Walker Chandiok &Co LLP

Walker Chandiok & Co LLP
6th Floor, Worldmark 2,
Aerocity, New Delhi
Delhi - 110037
India

T +91 11 4952 7400
F +91 11 4278 7071

Independent Auditor's Report

To the Members of GMR Airports Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of GMR Airports Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit(including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As detailed in note 49 to the Standalone financial statements, the Company has issued Bonus Compulsory Convertible Preference Shares Series A, Series B, Series C and Series D (hereinafter together referred as "Bonus CCPS") to shareholders of the Company pursuant to the terms of the Shareholders' Agreement entered between the shareholders of the Company, the Company and Aéroports de Paris S.A which are being carried at face value. In our opinion, basis the terms of such Bonus CCPS, the accounting treatment is not in accordance with Ind AS 109, Financial Instruments, as the liability towards these Bonus CCPS should be recognised at their fair value. Had the Company applied the appropriate accounting treatment for these Bonus CCPS, 'Other equity' would have been lower by Rs. 1,271.34 crores, and 'Other financial liability' would have been higher by Rs. 1,271.34 crores as at 31 March 2021.

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

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

WALKER CHANDIOK & CO ★ CHARTERED ACCOUNTANTS

Key audit matter	How our audit addressed the key audit matter
1. Fair value measurement of investments in equity shares and estimation of provision on optionally convertible debentures (Refer note 4.1 (b), note 4.1 (e) and note 4.1 (f) for the accounting policy and note 11 and note 42 for the related disclosures)	
As at 31 March 2021, the Company has investments in unquoted equity shares of its subsidiaries and joint venture amounting to INR 19,660.72 crores which are carried at fair value and investments in optionally convertible debentures ('OCD') of one of the subsidiary amounting to INR 2,168.65 crores which are carried at amortised cost. Determining the fair value of such unquoted investments and the provision as per Ind AS 109 'Financial Instruments' on the OCDs is determined by applying valuation techniques which has been performed by independent valuation experts, applying applicable valuation methodologies. The determination of fair values/ provision on OCDs involves significant management assumptions, judgements and estimates which include unobservable inputs such as future cash flows and judgments with respect to estimation of passenger traffic Air traffic movement and rates, future outcomes of ongoing litigations as detailed in note 59(b) of the accompanying standalone financial statements. The valuation of these investments and determining requisite provision for OCDs was considered to be the area which required significant auditor attention and was of most significance in the audit of standalone financial statements due to the materiality of these investments to the standalone financial statements and complexity involved in the valuation of these investments and hence we have determined this as a key audit matter for current year audit. We draw attention to note 59(a) of the accompanying Standalone Financial Statements, which describes the uncertainties due to the outbreak of Covid-19 pandemic and management's evaluation of its impact on the assumptions underlying the valuation of investments in the airport sector which are carried at fair value in the Standalone Financial Statements as at the balance sheet date. Further, we also draw attention to note 59(b) in relation to carrying value of investments in the subsidiaries as mentioned in the aforesaid note, which are dependent on the uncertainties relating to the future outcome of the ongoing matters as further described in the aforesaid note.	Our audit procedures to assess the reasonableness of fair valuation of equity investments/ and provision on OCDs included the following: • Obtained an understanding of management's processes and controls for determining the fair value and provision and tested the design and operating effectiveness of such controls; • Carried out assessment of forecasts of future cash flows prepared by the management, evaluating the assumptions and estimates used in such forecasts including economic and financial data; • Evaluated the Company's valuation methodology in determining the fair value of the investment. In making this assessment, we also assessed the professional competence, objectivity and capabilities of the valuation expert engaged by the management; • Engaged auditor's valuation experts to ascertain the appropriateness of the valuation methodology including the allocation made to different investments and the concluded fair value; • Ensured the appropriateness of the carrying value of these investments in the financial statements and the gain or loss recognised in the financial statements as a result of such fair valuation; • Compared the carrying value of OCDs with the fair value and assessed the adequacy of provision made for the OCDs; • Obtained appropriate management representations with respect to the underlying valuation report. • Assessed the appropriateness and adequacy of related disclosures in the standalone financial statements in accordance with the applicable accounting standards.

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

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

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

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

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) except for the effects of the matter described in the Basis for Qualified Opinion section, 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

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

    e) the matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 31 May 2021 as per Annexure B expressed modified opinion; and

h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. except for the effect of the matter described in paragraph 3 of the Basis for Qualified Opinion section, the standalone financial statements, as detailed in Note 38(ii), disclose the impact of pending litigations on the standalone financial position of the Company as at 31 March 2021;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

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

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

Anamitra Das
Partner
Membership No.: 062191

UDIN: 21062191AAAAIH8896

Place: Gurugram
Date: 31 May 2021

Annexure A to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'right to use assets') are held in the name of the Company.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)(in Crores)	Amount paid under Protest (₹)(in Crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	23.40	9.46	Assessment year 2016-17	Commissioner Income-tax Appeals
Income-tax Act, 1961	Income-tax	25.23	20.52	Assessment year 2017-18	Commissioner Income-tax Appeals
The Finance Act, 1994	Service Tax	4.19	-	April 2014 – July 2017	The Commissioner

(viii) The Company has not defaulted in repayment of debentures during the year. The Company did not have any outstanding loans or borrowings to any bank or financial institution or government during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid (and)/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the company has made private placement of shares. In respect of the same, in our opinion, the company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the company did not make preferential allotment/ private placement of fully/partly convertible debentures.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

(xvi) The company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the company.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Anamitra Das
Partner
Membership No.: 062191

Place: Delhi
Date: 31 May 2021

Annexure II to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

Annexure II

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

1. In conjunction with our audit of the standalone financial statements of GMR Airports Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure II to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been observed in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2021:

   The Company's internal financial control system over fair value measurement of its liability relating to Bonus Compulsorily Convertible Preference Shares Series A, Series B, Series C and Series D (together hereinafter referred as 'Bonus CCPS'), as fully explained in note 49 to the standalone financial statements, were not operating effectively, which has resulted in such Bonus CCPS not being measured at their fair value in accordance with the applicable accounting standards, and its consequential impact on the accompanying standalone financial statements.

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

10. In our opinion, the Company have maintained, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2021.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure II to the Independent Auditor's Report of even date to the members of GMR Airports Limited, on the standalone financial statements for the year ended 31 March 2021

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2021, and the material weakness have affected our opinion on the standalone financial statements of the Company and we have issued a modified opinion on the standalone financial statements.

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

Anamitra Das
Partner
Membership No.: 062191
UDIN: 21062191AAAAIH8896

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 31 May 2021

GMR Airports Limited
CIN: U65999KA1992PLC037455
Standalone Balance Sheet as at 31 March 2021
(All amount in Rupees crores except for share data unless stated otherwise)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Financial assets			
Cash and cash equivalents	7	12.42	1.43
Bank balance other than cash and cash equivalents	8	98.27	7.58
Trade Receivables	9	50.90	59.66
Loans	10	441.04	430.25
Investments	11	21,988.16	22,959.08
Other financial assets	12	10.83	32.05
Non- financal assets			
Current tax assets (net)		28.91	28.82
Deferred tax assets (net)	15	105.96	62.59
Property, plant and equipment	14A	1.71	2.27
Right of Use - Assets	14B	1.97	2.69
Capital work in progress	14C	-	0.84
Other non- financial assets	13	31.99	14.12
Total Assets		22,772.16	23,601.38
Liabilities and Equity			
Liabilities			
Financial liabilities			
Trade Payables	16		
(i) total outstanding dues of micro enterprises and small enterprises		2.78	0.09
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	39.23	21.60
Debt Securities	17	3,060.43	3,276.86
Lease liabilities	19	2.08	2.81
Other financial liabilities	18	444.79	183.31
Non financial liabilities			
Provisions	20	20.00	20.87
Deferred tax liabilities (net)	15a	3,599.21	3,944.72
Other Non-financial Liabitilies	21	12.07	42.68
Total Liabilities		7,180.59	7,492.94
Equity			
Equity share capital	22	1,406.67	1,328.39
Other equity	23	14,184.90	14,780.05
Total Equity		15,591.57	16,108.44
Total Liabilities and Equity		22,772.16	23,601.38

Summary of significant accounting policies (refer note 4)
The accompanying notes are an integral part of these Standalone financial statements.

As per our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place:
Date: 31 May 2021

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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

Grandhi Kiran Kumar
Jt. Managing Director & CEO
DIN:- 00061669

GBS Raju
Vice Chairman
DIN:- 00061686

GMR AIRPORTS LIMITED

G.R.K. Babu
Chief Financial Officer
PAN:- ACAPG2146H

Place:
Date: 31 May 2021

GMR Airports Limited
CIN: U65999KA1992PLC037455
Standalone Statement of profit and loss for the year ended 31 March 2021
(All amount in Rupees crores except for share data unless stated otherwise)

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations			
Interest Income	24	**239.56**	195.22
Dividend Income	25	**10.20**	95.46
Revenue from contracts with customers	26	**98.78**	103.53
Net gain on fair value changes	27	**12.24**	4.30
Total revenue from operations		**360.78**	398.51
Other Income	28	**0.52**	185.45
Total Income		**361.30**	583.96
Expenses			
Finance Costs	29	**520.13**	423.37
Employee benefits expenses	30	**16.88**	25.10
Depreciation expense	31	**1.54**	1.93
Other expenses	32	**125.59**	48.99
Total Expenses		**664.14**	499.39
(Loss)/Profit before tax		**(302.84)**	84.57
Tax Expense:	33		
(1) Current Tax		**(1.68)**	-
(2) Deferred Tax credit		**(43.42)**	9.65
(Loss)/Profit for the period		**(257.74)**	74.92
Other Comprehensive Income	**34**		
Items that will not be reclassified to profit or loss			
Re-measurement gain/(losses) on defined benefit plans		**0.21**	(0.24)
Income tax impact		**(0.05)**	0.06
(Loss) on equity instruments designated at FVOCI for the year (net)		**(1,333.48)**	3,144.83
Income tax impact		**345.51**	(707.09)
Other Comprehensive Income		**(987.81)**	2,437.56
Total Comprehensive income		**(1,245.55)**	2,512.48
(Loss) per equity share	**35**		
Basic (Rs.)		**(1.86)**	0.56
Diluted (Rs.)		**(1.86)**	0.56
Nominal value per share (Rs.)		**10.00**	10.00

Summary of significant accounting policies (refer note 4)
The accompanying notes are an integral part of these Standalone financial statements.

As per our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place:
Date: 31 May 2021

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

Grandhi Kiran Kumar
Jt. Managing Director & CEO
DIN:- 00061669

GBS Raju
Vice Chairman
DIN:- 00061686

G.R.K. Babu
Chief Financial Officer
PAN:- ACAPG2146H

Place:
Date: 31 May 2021

GMR Airports Limited
CIN U65999KA1992PLC037455
Standalone cash flow statement for the year ended 31 March 2021
(All amount in Rupees crores except for share data unless stated otherwise)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
(Loss) before tax	(302.84)	84.57
Adjustments to reconcile profit/(loss) before tax to net cash flows		
Depreciation and amortization	1.54	1.93
Gain on sale of current investment	(11.44)	(3.75)
Exchange differences (net)	73.32	(175.12)
Contingent provision against standard assets	0.48	3.12
Provision for doubtful debts and loans (net)	2.35	(4.87)
Deferred income on financial assets carried at amortised cost	(0.19)	(0.40)
Fair value gain/ (loss) on financial instruments carried at fair value through profit & loss	(0.80)	(0.55)
Interest income	(239.56)	(195.22)
Interest on term loan	520.13	423.37
Operating profit before working capital changes	42.99	133.08
Working capital changes:		
Decrease /(Increase) in trade/other receivables	6.41	(56.94)
Decrease /(Increase) in loans	(1.83)	(0.15)
Decrease/(Increase) in other financial assets	19.26	1.51
Decrease/(Increase) in other non financial assets	(28.33)	(6.18)
(Decrease) in other non-financial liabilities	(30.61)	8.37
Increase in other financial liabilities	0.70	(0.88)
(Decrease)/Increase in provisions	(1.15)	1.89
(Decrease)/Increase in trade payables	20.36	(10.99)
Cash generated from operations	27.80	69.71
Direct taxes (paid)/refunds (net)	1.58	30.70
Net cash flow from operating activities (A)	29.38	100.41
Cash flow from investing activities		
Purchase of property, plant and equipment (net of sale of capital work-in-progress)	0.73	(0.28)
Additional investments in equity shares of subsidiaries and joint ventures	(208.52)	(299.58)
Sale of current investments	2,402.47	1,264.07
Purchase of current investments	(2,427.51)	(1,296.96)
Investment in share application money	(4.50)	10.85
Purchase of optionally convertible debentures	-	(58.78)
Loan given to related parties (Net of repayment received)	(11.00)	(392.18)
Interest income	58.02	39.37
(Decrease) in other Bank balance other than cash and cash equivalents	(90.51)	4.56
Net cash flow used in investing activities (B)	(280.82)	(728.93)
Cash flow from financing activities		
Proceeds from issue of Equity (including security premium)	1,000.00	-
Repayment of Non-convertible Debentures	(1,306.14)	(743.86)
Proceeds from Non-convertible bonds	1,330.00	1,670.00
Upfront fee on loan processing	(68.95)	(69.28)
Finance cost paid	(691.47)	(227.75)
Repayment of Lease liability principal	(0.87)	(0.74)
Repayment of Lease liability interest	(0.14)	(0.09)
Net cash flow from financing activities (C)	262.43	628.28
Net (decrease) in cash and cash equivalents (A + B + C)	10.99	(0.24)
Cash and cash equivalents at the beginning of the period	1.43	1.67
Cash and cash equivalents at the end of the period	12.42	1.43
Components of cash and cash equivalents		
Cheques on hand	-	0.00
With banks		
- on current account	12.42	1.43
Total cash and cash equivalents	12.42	1.43

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

GMR Airports Limited
CIN U65999KA1992PLC037455
Standalone cash flow statement for the year ended 31 March 2021
(All amount in Rupees crores except for share data unless stated otherwise)

Explanatory notes to statement of cashflows

1.The above cash flow statement has been compiled from and is based on the Standalone Balance sheet as at 31 March 2021 and the related Standalone Statement of Profit and Loss for the period ended on that date.

