Previous year's figures have been re-grouped and reclassified, wherever necessary, to confirm to those of current year.

For Girish Murthy & Kumar
Chartered Accountants

A V Satish Kumar

A V Satish Kumar

Partner

Membership Number : 26526

Firm Registration Number: 000934S



Place: Bangalore
Date: 25th April, 2018

For and on behalf of the Board of directors of
GMR Genco Assets Limited

Prabir Kumar Majumdar

Prabir Kumar Majumdar

Director

DIN:03519200

Arunendu Saha

Arunendu Saha

Director

DIN:06776423



Place: New Delhi
Date: 25th April, 2018

Related Party Transaction Details
For the period ended March 31, 2018

Balance Sheet

GMR Genco Assets Limited (GGAAL) (formerly GMR Holar Energy Limited (GHLHL))
Code: C2170

A. Receivable, Reimbursement / Sundry Debtors / Deposits Paid / Interest receivable

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Ind AS adjustment Amount	Total (ICAP + Ind AS Adjustment)	DTL/(BTL) on Ind AS Adjustments
1	GAAL	Rena Security Services Limited		Security Deposit	Short term loans and advances	ST - loans and advances - Other loans and adv	154200001	376,000	-	376,000.00	-
2	KSPC	Kabinda SEZ Private Limited (KSPPL)		Interest accrued on ICD	Other current assets	Interest accrued but not due on Deposits-Av	154200001	22,403,815	-	22,403,815.07	-

B. Payable / Sundry Creditors / Deposits Received / Interest Payable

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Ind AS adjustment Amount	Total (ICAP + Ind AS Adjustment)	DTL/(BTL) on Ind AS Adjustments
1	GAAL	GMR Generation Asset Limited (GGMAL) Formerly GMR Holar		Interest accrued on ICD	Other current liabilities	Interest accrued but not due on borrowings	1539400959	25,938,352	-	25,938,351.86	-
2	GEPL	GMR Enterprises Private Limited (GEPL)	NA	Loan For Payable	Other current liabilities	Non Trade payable	253200015	1,117.20	-	1,117.20	-

C. Loans given to Group Companies / Share Application Money / Other advances

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Investment in Equity Portion in loans/ debentures	Notional Interest accrued till date	Total (net of adjustment)
1	KSPC	Kabinda SEZ Private Limited (KSPPL)		ICD Given	Long term loans and advances	LT - loans and advances - related parties	154200002	150,000,000	-	-	150,000,000.00

D. Loans taken from Group Companies / Share Application money receivable / Other loans

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Investment in Equity Portion in loans/ debentures	Notional Interest accrued till date	DTL/(BTL) on Ind AS Adjustments
1	GAAL	GMR Generation Asset Limited (GGMAL) Formerly GMR Holar		ICD Taken	Short term borrowings	Short Term Borrowings - Others - Deposits	253200010	203,874,192	-	-	203,874,192

E. Share Capital

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Ind AS adjustment Amount	Total (ICAP + Ind AS Adjustment)	DTL/(BTL) on Ind AS Adjustments
1	GAAL	GMR Generation Asset Limited (GGMAL) Formerly GMR Holar		Share Capital	Share capital	Equity raised and subscribed fully paid up	2112101005	500,000	-	500,000	-
2	GAAL	GMR Generation Asset Limited (GGMAL) Formerly GMR Holar		Equity Contribution of Related party to loan	Reserves and surplus	Equity contribution of Related party loan	2	45,364,688	-	45,364,688	(26,288,031)

F. Transactions

Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials	ICAP Amount	Ind AS adjustment Amount	Total (ICAP + Ind AS Adjustment)	DTL/(BTL) on Ind AS Adjustments
1	GEPL	GMR Enterprises Private Limited (GEPL)	NA	Loan For Payable	Short term provisions	Provisions - Deposits & Maintenance	253200011	1,120.09	-	1,120.09	-

For GMR Murthy & Kumar
Chartered Accountants
Firm registration number: 0001945

(Signature)
A.V. Satish Kumar
Partner
Membership no: 24526

Place: New Delhi
Date: 25th April 2018



For and on behalf of the Board of Directors

(Signature)
Prashant Kumar
Director
DIN: 03119200



Related Party Transaction Details
For the period ended March 31, 2018

Profit & Loss

GMR Genco Assets Limited (GGAL) (Formerly GMR Hoser Energy Limited (GHOLL))
Code: C2170

A. Income

SI No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials Transaction	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	RSPL	Kakinada SEZ Private Limited (NSPL)		Interest income on ICD	Other income	Other Income - Interest	4000010000	18,375,000.00		18,375,000	

B. Expense

SI No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials Transaction	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GGAL	GMR Generation Asset Limited (GGAL) (Formerly GMR Bansa)		Interest expenses on ICD	Finance costs	Interest	4200014005	26,697,896.30		26,697,896	

C. Provisions

SI No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Show in Financials Transaction	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GEPL	GMR Enterprises Private Limited (GEPL)	NA	Logo fees Provision	Other expenses	Logo Fees		1,120.00		1,120.00	

For Girish Murthy & Kumar
Firm registration number: 0009345
Chartered Accountants

Satish Kumar
A V Satish Kumar
Partner
Membership no.: 24526

Place: New Delhi
Date: 25th April, 2018

For and on behalf of the Board of Directors

Prabir Kumar Majumdar
Prabir Kumar Majumdar
Director
DIN: 03519200