2. Net Debt reconciliation

Particulars	Changes in liabilities arising from financing activities	
	31 March 2021	**31 March 2020**
Borrowings		
As at 1 April 2020	**3,276.86**	2,225.22
Cash flows		
Repayment of Non-convertible Debentures	**(1,306.14)**	(743.86)
Proceeds from Non-convertible bonds	**1,330.00**	1,670.00
Upfront fee on loan processing	**(68.95)**	(69.28)
Finance cost paid	**(691.47)**	(228.59)
Non-cash changes		
Finance cost	**520.13**	423.37
As at 31 March 2021	**3,060.43**	3,276.86

The accompanying notes are an integral part of these Standalone Financial statements.

As per our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place:
Date: 31 May 2021

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

Grandhi Kiran Kumar
Jt. Managing Director & CEO
DIN:- 00061669

GBS Raju
Vice Chairman
DIN:- 00061686

G.R.K. Babu
Chief Financial Officer
PAN:- ACAPG2146H

Place:
Date: 31 May 2021

GMR Airports Limited
CIN U65999KA1992PLC037455
Standalone statement of change in equity for the year ended 31 March 2021
(All amount in Rupees crores except for share data unless stated otherwise)

Particulars	Equity share capital	Other Comprehensive Income	Reserve & Surplus				Total Other equity
		Equity Instruments through other Comprehensive Income	Securities premium	Captial reserve	Special Reserve u/s 45-IC of Reserve Bank of India ('RBI') Act	Retained earnings	
Balance as at 1 April 2020	1,328.39	13,985.56	318.28	0.23	81.05	394.93	**14,780.05**
Loss for the period	-	-	-	-	-	(257.74)	(257.74)
Other comprehensive income for the period	-	(987.97)	-	-	-	0.16	(987.81)
Total comprehensive income for the period	-	**(987.97)**	-	-	-	**(257.58)**	**(1,245.55)**
Issue of Equity shares	78.28	-	921.72	-	-	-	921.72
Bonus Compulsory Convertible Preference Shares	-	-	(260.86)	-	-	-	(260.86)
Adjustment of Fund raising expenses	-	-	(10.46)	-	-	-	(10.46)
Balance as at 31 March 2021	**1,406.67**	**12,997.59**	**968.68**	**0.23**	**81.05**	**137.35**	**14,184.90**
Balance as at 1 April 2019	**1,328.39**	**11,547.82**	**500.28**	**0.23**	**66.07**	**335.17**	**12,449.57**
Profit for the period	-	-	-	-	-	74.92	74.92
Other comprehensive income for the period	-	2,437.74	-	-	-	(0.18)	2,437.56
Total comprehensive income for the period	-	**2,437.74**	-	-	-	**74.74**	**2,512.48**
Issue of Bonus Compulsory Convertible Preference Shares (Class A)	-	-	(182.00)	-	-	-	(182.00)
Transfer to Special reserve u/s 45-IC	-	-	-	-	14.98	(14.98)	-
Balance as at 31 March 2020	**1,328.39**	**13,985.56**	**318.28**	**0.23**	**81.05**	**394.93**	**14,780.05**

The accompanying notes are an integral part of these Standalone Financial Statements.
Summary of significant accounting policies (refer note 4)

For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place:
Date: 31 May 2021

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

Grandhi Kiran Kumar
Jt. Managing Director & CEO
DIN:- 00061669

GBS Raju
Vice Chairman
DIN:- 00061686

G.R.K. Babu
Chief Financial Officer
PAN:- ACAPG2146H
Place:
Date: 31 May 2021

GMR AIRPORTS LIMITED

1. Corporate Information

GMR Airports Limited ('the Company') was incorporated on 6 February 1992, as an investing company. The Company holds majority of its investments in group companies with the objective to consolidate and expand its airport sector. In earlier years, the Company got registered as Non-Banking Financial Institution i.e. Systematically Important Core Investment Company (CIC-ND-SI), and has been granted certificate of registration by Reserve Bank of India (RBI) vide letter number DNBS (BG) No. 912 / 08.01.018 / 2013-14 dated 22 April 2014.

These financial statements were approved for issue in accordance with a resolution of the directors passed in board meeting held on 31 May 2021.

2. Basis of preparation

These Standalone Financial Statements comprises of the Balance Sheet as at 31 March 2021, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Cash Flows, Standalone Statement of changes in Equity and a summary of Significant Accounting Policies and selected explanatory notes (collectively the "Standalone Financial Statements").

These financial statements for the year ended 31 March 2021 has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division III of Schedule III of Companies Act, 2013 (Ind AS Compliant Schedule III) as applicable to standalone financial statements. The accounting policies followed in preparation of the Standalone Financial Statements are consistent with those followed in the most recent annual financial statements of the Company, i.e. for the year ended 31 March 2020.

The Standalone Financial Statements have been prepared under the historical cost convention on an accrual basis except for fair value through other comprehensive income (FVOCI) instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Crores, except when otherwise indicated.

3. Presentation of financial statements

The Company presents its balance sheet in order of liquidity.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company

4. Summary of significant accounting policies

4.1. Accounting policy

a. Financial Instruments: Initial Recognition

(i) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 4.1 (b)(i)(I) and 4.1 (b)(i)(II) Financial instruments are initially measured at their fair value (as defined in Note 4.1 (f), except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

(ii) Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost, as explained in Note 4.1 (b)(i)
- FVOCI (Fair value through Other Comprehensive Income), as explained in Note 4.1 (b)(ii)
- FVTPL (Fair value through profit and loss) in Note 4.1 (b)(iv)

b. Financial assets and liabilities

(i) Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Company measures Bank balances, Loans, Trade receivables and other financial investments at amortised cost if both of the following conditions are met:

- The financial a sset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

I. Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in

CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GMR AIRPORTS LIMITED

that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

II. The SPPI Test (Solely payments of principal and interest)

As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal', for this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

(ii) Equity Instruments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

(iii) Debt securities and other borrowed funds

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by considering any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

The Company had issued financial instruments with equity conversion rights and call options in the previous years. When establishing the accounting treatment for these non-derivative instruments, the Company first establishes whether the instrument is a compound instrument and classifies such instrument's components separately as financial liabilities or equity instruments in accordance with Ind AS 32. When allocating the initial carrying amount of a compound financial instrument to the equity and liability components, the equity component is assigned as the residual amount after deducting from the entire fair value of the instrument, the amount separately determined for the liability component.

(iv) Financial assets and financial liabilities at fair value through profit and loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate as explained in Note 4.1 (i).

(v) Financial guarantees

Financial guarantees are initially recognised in the financial statements (within Provisions) at fair value, being the premium/deemed premium received. After initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

The premium/deemed premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

c. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in year ended 31 March 2021 and in 2019-20.

d. De-recognition of financial assets and liabilities

(i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for de-recognition.

The Company is said to have transferred the financial asset if, and only if the Company has transferred its contractual rights to receive cash flows from the financial asset.

A transfer only qualifies for de-recognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

(ii) Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on

CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

GMR AIRPORTS LIMITED

substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

e. Impairment of financial assets

(i) Overview of ECL principles

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 are measured at amortised cost e.g. deposits, trade receivables and bank balance

The company follows 'simplified approach' for recognition of impairment loss allowance on-Trade receivables or contract revenue receivables; and

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.

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:

i) 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

ii) 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.

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.

CHARTERED ACCOUNTANTS

GMR AIRPORTS LIMITED

f. Determination of fair value

The Company measures financial instruments, 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:

- In the principal market for the asset or liability, or
- 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.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

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

The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (FVA). Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments. The Company estimates the value of its own credit from market observable data, such as secondary prices for its traded debt and the credit spread on credit default swaps and traded debts on itself. Details of this are further explained in Note 42.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

g. Foreign currency translation

(i) Functional and presentational currency

The financial statements are presented in INR which is also functional currency of the company.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. 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 retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non–trading activities are taken to other income/expense in the statement of profit and loss.

h. Recognition of income and expenses

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised when control of the goods or services are transferred to the customer at an amount that reflects to which the company expects to be entitled in exchange for those goods or services.

Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Income from consultancy services

Income from consultancy services and business support services are recognised on a pro-rata basis over the period of the contract as and when services are rendered.

Income from aviation academy

Income from aviation academy is recognised on a pro-rata basis over the period as and when services are rendered.

Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL recognised using the contractual interest rate in net gain on fair value changes.

The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

Contract Assets

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

Trade receivables

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

Contract liabilities

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

i. 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.

j. Property, Plant and Equipment

Property plant and equipment is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated. The estimated useful lives are, as follows:

Asset category	Schedule II Life of Assets (in years)
Office Equipments	5
Computer	3
Furniture & Fixtures	10
Plant & Machinery	15
Vehicles	8-10

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income /expense in the statement of profit and loss in the year the asset is derecognised. The date

CHARTERED ACCOUNTANTS

GMR AIRPORTS LIMITED

of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

k. 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 unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. 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.

l. Retirement and other employment benefits

Defined Benefit Plan:

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.

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

i) Retirement benefit in the form of provident fund is a defined benefit scheme. The Company contributes a portion of contribution to Delhi International Airport Limited ('DIAL') Employees Provident Fund Trust (the 'Trust'). The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. As such, the amount to the extent of loss in the Trust, if any, is accounted by the Company as provident fund cost.
ii) Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability is defined benefit obligation which is funded through policy taken from Life Insurance Corporation of India ('LIC'). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic salary) for each completed year of service.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

i) The date of the plan amendment or curtailment, and
ii) 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:

i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
ii) Net interest expense or income

Compensated absences including sick leaves which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. 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 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

m. Provisions, Contingent Liabilities and Commitments:

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and 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 effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities

Contingent liability is disclosed in the case of:

i) A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
ii) A present obligation arising from past events, when no reliable estimate is possible
iii)A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, and commitments are reviewed at each reporting date.

n. Taxes

Tax expense comprises current and deferred tax.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED

Current income 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 (in other comprehensive income). 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:

i) 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.
ii) In respect of taxable temporary differences associated with investments in subsidiaries, 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:

i) 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.
ii) In respect of deductible temporary differences associated with investments in subsidiaries, 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.

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 asset 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 that have been enacted or substantively enacted at the reporting date.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

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

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.

Taxes, cess, duties such as sales tax/ value added tax/ service tax/ GST etc. paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

o. Segment Reporting

The Company has only one reportable business segment, which is Investment activities. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

p. Earnings per share

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

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

q. Corporate Social Responsibility ('CSR') expenditure

The Company has opted to charge its CSR expenditure during the year to the statement of profit and loss.

r. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

s. Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

iii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

5. Significant accounting judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

5.1. Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (refer note 4.1 (b)(i)(I) and 4.1 (b)(i)(II)). The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

5.2. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Note 4.1 (f) and Note 42.

5.3. Discounting rate

The Company has considered incremental borrowing rate of Airport sector for measuring deposits, being financial assets and liabilities, at amortised cost till 31 March 2020. From period starting from 1 April 2020; management has considered revised incremental borrowing rate of airport sector for all the deposits given/received post 31 March 2020; and the impact has been duly accounted in standalone financial statements.

5.4. Effective Interest Rate Method (EIR)

The Company's EIR methodology, as explained in Note 4.1 (h), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.5. Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.6. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounting cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

6. Significant accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

6.1. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

6.2. Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies see Note 4.1 (m) of the Summary of significant accounting policies and Notes 20 and 38.

6.3. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 37 (ii).

Provision for Leave encashment

The present value of leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, and withdrawal rates. Due to complexities involved in the valuation and its long-term nature, provision for leave encashment is sensitive to changes in these assumptions. All assumptions are reviewed at each balance sheet date.

6.4. Lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(The space has been intentionally left blank)

(All amount in Rupees crores except for share data unless stated otherwise)

Note 7: Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balance with banks		
In Current accounts	**12.42**	1.43
Cash on hand	-	0.00
Total	**12.42**	1.43

Note 8: Bank Balance other than cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks to the extent held as margin money/pledged with bank (Refer note 38)	**98.27**	7.58
Total	**98.27**	7.58

*Fixed deposits and other balances with bank earns interest at fixed rates.

Note 9: Trade Recievables

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured considered good	**50.94**	59.73
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
	50.94	59.73
Provision for impairment for :		
Unsecured considered good [Refer note 48(b)]	**(0.04)**	(0.07)
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
Total	**50.90**	59.66

Debts due by directors or other officers of the NBFC or any of them either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), companies respectively in which any director is a partner or a director or a member are separately stated.

For terms and condition related to related party receivables refer note 39.
Trade receivables are non interest bearing and are generally on terms of 30-90 days.
Trade Recievables due from companies in which any director is partner, director, or a member:

Name of the entity	As at 31 March 2021	As at 31 March 2020
GMR Hospitality and Retail Limited	**1.03**	0.85
GMR Hyderabad International Airport Limited	**0.19**	0.17
Delhi International Airport Limited	**0.60**	0.17
Delhi Duty Free Services Private Limited	-	8.85
Gmr Air Cargo And Aerospace Engineering Private Limited	**0.67**	1.41
Tim Delhi Airport Advertisement Private Limited	**3.13**	4.59
GMR Aerostructure Services Limited	**0.13**	-
Delhi Airport Parking Services Private Limited	**1.95**	1.77
	7.70	17.81

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

(All amount in Rupees crores except for share data unless stated otherwise)

Note 10: Loans at amrotised cost (Refer note 36B)

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured Loan repayable on demand (Refer note 39)	**436.00**	427.18
Security deposits (Refer note 39)	**5.04**	3.07
Total Gross	**441.04**	430.25
Less: Impairment loss allowance	-	-
Total Net	**441.04**	430.25
Loans in India		
Others	**441.04**	430.25
Total Gross	**441.04**	430.25
Less: Impairment loss allowance	-	-
Total Net	**441.04**	430.25

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

Note 11: Investments

As at 31 March 2021

Particulars	Amortised Cost	At fair value: Through other comprehensive income	At fair value: Through profit or loss	Subtotal	Total
A) In India					
Equity Instruments*	-	19,660.72	-	19,660.72	19,660.72
Mutual funds**	-	-	158.79	158.79	158.79
Commerical papers**	-	-	-	-	-
Total gross (A)	-	19,660.72	158.79	19,819.51	19,819.51
B) Overseas					
Debt Securities# (Refer note 53)	2,168.65	-	-	-	2,168.65
Total gross (B)	2,168.65	-	-	-	2,168.65
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net D = (A)+ (B) - (C)	2,168.65	19,660.72	158.79	19,819.51	21,988.16

As at 31 March 2020

Particulars	Amortised Cost	At fair value: Through other comprehensive income	At fair value: Through profit or loss	Subtotal	Total
In India					
A) Equity Instruments*	-	20,779.15	-	20,779.15	20,779.15
Mutual funds	-	-	97.09	97.09	97.09
Commerical papers**	24.41	-	-	-	24.41
Total gross (A)	24.41	20,779.15	97.09	20,876.24	20,900.65
B) Overseas					
Debt Securities# (Refer note 53)	2,058.43	-	-	-	2,058.43
Total gross (B)	2,058.43	-	-	-	2,058.43
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net D= (A)+(B)-(C)	2,082.84	20,779.15	97.09	20,876.24	22,959.08

*More information regarding the valuation methodology can be found in Note 41 and 42.

The Company has designated its equity investments as FVOCI on the basis that these are not held for trading and held for strategic purposes.

***Financial Assets- Investment in Equity**

Investments recorded at Fair Value through Other Comprehensive Income

Particulars	Number of shares (in Crores) As at 31 March 2021	Number of shares (in Crores) As at 31 March 2020	Amount As at 31 March 2021	Amount As at 31 March 2020
Investments recorded at Fair Value through Other Comprehensive Income				
Unquoted equity shares fully paid up				
Investment in subsidiaries				
GMR Airport Developers Limited	1.02	1.02	297.39	278.79
GMR Hyderabad International Airport Limited	23.81	23.81	6,809.80	6,623.20
Delhi International Airport Limited	156.80	156.80	10,781.00	11,958.65
GMR Goa International Airport Limited	38.45	18.90	533.90	471.96
GMR Airports (Mauritius) Limited	0.02	0.02	0.90	0.92
Delhi Airport Parking Services Private Limited	3.26	3.26	223.60	257.71
GMR Airports International B.V	0.10	0.10	8.20	25.57
GMR Nagpur International Airport Limited	0.00	0.00	0.01	0.01
GMR Kannur International Airport Limited	0.10	-	1.00	-
GMR Vishakhapatnam International Airport Limited	0.45	-	4.50	-
Total	224.01	203.91	18,660.30	19,616.81
Investment in joint venture				
International Airport of Heraklion, Crete, Concession SA	1.61	1.52	221.30	221.25
Delhi Duty Free Services Private Limited	1.36	1.36	778.10	940.07
	2.97	2.88	999.40	1,161.32
Other investment				
Investment in GMR Airport Developers Limited on account of fair valuation of financial guarantee	-	-	1.02	1.02
	-	-	1.02	1.02
	226.98	206.79	19,660.72	20,779.15

a. During the year ended on 31 March 2021, the Company has made an equity investments in GMR Vishakhapatnam International Airport Limited, incorporated on 19 May 2020, Rs.9.00 crore including Rs.4.50 crore towards share application money (31 March 2020: NIL) in order to cater to the financial requirement of the subsidiary {Refer note 36}

b. During the year ended on 31 March 2021, the Company has made an equity investments in GMR Kannur Duty Free Services Limited, incorporated on 20 November 2019, Rs.0.99 crore (31 March 2020: 0.01 crore represents share application money) in order to cater to the financial requirement of the subsidiary.{Refer note 36}

c. During the year ended on 31 March 2021, the Company has made an equity investments in GMR Airports International B.V, incorporated on 28 May 2008, Rs. Nil (31 March 2020: Rs.7.36 crore) in order to cater to the financial requirement of the subsidiary.{Refer Note 36}

d. During the year ended on 31 March 2021, the Company has made an equity investments in GMR Nagpur International Airport Limited, incorporated on 22 August 2019, Rs. Nil (31 March 2020: Rs.0.01 crore) in order to cater to the financial requirement of the subsidiary.{Refer note 36}

e. During the year ended on 31 March 2021, the Company has made an equity International Airport of Heraklion, Crete, Concession SA , incorporated on 12 February 2019, Rs. 14.04 crore (31 March 2020: 217.22 crore) in order to cater to the financial requirement of the joint venture as per the concession agreement. {Refer note 36 and 38(i)(b)(iv)}.

f. During the year ended on 31 March 2021, the Company has made an equity GMR Goa International Airport Limited, incorporated on 14 October 2016, Rs.189.00 crore (31 March 2020: Rs.81.50 crore including Rs.6.50 crore towards share application money) in order to cater to the financial requirement of the subsidiary as per the sponsor support agreement. {Refer note 36 and 38(i)(b)(v)}.

****Financial Assets- Investment in Mutual funds and commercial papers**

Investments carried at fair value through profit and loss

Particulars	As at 31 March 2021 (Units)	As at 31 March 2020 (Units)	Face value (Rs.)	Amount As at 31 March 2021	Amount As at 31 March 2020
Investments carried at fair value through profit and loss					
a) Investments in mutual funds (unquoted)					
ICICI Prudential Liquid - Plan Growth	-	12,29,663.93	100.00	-	35.97
Tata Overnight Fund - Direct Growth Plan	**2,33,020.77**	-	1,000.00	**25.31**	-
UTI Overnight Fund - Direct Growth Plan	**75,818.73**	-	1,000.00	**21.37**	-
UTI Liquid Cash Fund-Direct Growth Plan	-	61,537.85	1,000.00	-	20.00
Aditya Birla Sunlife Liquid Fund - Growth Direct Plan	**1,64,217.94**	6,26,400.39	100.00	**18.27**	20.02
Aditya Birla Sunlife Liquid Fund - Growth Regular Plan	-	2,93,272.91	100.00	-	9.32
Axis Overnight Fund - Direct Growth Plan	**58,313.33**	-	1,000.00	**6.34**	-
Axis Liquid Fund - Direct Growth Plan	-	23,909.84	1,000.00	-	5.27
Axis Liquid Fund -Regular Growth Plan	-	25,372.76	1,000.00	-	5.57
Kotak Overnight Fund - Direct Growth Plan	**4,50,747.23**	-	1,000.00	**49.49**	-
L&T Overnight Fund - Direct Growth Plan	**10,016.23**	-	1,000.00	**1.61**	-
SBI Overnight Fund - Direct Growth Plan	**1,08,605.03**	-	1,000.00	**36.40**	-
Baroda Liquid Fund - Plan A Growth	-	4,145.64	1,000.00	-	0.94
	11,00,739.26	22,64,303.32		**158.79**	97.09
b) Investments in commercial papers (Unquoted) at Amortised cost					
SREI Infrastructure Finance Limited	-	500.00	5,00,000.00	-	24.41
Aggregate book value of unquoted investments	**11,00,739.26**	**22,64,803.32**		**158.79**	121.50

#Financial Assets- Investment in debt securities

Investments carried at amortised cost

Particulars	Amount As at 31 March 2021	Amount As at 31 March 2020
Investments in Optionally convertible debenture		
240,850 (31 March 2020: 240,850) OCD of USD 1,000 each fully paid up in GMR Airports International B.V (Netherlands) IRR- 9%	**2,168.65**	2,058.43
Total investments in Optionally convertible debenture	**2,168.65**	**2,058.43**

During the year ended on 31 March 2021, the Company has made an investments in optional covertible debenture of GMR Airports International B.V, incorporated on 28 May 2018, Rs.NIL (31 March 2020: 58.78 crore) {Refer note 53}

(This space has been intentionally left blank)

Note 12: Other financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Non Trade Receivables- Considered good [net of provision for doubtful debts [31 March 2021: Rs. 2.31 crores (31 March 2020: Rs. 0.25 crores)] (Refer note 39)	**0.72**	25.54
Investment in share application money#	**4.50**	6.51
Unbilled Revenue	**5.61**	-
Total	**10.83**	32.05

Includes :-
Application Money paid to the GMR Vishakhapatnam International Airport Limited for which shares alloted on 26 April 2021. (In FY 2020, Application Money paid to the GMR Goa International Airport Limited amounted to Rs. 6.50 Crore and application money paid to the GMR Kannur Duty Free Services Limited amounted to Rs. 0.01 Crore for which shares alloted in FY 2021.)

Note 13: Other non financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Prepaid Expenses	**1.36**	0.74
Advance other than Capital Advance:		
Advance to employees	**5.27**	0.94
Advance to suppliers:		
Others	**0.31**	0.08
Other Recoverable:		
Others	**-**	12.36
Related parties (Refer note 39)	**17.86**	-
Balance with government authorities	**7.19**	-
Total	**31.99**	14.12

(This space has been intentionally left blank)

(All amount in Rupees crores except for share data unless stated otherwise)

Note 14A: Property, plant and equipment

Particulars	Plant & Machinery	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Leasehold Improvement *	Total
Cost							
At 1 April 2019	0.01	0.46	0.15	1.09	2.36	6.75	10.82
Additions	-	0.27	0.04	0.00	0.71	-	1.02
Disposals	-	0.20	-	-	0.09	-	0.29
At 31 March 2020	0.01	0.53	0.19	1.09	2.98	6.75	11.55
Additions	0.00	0.06	-	-	0.05	-	0.11
Disposals	-	-	-	-	-	-	-
At 31 March 2021	0.01	0.59	0.19	1.09	3.03	6.75	11.66
Depreciation							
At 1 April 2019	0.00	0.20	0.04	0.24	1.26	4.49	6.23
Charge for the year	0.00	0.18	0.02	0.16	0.72	2.26	3.34
Disposals	-	0.19	-	-	0.10	-	0.29
At 31 March 2020	0.00	0.19	0.06	0.40	1.88	6.75	9.28
Charge for the period	0.00	0.20	0.03	0.14	0.30	-	0.67
Disposals	-	-	-	-	-	-	-
At 31 March 2021	0.00	0.39	0.09	0.54	2.18	6.75	9.95
Net Block							
At 31 March 2020	0.01	0.34	0.13	0.69	1.10	0.00	2.27
At 31 March 2021	0.01	0.20	0.10	0.55	0.85	0.00	1.71

* Depreciation charge on leasehold improvement has been allocated by the Company to its Subsidiaries as per the cost allocation methodology approved by the board of directors (Refer note 39).

Refer note 38 (i) (a) for Capital commitments.

Note 14B. Right of use Asset

	Buildings	Office Equipments incl Computers	Vehicles	Total
Cost				
As at 1 April 2019 [Refer note 58c)]	5.46	0.02	0.10	5.58
Additions	-	-	-	-
Disposals	-	-	-	-
At 01 April 2020	5.46	0.02	0.10	5.58
Additions	2.30	-	-	2.30
Disposals	0.87	-	-	0.87
At 31 March 2021	6.89	0.02	0.10	7.01
Depreciation				
As at 1 April 2019 [Refer note 58c)]	-	-	-	-
Charge for the year	2.85	0.01	0.03	2.89
Disposals	-	-	-	-
At 01 April 2020	2.85	0.01	0.03	2.89
Charge for the year	2.56	0.01	0.03	2.60
Disposals	0.45	-	-	0.45
At 31 March 2021	4.96	0.02	0.06	5.04
Net Book value				
At 31 March 2020	2.61	0.01	0.07	2.69
At 31 March 2021	1.93	0.00	0.04	1.97

Note 14C. Capital Work in Progress

	CWIP
Cost	
As at 1 April 2019	-
Additions	0.00
Disposals	-
At 31 March 2020	0.84
Additions	1.66
Transferred*	2.50
At 31 March 2021	-

*Transferred to Kannur Duty Free Services Limited

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

(All amount in Rupees crores except for share data unless stated otherwise)

Note 15: Deferred tax:

		Balance sheet		Profit & Loss	
		As at 31 March 2021	As at 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Deferred tax liability					
on account of fair valuation of investments		0.35	0.15	0.20	0.13
on account of disallowance u/s 43B		0.05	(0.06)	0.11	0.10
Ind-AS adjustments of Borrowing cost		-	12.41	(12.41)	12.41
Gross deferred tax liability	(A)	0.40	12.50	(12.10)	12.64
Deferred tax asset					
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting		(0.02)	(0.24)	0.22	(0.50)
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis		2.19	2.41	(0.22)	0.26
Provision for standard asset		2.62	2.50	0.12	0.52
Provision for doubtful debts and advances		-	-	-	(1.70)
Provision on business loss		101.57	70.42	31.15	4.47
Gross deferred tax assets	(B)	106.36	75.09	31.27	3.05
Net deferred tax asset(liability)	(B-A)	105.96	62.59	43.37	(9.59)

Reconciliations of deferred tax liabilities/assets(net)

	As at 31 March 2021	As at 31 March 2020
Opening balance	62.59	72.18
Tax income/(expense) during the period recognised in statement of profit or loss	43.42	(9.65)
Tax expense during the year recognised in OCI	(0.05)	0.06
Closing balance	105.96	62.59

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.

Note 15a. Deferred tax liability:

	Balance sheet		Profit & Loss	
	As at 31 March 2021	As at 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Deferred tax liability				
on account of fair valuation of investments	3,599.21	3,944.72	(345.51)	707.09
Gross deferred tax liability	3,599.21	3,944.72	(345.51)	707.09

Reconciliations of deferred tax liabilities/assets(net)

	As at 31 March 2021	As at 31 March 2020
Opening balance	3,944.72	3,237.62
Tax (income)/expense during the year recognised in statement of profit or loss	(345.51)	707.09
Closing balance	3,599.21	3,944.72

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

(All amount in Rupees crores except for share data unless stated otherwise)

Note 16: Trade Payable

Particulars	**As at 31 March 2020**	**As at 31 March 2020**
Trade Payable		
Due to Micro enterprises and small enterprises (Refer note 45)	**2.78**	0.09
Trade Payable-Related Party (Refer note 39)	**4.78**	4.20
Others	**34.45**	17.40
Total	**42.01**	21.69

Note17: Debt Securities at Amortised cost

Particulars	**As at 31 March 2020**	**As at 31 March 2020**
(Refer note 43 & 56 for maturity profile and note 36B)		
Secured		
Non convertible debentures* (NCD)- Nil debentures of Rs 100,000 each at IRR 15% (31 March 2020: 130,614)	-	1,541.80
Non convertible bonds** (NCB)- 1,670 bond of Rs 10,000,000 each (31 March 2020: 1,670)	-	1,735.06
UnSecured		
Non convertible bonds** (NCB)- 1,670 bond of Rs 10,000,000 each (31 March 2020: 1,670)	**1,702.30**	-
Non convertible bonds*** (NCB)- 1,330 bond of Rs 10,000,000 each (31 March 2020: Nil)	**1,358.13**	-
Total gross (A)	**3,060.43**	3,276.86
Debt securities in India	**3,060.43**	3,276.86
Debt securities outside India	**-**	-
Total (B)	**3,060.43**	3,276.86

(This space has been intentionally left blank)

*During previous year, Non convertible debentures are secured by Hypothecation of assets of the Company. Further, on 11 June 2020 the Non convertible debentures were secured by creation of pledge on certain shares of Delhi International Airport Limited ("DIAL") and GMR Hyderabad International Airport Limited ("GHIAL") held by the Company.

During the year ended 31 March 2021, Non-Convertible debentures were fully repaid and accordingly hypothecation of assets of the Company and pledge created on shares of DIAL and GHIAL were released.

**The company has amended the terms of existing Non convertible bonds ("NCBs") of Rs. 1,670 Crores (raised during the year ended 31 March 2020 in multiple tranches) vide Board approval date 9 December 2020 and has extended the tenure of bonds by another 36 months which are now repayable as on 28 Deceember 2023.

Out of this, (a) on Rs. 1,450 Crores, running coupon will be 6% p.a payable half yearly and redemption premium will be 6% p.a. for first year, 7% p.a. for second year and 7.2875% p.a. for third year and
(b) On Rs. 220 Crores, running coupon was payable at 8% p.a and redemption premium at 5.45% p.a till 30 January 2021. Thereafter, from 31 January 2021, running coupon will be 6% p.a. and redemption premium will be 6% p.a. for first year, 7% p.a. for second year and third year.

During previous year, Non convertible bonds were secured by Hypothecation of assets of the Company. Further, on 18 June 2020 these Non convertible bonds were additionally secured by pledge of certain shares held by Company in its subsidiaries Delhi International Airport Limited ("DIAL") and GMR Hyderabad International Airport Limited ("GHIAL"). The Hypothecation of assets of the Company and pledge created on shares of DIAL and GHIAL in favour of NCB holders were released at the time of extension of tenure of NCB facility in Dec'2020.

Rating of the above mentioned Non-Convertible Bonds of Rs. 1,670 Crores is CARE A-, negative (Single A Minus; Outlook: Negative) assigned by CARE Ratings Limited vide thier report dated 10 March 2021
***During the year ended 31 March 2021, the company has raised money by issue of unsecured, redeemable, Listed non-convertible Bonds (NCBs) amounting to Rs. 1,330 crores which were initially subscribed by DB International (Asia) Limited (Rs. 665 Crores) and Varde holdings Pte Limited (Rs. 665 Crores) in single tranche vide Board approval date 9 December 2020 for 18 months which are repayable as on 24 June 2022.

On entire Rs. 1,330 Crores, running coupon will be 6% p.a and 5.90% p.a. will be paid as redemption premium at the time of maturity.

Rating of the above mentioned Non-Convertible Bonds of Rs. 1,330 Crores is CARE A-, negative (Single A Minus; Outlook: Negative) assigned by CARE Ratings Limited vide thier report dated 10 March 2021.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED

(All amount in Rupees crores except for share data unless stated otherwise)

Note 18: Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Liability component of CCPS (Refer note 49)	**442.86**	182.00
Financial guarantee (Refer note 39)	**-**	0.07
Non Trade Payables	**1.93**	1.24
Total	**444.79**	183.31

Note 19: Lease liabilities (Refer Note 58c)

Particulars	As at 31 March 2021	As at 31 March 2020
Lease liability - ROU Building	**2.03**	2.72
Lease liability - ROU Office Equipments Incl Computers	**0.00**	0.01
Lease liability - ROU Vehicles	**0.05**	0.08
Total	**2.08**	**2.81**

Note 20: Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Leave encashment	**8.11**	9.70
Gratuity [Refer note 37(ii)]	**1.38**	1.13
Superannuation	**0.09**	0.11
Provision for Contingent assets [Refer note 48(a)]	**10.42**	9.93
Total	**20.00**	20.87

Note 21: Other non-financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory Dues Payable		
Goods and Services Tax Payable	**-**	9.29
Withholding Tax Payable	**11.59**	32.69
Provident Fund Payable	**0.36**	0.36
Others	**0.00**	0.00
Contract Liabilities		
Deferred / unearned revenue*	**0.12**	0.34
Total	**12.07**	42.68

*Deferred/unearned revenue as at 31 March 2021 represents 'contract liabilities' due to adoption of Ind AS 115.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

Note 22: Equity Share capital

Details of authorized, issued, subscribed and paid up share capital	Equity Shares		Preference Shares	
Authorized share Capital	**No. of Shares**	**Rs. In crores**	**No. of Shares**	**Rs. In crores**
At 01 April, 2019	**1,40,00,00,000**	**1,400.00**	**1,60,00,000**	**1,600.00**
Increase / (decrease) during the year	10,00,00,000	100.00	(10,00,000.00)	(100.00)
At 31 March, 2020	**1,50,00,00,000**	**1,500.00**	**1,50,00,000**	**1,500.00**
Increase / (decrease) during the period	-	-	-	-
At 31 March, 2021	**1,50,00,00,000**	**1,500.00**	**1,50,00,000**	**1,500.00**

a) Issued share capital	Equity Shares		Preference Shares	
	No. of Shares	**Rs. In crores**	**No. of Shares**	**Rs. In crores**
Equity share of Rs. 10 each issued, subscribed and fully paid up				
At 01 April, 2019	**1,32,83,90,007**	**1,328.39**	-	-
At 31 March, 2020	**1,32,83,90,007**	**1,328.39**	-	-
Issued during the year	7,82,79,463	78.28	-	-
At 31 March, 2021	**1,40,66,69,470**	**1,406.67**	-	-

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitles to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Rs. In crores	No. of shares	Rs. In crores
Equity Share at the beginning of year	**1,32,83,90,007**	**1,328.39**	1,32,83,90,007	1,328.39
Add:				
Equity Share allotted during the year	**7,82,79,463**	**78.28**	-	-
Equity share at the end of year	**1,40,66,69,470**	**1,406.67**	1,32,83,90,007	1,328.39

d) Shares held by holding Company and their subsidiaries

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
GMR Infrastructure Limited, Holding Company (GIL)				
54,86,01,089 (31 March 2020 : 98,94,35,414) equity shares of Rs. 10/- each	**54,86,01,089**	**39.00%**	98,94,35,414	74.48%
GMR Infra Developers Limited (Wholly-owned subsidiary of GIL)				
16,88,00,336 (31 March 2020 : Nil) equity shares of Rs. 10/- each	**16,88,00,336**	**12.00%**	-	0.00%
Dhruvi Securities Private Limited (Wholly-owned subsidiary of GIL)				
Nil (31 March 2020: 6,989,926) equity shares of Rs. 10/- each	-	-	69,89,926	0.53%
Total Equity shareholding	**71,74,01,425**	**51.00%**	99,64,25,340	75.01%

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

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of holding in the class	No. of shares	% of holding in the class
GMR Infrastructure Limited; Holding Company	**54,86,01,089**	**39.00%**	98,94,35,414	74.48%
GMR Infra Developers Limited (Wholly-owned subsidiary of GIL)	**16,88,00,336**	**12.00%**	-	0.00%
AEROPORTS DE PARIS	**35,37,83,144**	**25.15%**	-	0.00%
GMR Infra Services Private Limited (formerly known as GMR SEZ Infra	**33,54,84,897**	**23.85%**	33,19,64,667	24.99%
Total	**1,40,66,69,466**	**100.00%**	1,32,14,00,081	99.47%

Shareholding of GISL has been transferred during the previous year to ADP (Note. 50)

f) As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED *

(All amount in Rupees crores except for share data unless stated otherwise)

23: Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
i) Security Premium reserve		
Opening balance	318.28	500.28
Issue of Equity shares (Refer note 50a)	921.72	-
Bonus Compulsory Convertible Preference Shares (Refer note 18)	(260.86)	(182.00)
Adjustment of Fund raising expenses (Refer note 58a)	(10.46)	-
Net Balance as at year end	968.68	318.28
ii) Special Reserve U/s 45-1C of RBI		
Opening balance	81.05	66.07
Amount transferred during the year	-	14.98
Net Balance as at year end	81.05	81.05
iii) Capital Reserve		
Opening balance	0.23	0.23
Amount transferred during the year	-	-
Net Balance as at year end	0.23	0.23
iv) Retained earnings		
Opening balance	394.93	335.17
Add: Net (loss)/profit for the year	(257.74)	74.92
Add: Re-measurement gains/(losses) on defined benefit plans (net of tax)	0.16	(0.18)
Less: Transfer to special reserve u/s 45 IC of RBI Act	-	(14.98)
Net balance of Retained earnings	137.35	394.93
v) Other Comprehensive Income		
(Loss)/Gain on equity instruments designated at FVOCI for the period (net)		
Opening balance	13,985.56	11,547.82
Movement during the year	(1,333.48)	3,144.83
Income tax impact	345.51	(707.09)
Total	12,997.59	13,985.56
Total reserve and surplus (i+ii+iii+iv+v)	14,184.90	14,780.05

Nature and purpose of reserve

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

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Capital Reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Special Reserve
The Company, being registered as non-banking financial institution, is required to transfer 20% of net profits to special reserve in accordance with Section 45IC of RBI Act. The said reserve can be used only for the purpose as may be specified by the bank from time to time.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED

(All amount in Rupees crores except for share data unless stated otherwise)

Revenue from Operations

Note 24: Interest Income

Particulars	Year ended 31 March 2021 On financial assets measured at Amortised cost	Year ended 31 March 2020 On financial assets measured at Amortised cost
Interest on loan to related parties (Refer note 39)	**55.34**	35.84
Interest income from Investments		
Optionally convertible debentures (Refer note 39)	**183.53**	155.87
Interest on deposits with Banks	**0.69**	3.51
Total	**239.56**	195.22

Note 25: Dividend Income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Dividend from group companies (Refer note 39)	**10.20**	95.46
Total	**10.20**	95.46

Note 26: Revenue from contracts with customers

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Consultancy revenue	**96.56**	95.92
Aviation Academy revenue	**2.22**	7.61
Total	**98.78**	103.53

Note:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(i) Company earns revenue from customer contracts		
Within India	**98.78**	102.73
Outside India	**-**	0.80
	98.78	103.53
(ii) Timing of rendering of services:		
service rendered at a point in time	**-**	-
service rendered over a point of time	**98.78**	103.53
	98.78	103.53
(iii) Set below is the revenue recognised from:		
Amount included in contract liabilities at the beginning of the period	**0.34**	0.48
Performance obligation satisified in previous period	**-**	-
	0.34	0.48

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amount in Rupees crores except for share data unless stated otherwise)

\

Receivables		
- Non Current	-	-
- Current	50.18	59.81
- Loss Allowance (Non Current)	-	-
- Loss Allowance (Current)	-	-
	50.18	**59.81**
Contract Assets		
Unbilled Revenue		
- Non Current	-	-
- Current	5.61	-
- Loss Allowance (Current)	-	-
	5.61	-
Contract Liabilities		
Advance Received from Customers	-	-
- Non Current	-	-
- Current	0.12	0.34
	0.12	**0.34**

Increase/ Decrease in net contract balances is primarily due:
The movement in receivables and in contract assets is on account of invoicing and collection.

Note 27: Net gain/ (loss) on fair value changes

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Gain on sale of mutual funds (including fair valuation change)	**12.24**	4.30
Total Net gain/(loss) on fair value changes	**12.24**	4.30
Fair Value changes:		
-Realised	**11.44**	3.75
-Unrealised	**0.80**	0.55
Total Net (loss)/ gain on fair value changes	**12.24**	4.30

Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

Note 28: Other Income

Particulars	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Exchange difference (net)	-	175.12
Miscellaneous income	**0.32**	9.92
Interest income on financial asset measured at amortised cost		
Financial guarantee	**0.07**	0.15
Security deposit	**0.13**	0.26
Total	**0.52**	185.45

Note 29: Finance Costs*

Particulars	**Year ended 31 March 2021 On financial assets measured at Amortised cost**	**Year ended 31 March 2020 On financial assets measured at Amortised cost**
Debt Securities	**415.97**	387.78
Brokerage fees	**90.45**	35.27
Bank Charges	**12.05**	0.09
Others	**1.66**	0.23
Total	**520.13**	423.37

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amount in Rupees crores except for share data unless stated otherwise)

Note 30: Employee Benefits Expenses *

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and wages	14.78	22.75
Contribution to provident and other funds	1.73	1.47
Gratuity	(0.09)	0.16
Staff welfare expenses	0.46	0.72
Total	**16.88**	25.10

Note 31: Depreciation expense *

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation of property, plant and equipment [Refer note 14 (a)]	0.67	3.34
Depreciation on Right of Use Asset [Refer note 14 (b)]	2.60	2.89
Less: Transfer/ Allocation to subsidiaries	(1.73)	(4.30)
Total	**1.54**	1.93

Note 32: Other expenses*

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Legal and professional fees	35.05	25.65
Travelling and conveyance	1.13	8.23
Lease Rent	2.41	1.75
Bidding Expenses	0.45	0.00
Repair & Maintenance others	1.09	0.22
Rates and taxes	3.32	1.42
Communication cost	0.61	0.06
Charities & Donations	-	0.03
CSR Expenditure (Refer note B)	-	0.61
Remuneration to auditor (Refer note A)	0.90	1.12
Directors sitting fees	0.22	0.25
Training Expenses	1.71	2.32
Contingent provision against standard assets	0.48	3.12
Provision for doubtful debts and loans	2.35	0.32
Bad debts written off	-	0.06
Exchange differences (net)	73.32	-
Logo fees	1.05	1.46
Electricity and water charges	0.00	0.11
Miscellaneous expenses	1.50	2.26
Total	**125.59**	48.99

* Above expenses are net of allocation/ recovery done

(This space has been intentionally left blank)

(All amount in Rupees crores except for share data unless stated otherwise)

Note A: Remuneration to Auditor

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
As auditor		
Statutory audit of Company	0.08	0.08
Limited Reviews	0.12	0.09
In other capacity		
Other services (including certification charges)	0.65	0.87
Reimbursement of expenses	0.05	0.08
	0.90	1.12

Note B: Details of CSR expenditure:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) Gross amount required to be spent during the year	Nil	0.61
Particulars	**In Cash**	**Yet to be paid in cash**
b) Amount spent during the year ending on 31 March, 2021:		In cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	0.61
c) Amount spent during the year ending on 31 March 2020:		In cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	0.61

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amount in Rupees crores except for share data unless stated otherwise)

Note 33: Tax Expenses

The major components of income tax expense for the period ended 31 March 2021 and 31 March 2020 are

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current income tax:		
Previous Year- Income tax charge	(1.68)	-
Adjustments in respect of current income tax of previous period	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(43.42)	9.65
Income tax expense reported in the statement of profit or loss	(45.10)	9.65

OCI Section

Deferred tax related to items recognised in OCI during the period:	Year ended 31 March 2021	Year ended 31 March 2020
Re-measurement gain/(losses) on defined benefit plans	0.05	(0.06)
(Loss)/Gain on equity instrument designated at FVOCI for the period (net)	(345.51)	707.09
Income tax charged to OCI	(345.46)	707.03

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before tax	**(302.84)**	84.57
Tax at the applicable tax rate of 25.17% (31 March 2020 : 25.17%)	**(76.22)**	21.29
Tax effect of income that are not taxable in determining taxable profit:		
Income exempt under Income tax	-	24.03
Change in Tax rate	-	(9.79)
Tax effect of expenses that are not deductible in determining taxable profit:		
Donations	-	0.16
Other non-deductible expenses	**31.12**	2.44
Tax expense	**(45.10)**	9.65
Income tax expense recorded in the statement of profit and loss	**(45.10)**	9.65

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR AIRPORTS LIMITED

(All amount in Rupees crores except for share data unless stated otherwise)

Note 34: Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	Year emded 31 March 2021	Year ended 31 March 2020
Re-measurement gain/ (losses) on defined benefit plans	**0.21**	(0.24)
Income tax effect	**(0.05)**	0.06
(Loss) on equity instruments designated at FVOCI for the year (net)	**(1,333.48)**	3,144.83
Income tax impact	**345.51**	(707.09)
Net Impact	**(987.81)**	2,437.56

Note 35: (Loss)/ Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the (loss)/profit for the period attributable to equity holders by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the (loss)/profit attributable to equity holder (after adjusting for dividend on the convertible preference shares) by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	Year emded 31 March 2021	Year ended 31 March 2020
(Loss)/Profit attributable to equity holders for basic and diluted earnings: (A)	**(257.74)**	74.92
Weighted average number of equity shares used for computing loss/earning per share (B)	**1,38,58,66,435**	1,32,83,90,007
Weighted average number of equity shares adjusted for diluted EPS (C)	**1,38,58,66,435**	1,32,83,90,007
Basic earning per share (A/B)	(1.86)	0.56
Diluted earning per share (A/C)	(1.86)	0.56

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

36. **A. Public disclosure on liquidity risk as at 31 March 2021 pursuant to Regulation 19 "Guidelines on Liquidity Risk Management Framework" for Non-Banking Financial Companies as per Master Direction- Core Investment Companies (Reserve Bank) Directions, 2016:**

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

S.no	Number of Significant Counterparties	Amount in (Rs. in Crore)	% of Total Deposits	% of Total Liabilities*
1	4	3000.00	Not Applicable	13.17
*includes equity and other equity				

(ii) Top 20 large deposits (Amount in Rs. Crore and % of total deposits);

The company being a Non-Banking Financial Institution i.e. Systematically Important Core Investment Company (CIC-ND-SI) registered with Reserve Bank of India does not accept public deposits.

(iii) Top 10 borrowings (Amount in Rs. Crore and % of total borrowings)

S.no	Amount (Rs. in Crore)	% of Total Borrowings
1	3000.00	100

(iv) Funding concentration based on significant instrument/product:

S.no.	Name of the instrument/product	Amount (Rs. in Crore)	% of Total Liabilities*
1	Non- Convertible Bonds	3,000.00	13.17
*includes equity and other equity			

(v) Stock Ratios:

S.no.	Particulars	%
(a)	Commercial paper as a % of total public funds, total liabilities and total assets	None
(b)	Non-Convertible debentures (Original maturity of less than one year) as a % of total public funds, total liabilities and total assets	None
(c)	Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	None

(vi) Institutional set up for liquidity risk management:

As per the requirement of Master Directions-Core Investment (RBI) Directions, 2016 and guidelines on Liquidity Risk Management Framework, the Board have constituted Asset Liability Management Committee (ALCO) & Risk Management Committee in its meeting held on June 25, 2020, Further, the framework on Liquidity Risk Management have also been approved by the Board in its meeting held on August 21, 2020.

Both the above mentioned Committees are actively performing their function as per the terms of reference of the Committee as approved by the Board. (Also refer note 43- Liquidity risk section)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

B. Additional disclosure as per Master Direction- Core Investment Companies (Reserve Bank) Directions, 2016:

(i) Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid: (Refer note 17)

As at 31 March 2021:	Amount Outstanding	Amount Overdue
(a) Non-Convertible Bonds: Unsecured	1,702.30	-
(b) Non-Convertible Bonds: Unsecured	1,358.13	-

As at 31 March 2020:	Amount Outstanding	Amount Overdue
(a) Debentures: Secured	1,541.80	-
(b) Non-Convertible Bonds: Secured	1,735.06	-

(ii) Break-up of Loans and Advances (net of provisions): (Refer note 10)

Particulars	Amount Outstanding As at 31 March 2021	Amount Outstanding As at 31 March 2020
(a) Secured	-	-
(a) Unsecured	441.04	430.25
Total	**441.04**	**430.25**

Borrower group-wise classification of assets financed as per above:

As at 31 March 2021	Secured	Unsecured	Total
Related Parties			
(a) Subsidiaries	-	0.01	**0.01**
(b) Companies in the same group	-	436.00	**436.00**
(c) Other related parties	-	1.23	**1.23**
Other than Related Parties	-	3.80	**3.80**
Total	-	**441.04**	**441.04**

As at 31 March 2020	Secured	Unsecured	Total
Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	428.30	428.30
(c) Other related parties	-	1.95	1.95
Other than Related Parties	-	0.00	0.00
Total	-	**430.25**	**430.25**

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

(iii) Break up of Investment: (Refer note 11)

Particulars	As at 31 March 2021	As at 31 March 2020
Current Investment:		
(i) Units of Mutual Funds **(Quoted)**	158.79	97.09
(ii) Commercial Papers **(Unquoted)**	-	24.41
Total (a)	**158.79**	**121.50**
Long Term Investment (Unquoted):		
(i) Shares: Equity	19,660.72	20,779.15
(ii) Debentures and Bonds	2,168.65	2,058.43
Total (b)	**21,829.37**	**22,837.58**
Total (a+b)	**21,998.16**	**22,959.08**

(iv) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): (Refer note 11)

Category	As at 31 March 2021		As at 31 March 2020	
	Fair Value	Book Value (Net of Provisions)	Fair Value	Book Value (Net of Provisions)
Related Parties				
(a) Subsidiaries (Investment in Equity and Debentures)	20,829.97	4,901.02	21,676.26	4,589.80
(b) Companies in the same group	-	-	-	-
(c) Other related parties (Investment in Equity)	999.40	330.52	1,161.32	316.48
Other than Related Parties (Investment in Mutual funds and Commercial Papers)	158.79	157.38	121.50	120.89
Total	**21,988.16**	**5,388.92**	**22,959.08**	**5,027.17**

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(v) Other Information

S.no	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	**Gross Non- Performing Assets**		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(ii)	**Net Non- Performing Assets**		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(iii)	**Assets acquired in satisfaction of debt**	-	-

(The space has been intentionally left blank)

(All amounts in Rupees crores, except otherwise stated)

37. Retirement and other employee benefits

Employee benefits

i) Defined Contribution Plan

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Benefits (contribution to):		
Employer's contribution to Provident & Other fund	0.53	0.13
Employer's contribution to Superannuation fund	1.20	1.34

ii) Defined Benefit Plan

Gratuity expense

Gratuity liability is a defined benefit plan which is funded through policy taken from Life Insurance Corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (based on last drawn basic salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the standalone statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31 March 2021:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current Service Cost	0.38	0.36
Interest Cost	0.08	0.07
Past Service Cost	-	-
Net benefit expense	0.46	0.43

Amount recognised in Other Comprehensive Income (OCI) for the year ended 31 March 2021

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial loss due to DBO experience	(0.22)	1.44
Actuarial (gain)/loss due to DBO financial assumption changes	0.00	0.21
Actuarial (gain)/loss arising during the year	(0.22)	1.65
Return on plan assets (greater)/less than discount rate	0.01	(1.41)
Actuarial (gain)/loss recognized in OCI	(0.21)	0.24

Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	(4.74)	(4.39)
Fair value of plan assets	3.36	3.26
Benefit liability	(1.38)	(1.13)

CHARTERED ACCOUNTANTS

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening defined benefit obligation	4.39	3.75
Interest cost	0.29	0.26
Current service cost	0.38	0.36
Past service cost	-	-
Acquisition cost	0.02	(1.03)
Benefits paid (including transfer)	(0.12)	(0.61)
Actuarial losses/(gain) on obligation-experience	(0.22)	1.65
Closing defined benefit obligation	4.74	4.39

Changes in the fair value of plan assets are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening fair value of plan assets	3.26	3.29
Acquisition adjustment	0.00	(1.03)
Contributions by employer	0.01	0.01
Benefits paid (including transfer)	(0.12)	(0.61)
Interest income on plan assets	0.22	0.19
Return on plan assets greater/(lesser) than discount rate	(0.01)	1.42
Closing fair value of plan assets	3.36	3.26

The Company has contributed Rs. 0.01 crore to gratuity fund during the year ended on 31 March 2021 (31 March 2020: Rs. 0.01 crore)

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

Particulars	As at 31 March 2021	As at 31 March 2020
	(%)	(%)
Investments with Insurer Managed Funds	100%	100%

Expected benefit payment for the year ended;

Particulars	Amount
31 March 2022	0.80
31 March 2023	0.29
31 March 2024	0.65
31 March 2025	0.73
31 March 2026	0.42
31 March 2017 to 31 March 2031	3.08

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

Experience adjustments for the current and previous four years are as follows:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**	**As at 31 March 2018**	**As at 31 March 2017**
Defined benefit obligation	(4.74)	(4.39)	(3.75)	(4.36)	(2.21)
Plan assets	**3.36**	**3.26**	**3.29**	**3.55**	**1.73**
Funded status	(1.38)	(1.13)	(0.46)	(0.81)	(0.48)
Experience gain / (loss) adjustment on plan liabilities	**(0.22)**	**1.65**	**0.60**	**(0.08)**	**(0.09)**
Experience gain / (loss) adjustment on plan assets	**(0.01)**	**1.42**	**0.05**	**0.01**	**(0.05)**
Actuarial loss due to change in financial assumptions	-	-	-	**0.12**	**(0.10)**

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Discount rate (in %)	6.80%	6.80%
Salary Escalation (in %)	6.00%	6.00%
Expected rate of return on assets	8.00%	6.80%
Attrition rate (in %)	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

	As at 31 March 2021	**As at 31 March 2020**
Assumptions	**Discount rate**	
Sensitivity Level	**1%**	**1%**
Impact on defined benefit obligation due to increase	(0.27)	(0.26)
Impact on defined benefit obligation due to decrease	0.31	0.30

	As at 31 March 2021	**As at 31 March 2020**
Assumptions	**Future Salary Increase**	
Sensitivity Level	**1%**	**1%**
Impact on defined benefit obligation due to increase	0.19	0.18
Impact on defined benefit obligation due to decrease	(0.19)	(0.18)

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

	As at 31 March 2021	As at 31 March 2020
Assumptions	**Attrition rate**	
Sensitivity Level	**1%**	1%
Impact on defined benefit obligation due to increase	**0.04**	0.03
Impact on defined benefit obligation due to decrease	**(0.04)**	(0.04)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2020:10 years).

38. Commitments and Contingencies

(i) Capital and Other Commitments:

(a) Capital commitments outstanding as at 31 March 2021 is Rs. Nil crores (31 March 2020: 2.02 Crore)

(b) Other commitments

i. Bank fixed deposits of Rs. 4.91 crores (31 March 2020: Rs. 6.95 crores) have been pledged as cash margin with IDFC Bank. During the period ended 31 March 2021, pledge against Bank fixed deposit of Rs. 6.95 crores was released subsequent to release of bid bond guarantee amounting to Rs. 69.45 crores in respect of bidding for Thiruvananthapuram Airport, Guwahati Airport, Jaipur Airport, Bhogapuram Airport & Nagpur Airport. Further, pledge against fixed deposit of Rs. 4.91 crores was provided during the period due to additional performance security of Rs. 49.05 crores provided for Bhogapuram Airport, Kannur Airport & additional skill acquisition programme.

ii. Bank Fixed deposits of Rs. 91.06 crores have been pledged as cash margin with HSBC bank during the period ended 31 March 2021 against counter indemnity of Euro 10.53 Million (100% cash margin)

iii. As at 31 March 2021, the Company was required to pay Rs. 0.38 crores plus taxes to CARE as annual surveillance fee each year (31 March 2020: Rs 0.26 crore) for its rating in relation to Bond issue.

iv. The Company has entered into the concession agreement with State of Greece and TERNA S.A. (Local construction and energy conglomerate) for the purpose of design, construction, financing, operation, maintenance and exploitation of International Airport of Heraklion, Crete, Concession SA. As per the Concession agreement, the Company is required to invest total equity of Euro 70.2 Mn out of which company has infused equity of Euro 29.68 Mn. (Rs. 235.29 crores) till 31 March 2021.

During the previous year ended 31 March 2020, the company has provided Committed Investment letter of guarantee for Euro 42.12 Mn, through SPV partner TERNA S.A., in favour of (i) Ministry of Infrastructures and Transport and (ii) International Airport of Heraklion, Crete, Concession SA.

Subsequent to providing of abovementioned Guarantee, GMR Airports limited has infused Euro 1.60 Mn (Rs. 14.03 crores) in International Airport of Heraklion, Crete, Concession SA.

During the year ended 31 March 2021, the company has given counter indemnity in the form of Bank Guarantee of Euro 10.53 Mn issued by HSBC Bank in favour of Ministry of Infrastructure and Transport (First Beneficiary) and Heraklion Crete International Airport Concession Societe Anonyme (Second Beneficiary) as per the provision mentioned in Concession agreement to replace the guarantee already provided through our partner TERNA on behalf of company.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS

v. Company has separately executed Sponsor support Agreement in favour of lenders of GMR Goa International Airport Limited ("GGIAL") for securing debt facility of GGIAL, with following undertakings:-

a) GMR Airports Limited is required to infuse equity of Rs. 657 crore in GGIAL as per the sponsor support agreement. GGIAL is expecting Rs. 438 crore as deposit from concessioners and the company is committed to provide support in case of any shortfall in receipt of deposits. As on 31 March 2021, GAL has infused equity of Rs. 384.5 crore.

b) Company undertakes to meet any shortfall in debt servicing up to 2 years of the actual Commencement of Development ('COD') and thereafter lenders shall review the requirement for continuation of such undertaking 3 months prior to the date of expiry of the undertaking. If based on the review, the Company may be required to extend the undertaking for additional period of 2 years, then it shall do so within a period of 15 days of such review else the entire rupee term loan becomes payable by the Company (sponsors) and the borrowers, i.e., GGIAL on a joint & several basis. As at 31 March 2021, Development has not yet been completed.

c) To bring (either on its own or through third parties) funds to meet the differential between the Termination Payment received as per the provisions of the Concession Agreement in the event of termination and outstanding debt, with respect to the Lenders under the Financing Documents.

d) To retain Management Control of the borrower company (GGIAL) during the tenure of the Facility. The Company, being the sponsor shall, directly or indirectly, maintain a shareholding of not Less than 51% of the equity shares of the GGIAL during the tenor of the Facility.

e) To fund any increase in Project Cost through equity/unsecured loans; if any.

f) Any unsecured loans of the GGIAL from Promoter/Company/ GMR Group Company Concerns shall be subordinate, and any interest or principal payment will not be paid during the tenor of the Facility unless the Restricted Payment Test is satisfied. Subordinate debt should carry ROI which shall be lower than the prevailing ROI for the term loan.

g) In the event of invocation of Performance Bank Guarantee of Rs. 62 crore Company to infuse funds to that extent.

h) To keep minimum of 23% of the equity stake of the GGIAL free of any encumbrance/negative lien.

vi. GMR Airports Limited has committed to provide financial support to GMR Airports International B.V (subsidiary of GAL) as and when required for a period less than 12 months.

vii. GMR Airports Limited has committed to provide financial and other support, if necessary, to GMR Airports (Singapore) Ptd. Limited (a subsidiary of GMR Airports International B.V, which is subsidiary of GAL) to enable the company to operate as a going concern and to meets its obligation as and when they fall due.

viii. GAL and GAIBV executed the Second Amendment Agreement and other finance document(s), as required to accede to the terms and conditions of the Initial Omnibus Agreement in order to assume the obligations of GISPL and GIL, for GAL as Sponsor, and for GAIBV as Sponsor and Assignor and Share Security Grantor.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(ii) Contingent liabilities not provided for
Guarantees excluding financial guarantees

a) The Company has given corporate guarantee to Punjab National Bank for issuing counter guarantee of Rs. 300 crores (31 March 2020: Rs. 300 Crores) in respect of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited).

b) The Company has given corporate guarantee to Yes Bank for issuing term loan of Rs 100 Crores in earlier year (31 March 2020: Rs. 100 Crores) in respect of GMR Airport Developers Limited. The said term loan is fully repaid and no amount is outstanding as on 31 March 2021.

c) During the year, the Company has given Performance Bond Security of Rs. 46 crore (31 March 2020: NIL) to Meet concession requirement for Bhogapuram Airport.

During the year, the company has given performance security of Rs. 0.05 Crore to additional skill acquisition programme, as a pre-condition to hand over the civil infrastructure of the transit campus of the community skill park, Kerala.

During the year, the company has given security deposit in the form of Bank guarantee of Rs. 3 crores in favour of Kannur International Airport Limited (Authority) for commencement of operations as per provisions mentioned in tripartite agreement

d) During the year ended 31 March 2021, previously issued bid bond guarantee amounting to Rs. 69.45 crore in respect of bidding for Thiruvananthapuram Airport, Guwahati Airport, Jaipur Airport, Bhogapuram Airport and Nagpur Airport has been released (31 March 2020: previously issued bid bond guarantee amounting to Rs. 50 crores in respect of bidding for Lucknow Airport, Mangalore Airport and Ahmedabad Airport has been released).

e) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28 February 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject.

f) The following long term investments have been freeze / pledged / secured by the Company towards borrowing of the Group Companies:

Company Name	As at 31 March 2021		As at 31 March 2020	
	No. of equity Shares	Amount (Rs in crore)	No. of equity shares	Amount (Rs in crore)
Delhi Duty Free Services Private Limited	**95,36,800**	**66.66**	95,36,800	66.66
GMR Goa International Airport Limited	**18,38,55,000**	**183.86**	8,16,00,000	81.60
Delhi Airport Parking Services Private Limited	**55,78,297**	**34.21**	55,78,297	34.21

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Income tax matters

a) Company had received an order under section 143(3) for the Assessment year 2014-2015 relating to disallowance under section 14A with respect to expenditure incurred for earning the exempted income amounting to Rs. 6.77 crores. The Company filed an appeal before CIT (appeals) against the said order but same has been dismissed by CIT (appeals). The company has further filed appeal in ITAT against said order which has been allowed in the favour of the Company during the previous financial year and the company has received the refund of Rs. 2.71 crores. The Company has filed an appeal before CIT(A) against order giving effect to ITAT order under section 254 for incorrect calculation on of disallowance under section 14A and short grant of refund and interest.

b) The Company has received assessment order passed by Assessing Officer (the AO) wherein the AO has made disallowances for AY 2016-17 amounting to Rs. 54.80 crores which consist of disallowance of Rs. 33.96 crores. under section 36(1)(iii) on axis bank term loan of Rs. 380 crores.; addition of Rs. 18.70 crores under section 14A by applying Rule 8D; disallowance of deduction under section 80G of CSR Expenses amounting to Rs. 0.84 crores.; addition of Rs. 1.3 crores. under section 37 of the Income Tax Act, 1961 for expenses pertaining to fund raising activities. The Company filed an appeal before CIT (appeals) against the said order.

c) During the previous financial year, the Company has received assessment order passed by Assessing Officer (the AO) wherein the AO has made disallowances for AY 2017-18 amounting to Rs. 60.31 crores which consist of disallowance of Rs. 38.49 crores under section 36(1)(iii) on term loan of Rs. 380 crores and addition of Rs. 21.82 crores under section 14A by applying Rule 8D. The Company filed an appeal before CIT (appeals) against the said order.

Based on the internal Assessment, the management is of the view that there is no requirement of any provision to be made in the standalone financial statements in respect of the aforementioned matters.

Other Matters

a) During the year, the Company is in receipt of demand-cum-Show Cause Notice No. 49/2020-21 Dated 23 September 2020 bearing C. No. I-26(494)/CT/Adt-II/C-16/G-24/AMR-628/GMR Airport/149/19-20/2509, wherein a demand of service tax has been proposed amounting to Rs. 4.19 crores along with interest and penalty, on account of non-payment of service tax on Corporate Guarantees given to subsidiaries, group companies or joint venture companies. The show cause notice pertains to the period from April 2014 to June 2017 i.e. covering three years and a quarter of the FY 2017-18.

   Based on the legal opinion, GAL has filed the reply to the SCN on 13 January 2021 and the Order is yet to be passed by the adjudicating authority.

b) During the year, the Company is in receipt of Notice GST ASMT-10 reference No. ZD070121016464X Dated 21 January 2021 for the FY 2018-19 and GST ASMT-10 reference No. ZD0703210158000 Dated 15 March 2021 for the FY 2019-20 wherein a demand of GST tax has been proposed amounting to Rs. 0.02 crores and Rs. 0.62 crores for the FY 2018-19 and FY 2019-20 respectively along with interest, on account of GST ITC difference in GSTR-2A and GSTR-3B.

   GAL has filed the reply to the notices on 5 February 2021 and 5 April 2021 for FY 2018-19 and FY 2019-20 respectively with the Assistant Commissioner and no further communication has been received in the matter by the company from the authority.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(All amounts in Rupees crores, except otherwise stated)

39. Related party disclosures

1. Names of Related parties and description of relationship:

Ultimate Holding Company	GMR Enterprises Private Limited (formerly known as GMR Holding Private Limited)
Holding Company	GMR Infrastructure Limited
Subsidiaries and step-down subsidiaries	Delhi International Airport Limited Delhi Aerotropolis Private Limited[1&15] GMR Airport Developers Limited GADL (Mauritius) Limited[2&17] GADL International Limited (Cease to be Subsidiary w.e.f. 21 May 2019)[2] GMR Airports (Mauritius) Ltd. GMR Goa International Airport Limited GMR Hyderabad International Airport Limited Hyderabad Duty Free Retail Limited[3] GMR Aero Technic Limited[3&4] GMR Air Cargo and Aerospace Engineering Private Limited[3&4] GMR Hospitality and Retail Limited (formerly known as GMR Hotels And Resorts Limited)[3] GMR Hyderabad Aerotropolis Limited[3] GMR Hyderabad Airport Power Distribution Limited[3 & 16] (Applied with ROC for striking off name) GMR Hyderabad Aviation SEZ Limited[3] Hyderabad Airport Security Services Limited (Liquidated w.e.f. 13 September 2019)[3] GMR Airports International B.V Delhi Airport Parking Services Private Limited [1&10] GMR Airports (Singapore) Pte Limited (became subsidiary w.e.f. 24 July 2019)[9] GMR Nagpur International Airport Limited (became subsidiary w.e.f. 22 August 2019) GMR Kannur Duty Free Services Limited (became subsidiary w.e.f. 20 November 2019) GMR Viskhapatnam International Airport Limited (became subsidiary w.e.f. 19 May 2020) GMR Airport Greece Single Member SA[9] (incorporated on 13th January 2020) GMR Hyderabad Airport Assets Limited (became subsidiary w.e.f. 25 November 2020)[3]

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Joint Venture Company	International Airport Of Heraklion, Crete, Concession SA Delhi Duty Free Services Private Limited[1&11] GMR Megawide Cebu Airport Corporation[9] Delhi Aviation Fuel Facility Pvt. Ltd.[1] WAISL Ltd. (ceased to be a joint venture w.e.f. 26 June 2019)[1] Laqshya Hyderabad Airport Media Pvt. Ltd.[3] Delhi Aviation Services Private Limited[1] GMR Bajoli Holi Hydropower private Limited[1] Mactan Travel Retail Group Corporation[12&13] SSP Mactan Cebu Corporation[12&13] GMR Logistics Park Private Limited[18] GMR Megawide Construction JV
Associate Company	Travel Food Services (Delhi Terminal 3) Pvt. Limited[1] TIM Delhi Airport Advertisement Private Limited[1] Celebi Delhi Cargo Terminal Management India Private Limited[1] Digi Yatra Foundation[1]
Fellow Subsidiaries (including subsidiaries companies of the ultimate holding Company (where transactions have taken place)	GMR Aviation Private Limited Raxa Security Services Limited Grandhi Enterprises Private Limited GMR Corporate Affairs Pvt. Ltd. GMR Aero-Structure Services Limited Dhruvi Securities Private Limited GMR Infra Developers Limited Kakinada SEZ Limited GMR Business Process and Services Private Limited GMR League Games Private Limited
Shareholder's having substantial interest/enterprises having significant influences over the subsidiaries/ Joint ventures/associates	GMR Infra Services Limited (Formerly known as GMR SEZ Infra Services Limited)[8] Aeroports de Paris S.A
Private Company in which a director or manager or his relatives is a director or member	JSW GMR Cricket Private Limited(formerly known as GMR Sports Private Limited)
Enterprise owned or significantly influenced by key management personnel or their relatives	GMR Family Fund Trust GMR Varalakshmi Foundation
Key management personnel	Mr. G. M. Rao (Non- Executive Chairman) Mr. GBS Raju (Vice Chairman) Mr. I. Prabhakar Rao (Executive Director) Mr. Grandhi Kiran Kumar (Joint Managing Director and CEO) Mr. Srinivas Bommidala (Joint Managing Director) Mr. N.C. Sarabeswaran (Independent Director) Mr. R.S.S.L.N. Bhaskarudu (Independent Director) Mrs. Siva Kameswari Vissa ((Independent Director) Mr. Suresh Goyal (Nominee Director)[5] Mr. G.R.K Babu (Chief Financial officer) Mrs. Deepanjali Gulati (Company Secretary)[19]

(All amounts in Rupees crores, except otherwise stated)

	Mr. Saurabh Jain (Company Secretary)[20] Mr. K. Narayana Rao (Director)[6] Mr. Gratien Geoges Lucien Maire (Director)[7] Mr. Olivier Pierre Guichard (Director)[7] Mr. Augustin de Romanet de Beaune (Director)[14] Mr. Philippe Pascal(Director)[14] Mr. Xavier Hurstel(Director)[14]

1. Step down subsidiary/joint venture/associate of Delhi International Airport Limited
2. Step down subsidiary of GMR Airport Developers Limited
3. Step down subsidiary/joint venture of GMR Hyderabad International Airport Limited
4. The Board of Directors of the Company in their meeting held on 10 December 2018 has approved, subject to the required approvals, the Composite Scheme of Arrangement amongst GMR Hyderabad Air Cargo and Logistics Private Limited ("GHACLPL")(Transferor Company) and GMR Aero Technic Limited ("GATL")(Demerged company) and GMR Aerospace Engineering Limited("GAEL")(Transferee/Resulting Company) and their respective Shareholders and Creditors ("Scheme"), wherein GHACLPL will merge with GAEL with an appointed date of 1 April 2018. The above scheme has received the approval of NCLT on 26 July 2019 and thereafter filed with the Register of Companies on 29 July 2019. Pursuant to the approve scheme of arrangement entered into between GHACLPL, GAEL and GATL and its shareholders and as approved by NCLT, the scheme become effective w.e.f. 1 April 2018 and the revised name of the company is GMR Air Cargo and Aerospace Engineering Private Limited.
5. Mr. Suresh Goyal has resigned w.e.f 25 February 2020.
6. Mr. K. Narayana Rao has been appointed as Director w.e.f 17 February 2020.
7. Mr. Gratien Geoges Lucien Maire and Mr. Olivier Pierre Guichard has been appointed as Director w.e.f 25 February 2020. Mr. Gratien Geoges Lucien Maire and Mr. Olivier Pierre Guichard has been resigned from directorship w.e.f 24 February 2021.
8. Shareholding of GISL has been transferred during the current year to ADP.
9. Step down subsidiary/joint venture of GMR Airports International B.V
10. GMR Airports Limited holds 40.1% shares
11. GMR Airports Limited holds 17.03% shares
12. Step down joint venture of GMR Megawide Cebu Airport Corporation
13. GMR Airports International B.V holds 8.34% shares
14. Mr. Augustin de Romanet de Beanue, Mr. Philippe Pascal and Mr. Xavier Hurstel has been appointed as director w.e.f 5 February 2021.
15. An application was made on 11 August 2020 with the Registrar of company (ROC), Delhi seeking its approval for removal of name of the company from the Register of companies, being maintained by the ROC.
16. Dissolution of GMR Hyderabad Airport Power Distribution limited, w.e.f 13 March 2021, consequent to striking off of the Companies name by ROC – Telangana.
17. Ceased to be subsidiary of GAL w.e.f 25 December 2020, pursuant to dissolution order approved by the Mauritius Government through its publication in its official Gazette under General Notice no:72 of 2021.
18. GMR Hyderabad Aerotropolis Limited holds 30% shareholding.
19. Mrs. Deepanjali Gulati has resigned w.e.f 31 July 2020.
20. Mr. Saurabh Jain has been appointed as company secretory w.e.f 1 August 2020 and has resigned w.e.f 26 February 2021.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(All amounts in Rupees crores, except otherwise stated)

Details of transactions existing with related parties during the year ended 31 March 2021 along with balances as at year end:

A. Transactions during the year	Year ended 31 March 2021	Year ended 31 March 2020
Interest Income		
GMR Infrastructure Limited	**25.39**	30.89
GMR Airports International BV	**183.53**	155.87
GMR Aero-structure Service Limited	**4.43**	2.45
Kakinada Sez Limited	**25.52**	2.42
GMR Airport Developers Limited	-	0.07
Income from Aviation academy		
GMR Hyderabad International Airport Limited	**0.58**	0.34
GMR Aviation Private Limited	-	0.00
GMR Airport Developers Limited	-	0.27
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**0.36**	-
Delhi Duty Free Services Private Limited	-	0.00
GMR Air Cargo and Aerospace Engineering Private Limited	-	0.07
Delhi Airport Parking Services Private Limited	-	0.01
Travel Food Services (Delhi Terminal 3) Pvt Ltd	-	0.00
GMR Infrastructure Limited	-	0.02
GMR Aero Technic Limited	-	0.01
Dividend income		
GMR Airport Developers Limited	**10.20**	9.18
GMR Hyderabad International Airport Limited	-	59.53
Delhi Duty Free Services Private Limited	-	14.99
Delhi Airport Parking Services Pvt Ltd	-	11.76
Consultancy Income		
GMR Hospitality and Retail Limited- Hyderabad Duty Free Division	**3.51**	3.16
GMR Air Cargo and Aerospace Engineering Private Limited	**6.63**	5.81
Delhi Airport Parking Services Pvt Ltd	**6.60**	6.00
Tim Delhi Airport Advertising Pvt Ltd.	**2.70**	4.25
Delhi Duty Free Services Private Limited	-	7.50
GMR Airport Developers Limited	**5.00**	-
Other Income		
GMR Airport Developers Limited (Financial Guarantee)	**0.07**	0.15
GMR Infrastructure Limited (Miscellaneous income)	-	5.76
Grandhi Enterprises Private Limited (Security Deposit)	**0.11**	-
Cost Allocation		
GMR Hyderabad International Airport	**14.82**	21.71
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**35.61**	58.31

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

GMR Airports Limited
CIN U65999KA1992PLC037455
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in Rupees crores, except otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Other expenses		
Rent		
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**2.37**	0.94
Grandhi Enterprises Private Limited	**1.79**	1.63
GMR Business Process And Services	**0.15**	0.32
GMR Hyderabad International Airport Limited	-	0.23
Legal and professional fees		
Raxa Security Services Limited	**1.60**	1.47
GMR Infrastructure Limited	**4.18**	2.32
Delhi Duty Free Services Private Limited	-	0.17
GMR Corporate Affairs Pvt Ltd	-	0.10
GMR Hospitality & Retail Limited (Formerly Known as GMR Hotels And Resorts Limited)	-	0.08
Logo fees		
GMR Enterprises Private Limited (Formerly known as GMR Holding Private Limited)	**1.05**	1.46
Travelling and conveyance		
GMR Aviation Private Limited	**1.04**	7.89
GMR Hyderabad International Airport Limited	**0.02**	0.03
Delhi International Airport Limited	**0.01**	-
GMR Hospitality and Retail Limited	-	0.00
Training expenses		
GMR Hyderabad International Airport Limited	-	0.00
GMR Hospitality and Retail Limited (Formerly known as GMR Hotels And Resorts Limited	-	0.00
Raxa Security Services Limited	**0.00**	-
Electricity and water charges		
GMR Hyderabad International Airport Limited	**0.00**	0.11
Delhi International Airport Limited	**0.00**	-
GMR Infrastructure Limited	**0.00**	-
Communication expenses		
Delhi International Airport Limited	**0.00**	-
GMR Hyderabad International Airport Limited	-	0.01
CSR Expenditure		
GMR Varalakshmi Foundation	-	0.61
Repair & Maintenance Expenses others		
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**0.24**	1.04
GMR Airport Developers Limited	-	2.33

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(All amounts in Rupees crores, except otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Interest on Lease Liability		
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**0.14**	0.08
Grandhi Enterprises Private Limited	**0.10**	0.26
Depreciation (Lease)		
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**0.86**	0.83
Grandhi Enterprises Private Limited	**1.64**	1.64
Miscellaneous expenses		
GMR Hospitality and Retail Limited (formerly known as GMR Hotels And Resorts Limited)	**0.15**	0.02
GMR League Games Private Limited	**0.00**	-
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.01
GMR Goa International Airport Limited (Bidding expenses)	**0.05**	-
Reimbursement of expenses		
Delhi International Airport Limited (Formerly known as Delhi International Airport Private Limited)	**0.16**	0.01
GMR Infrastructure Limited	**0.00**	-
Delhi Aviation Fuel Facility Pvt. Ltd	-	0.07
GMR Aero Technic Limited	-	0.05
GMR Air Cargo and Aerospace Engineering Private Limited	-	0.11
GMR Megawide Cebu Airport Corporation	-	1.43
Raxa Security Services Limited	-	0.58
Travel Food Services (Delhi Terminal 3) Pvt Ltd	**0.09**	0.14
Wipro Airport IT Services Limited	-	0.03
Delhi Duty Free Services Private Limited	**0.29**	-
Celebi Delhi Cargo Terminal Management India Private Limited	**0.25**	-
Recovery of expenses		
GMR Infrastructure Limited	-	12.43
Delhi Duty Free Services Private Limited	-	0.05
GMR Kannur Duty Free Services Limited	-	0.03
GMR Nagpur International Airport Limited	-	0.03
GMR Visakhapatnam International Airport Limited	**0.10**	-
Remuneration to key managerial personnel*		
Salary, bonus and contribution to PF		
Mr. Grandhi Kiran Kumar	**2.15**	4.09
Mr. Srinivas Bommidala	**2.10**	4.09
Mr. I. Prabhakar Rao	**0.82**	1.09

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Director sitting fees		
Mr. N.C. Sarabeswaran	**0.06**	0.07
Mr. R.S.S.L.N. Bhaskarudu	**0.06**	0.07
Mrs.Siva Kameswari Vissa	**0.06**	0.07
Mr. GBS Raju	**0.02**	0.02
Mr. GM Rao	**0.02**	0.02
Loan given to		
GMR Infrastructure Limited	**416.00**	425.00
GMR Aero-structure Service Limited	**220.00**	25.00
GMR Airport Developers Limited	**-**	50.00
Kakinada SEZ Limited	**-**	425.00
Loan refunded by:		
GMR Infrastructure Limited	**200.00**	460.00
GMR Aero-structure Service Limited	**-**	25.00
GMR Airport Developers Limited	**-**	50.00
Kakinada SEZ Limited	**425.00**	-
Security Deposit		
Delhi International Airport Limited	**0.01**	-
Non-current investment in subsidiary company		
GMR Goa International Airport Limited	**189.00**	75.00
GMR Airports International BV	**-**	7.36
GMR Nagpur International Airport Limited	**-**	0.01
GMR Visakhapatnam International Airport Limited	**4.50**	-
GMR Kannur Duty Free Services Limited	**0.99**	-
Investment in Optionally convertible debentures		
GMR Airports International BV	**-**	58.78
Investment in Share Application Money		
GMR Goa International Airport Limited	**-**	6.50
GMR Kannur Duty Free Services Limited	**-**	0.01
GMR Visakhapatnam International Airport Limited	**4.50**	-
Non-current investment in joint venture company		
International Airport of Heraklion, Crete, Concession SA	**14.04**	217.22
Issue of class A, B, C & D Bonus CCPS		
GMR Infrastructure Limited	**259.48**	-
GMR Infra Developer Limited	**1.38**	-

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Issue of class A Bonus CCPS		
GMR Infrastructure Limited	-	135.56
GMR Infra Services Limited (formerly known as GMR SEZ Infra Services Limited)	-	45.48
Dhruvi Securities Private Limited	-	0.96
Provision for doubtful debts (including non-trade receivables)		
Delhi International Airport Limited	**0.02**	0.04
GMR Hyderabad International Airport Limited	**0.00**	0.00
GMR Infrastructure Limited	**0.08**	0.01
GMR Goa International Airport Limited	**2.23**	0.22
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.00
Provision for doubtful advances		
GMR Aerostructure Services Limited	**0.04**	-
Kakinada SEZ Limited	-	1.70
Provision on Optionally Convertible Debentures		
GMR Airports International B.V	**0.44**	1.56
Infusion of equity (including Security Premium)		
Aeroports de Paris S.A.	**1,000.00**	-

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

B. Balance outstanding as at period/year end	As at 31 March 2021	As at 31 March 2020
Investment in subsidiary		
GMR Airport Developers Limited	297.39	278.79
GMR Hyderabad International Airport Limited	6,809.80	6,623.20
Delhi International Airport Limited	10,781.00	11,958.65
GMR Goa International Airport Limited	533.90	471.96
GMR Airports (Mauritius) Limited	0.90	0.92
Delhi Airport Parking Services Private Limited	223.60	257.71
GMR Airports International B.V (Netherlands)	8.20	25.57
GMR Nagpur International Airport Limited	0.01	0.01
GMR Kannur Duty Free Services Limited	1.00	-
GMR Vishakhapatnam International Airport Limited	4.50	-
Investment on fair valuation of Financial Guarantee		
GMR Airport Developers Limited	1.02	1.02
Investment in joint venture company		
International Airport of Heraklion, Crete, Concession SA	221.30	221.25
Delhi Duty Free Services Private Limited	778.10	940.07
Investment in Share Application Money		
GMR Goa International Airport Limited	-	6.50
GMR Kannur Duty Free Services Limited	-	0.01
GMR Vishakhapatnam International Airport Limited	4.50	-
Trade receivables		
GMR Hospitality and Retail Limited (Duty Free Division)	1.03	0.85
GMR Air Cargo and Aerospace Engineering Private Limited	0.67	1.41
Delhi Airport Parking Services Private Limited	1.95	1.77
GMR Hyderabad International Airport Limited	0.19	0.17
Delhi International Airport Limited	0.60	0.17
Tim Delhi Airport Advertising Pvt Ltd.	3.13	4.59
Delhi Duty Free Services Private Limited	-	8.85
GMR Aerostructure Service Limited	0.13	-
Provision for doubtful debts- Trade Receivables		
Delhi International Airport Limited	0.02	0.02
GMR Hyderabad International Airport Limited	0.00	-
Non-Trade Receivables		
GMR Infrastructure Limited	0.80	0.54
Delhi International Airport Limited	0.00	16.10
GMR Goa International Airport Limited	2.23	2.23
GMR Hyderabad International Airport Limited	-	6.92

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

	As at 31 March 2021	As at 31 March 2020
Provision for doubtful debts- Non- Trade Receivables		
GMR Infrastructure Limited	**0.08**	0.00
GMR Goa International Airport Limited	**2.23**	0.22
Delhi International Airport Limited	**0.00**	0.02
GMR Hyderabad International Airport Limited	-	0.01
Other Recoverable		
Delhi International Airport Limited	**11.03**	-
GMR Hyderabad International Airport Limited	**4.20**	-
GMR Infrastructure Limited		1.82
GMR Kannur Duty Free Services Limited	**1.87**	0.03
GMR Nagpur International Airport Limited	**0.03**	0.03
GMR Vishakhapatnam International Airport Limited	**0.53**	-
Security Deposit		
Grandhi Enterprises Private Limited	**1.23**	1.12
Delhi International Airport Limited	**0.01**	-
Loans		
GMR Infrastructure Limited	**216.00**	-
GMR Aerostructure Services Limited	**220.00**	-
Kakinada SEZ Limited	-	427.18
Provision for doubtful advances		
GMR Infrastructure Limited	**0.86**	-
GMR Aerostructure Services Limited	**0.88**	-
Kakinada SEZ Limited	-	1.70
Provision on Optionally Convertible Debentures		
GMR Airports International B.V	**8.67**	8.23
Unbilled revenue		
GMR Airport Developers Limited	**5.00**	-
GMR Air Cargo and Aerospace Engineering Private Limited	**0.61**	-
Investment- Optionally convertible debentures		
GMR Airports International B.V	**2,168.65**	2,058.43
Financial Liability		
Financial Guarantee		
GMR Airport Developers Limited	-	0.07
Liability Component of CCPS		
GMR Infrastructure Limited	**440.51**	135.56
GMR Infra Developer Limited	**2.35**	-
GMR Infra Services Limited (formerly known as GMR SEZ Infra Services Limited)	-	45.48
Dhruvi Securities Private Limited	-	0.96

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

	As at 31 March 2021	As at 31 March 2020
Trade payables		
GMR Infrastructure Limited	**2.18**	0.72
Raxa Security Services Limited	**0.16**	0.81
Delhi International Airport Limited	**0.73**	0.55
GMR Business Process and Service Private Limited	**0.04**	0.08
GMR Hyderabad International Airport Limited	**0.01**	0.11
GMR Hospitality and Retail Limited	**0.14**	-
GMR Enterprises Private Limited	**1.05**	1.39
Grandhi Enterprises Private Limited	**0.14**	0.27
GMR Airport Developers Limited	-	-
GMR Corporate Affairs Private Limited	**0.10**	0.10
Travel Food Services (Delhi Terminal 3) Pvt Ltd	**0.00**	0.00
GMR Aerostructure Services Limited	-	0.02
GMR Delhi Duty Free Services Limited	**0.27**	-
Non-Trade payables		
GMR Kannur Duty Free Services Limited	-	0.01
Right of Use (Lease Asset)		
Delhi International Airport Limited	**1.78**	0.34
Grandhi Enterprises Private Limited	**0.14**	1.78
Lease Liability		
Delhi International Airport Limited	**1.88**	0.38
Grandhi Enterprises Private Limited	**0.15**	1.84

Terms and conditions of transactions with related parties: -

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the period ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Contingent liabilities / Commitments with related parties:

The contingent liabilities and commitments in respect of related parties are provided in note no 38 above, forming part of these standalone financial statements.

Transactions with key management personnel

The transaction with key management personnel includes the payment of director sitting fees and managerial remuneration which are provided in note no 39 (a) & (b) above. There are no other transactions with the Key management personnel.

'The remuneration of the key management personnel is determined by the Remuneration committee having regard to the performance of the individual and the market trend.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

c) Interest in significant subsidiaries and joint venture

Name of the Entity	Relationship	Ownership interest	Date of incorporation	Country of incorporation
Delhi International Airport Limited	Subsidiary	64.00%	01 March 2006	India
GMR Hyderabad International Airport Limited	Subsidiary	63.00%	17 December 2002	India
Delhi Duty Free Services Private Limited	Joint Venture	17.03% (Directly)	07 July 2009	India
GMR Airport Developers Limited	Subsidiary	100%	13 June 2008	India
GMR Airports (Mauritius) Limited	Subsidiary	100%	18 January 2013	Mauritius
GMR Goa International Airport Limited	Subsidiary	99.99%	14 October 2016	India
GMR Airports International BV	Subsidiary	100%	28 May 2018	Netherlands
Delhi Airport Parking Services Private Limited	Subsidiary	40.10% (Directly)	11 February 2010	India
International Airport of Heraklion, Crete, Concession SA	Joint Venture	21.64% (w.e.f. from 6 February 2020)	12 February 2019	Greece
GMR Nagpur International Airport Limited	Subsidiary	100%	22 August 2019	India
GMR Kannur Duty Free Services Limited	Subsidiary	100%	20 November 2019	India
GMR Visakhapatnam International Airport Limited	Subsidiary	100%	19 May 2020	India

40. Segment Information

The Company is primarily engaged in a single segment i.e. Investment Activities. The risk and returns of the Company are predominantly determined by its principal activity and the Company's activities fall within a single business and geographical segment.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

41. Fair Value

The carrying amount of all financial assets and liabilities (except for certain other financial assets and liabilities i.e. 'Instruments carried at fair value') appearing in the standalone financial statements is reasonable approximation of fair values. Such instruments carried at fair value are disclosed below:

As at 31 March 2021					
Particulars	**FVT statement of P & L**	**FVT other comprehensive income**	**Amortized Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets					
Cash and cash equivalents	-	-	12.42	12.42	12.42
Bank balance other than cash and cash equivalents	-	-	98.27	98.27	98.27
Trade Receivables	-	-	50.90	50.90	50.90
Loans	-	-	441.04	441.04	441.04
Investments in Mutual Funds	158.79	-	-	158.79	158.79
Investments in Commercial Papers	-	-	-	-	-
Investments in JV and Subsidiaries	-	19,660.72	-	19,660.72	19,660.72
Investment in Optionally Convertible Debentures in subsidiary	-	-	2168.65	2168.65	2168.65
Other financial assets	-	-	10.83	10.83	10.83
Total	**158.79**	**19,660.72**	**2,782.11**	**22,601.62**	**22,601.62**
Financial Liabilities					
Trade payables	-	-	42.01	42.01	42.01
Debt Securities	-	-	3,060.43	3,060.43	3,060.43
Lease Liability	-	-	2.08	2.08	2.08
Other financial liabilities	-	-	444.79	444.79	444.79
Total	**-**	**-**	**3,549.31**	**3,549.31**	**3,549.31**

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

As at 31 March 2020					
Particulars	**FVT statement of P & L**	**FVT other comprehensive income**	**Amortized Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets					
Cash and cash equivalents	-	-	1.43	1.43	1.43
Bank balance other than cash and cash equivalents	-	-	7.58	7.58	7.58
Trade Receivables	-	-	59.66	59.66	59.66
Loans	-	-	430.25	430.25	430.25
Investments in Mutual Funds	97.09	-	-	97.09	97.09
Investments in Commercial Papers	-	-	24.41	24.41	24.41
Investments in JV and Subsidiaries	-	20,779.15	-	20,779.15	20,779.15
Investment in Optionally Convertible Debentures in subsidiary	-	-	2,058.43	2,058.43	2,058.43
Other financial assets	-	-	32.05	32.05	32.05
Total	**97.09**	**20,779.15**	**2,613.81**	**23,490.05**	**23,490.05**
Financial Liabilities					
Trade payables	-	-	21.69	21.69	21.69
Debt Securities	-	-	3,276.86	3,276.86	3,276.86
Lease Liability	-	-	2.81	2.81	2.81
Other financial liabilities	-	-	183.31	183.31	183.31
Total	**-**	**-**	**3,484.67**	**3,484.67**	**3,484.67**

Assumption used in estimating the fair values:
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

42. Fair value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities grouped into Level I to Level 3 as described below:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021:

Financial assets & Financials Liabilities measured at fair value	**Total**	**Fair value measurement using**		
		Quoted prices in active markets	**Significant observable inputs**	**Significant unobservable inputs**
		(Level 1)	**(Level 2)**	**(Level 3)**
Financials Assets				
Investments in subsidiaries and Joint venture	**19,660.72**	-	-	19,660.72
Investment in Mutual Fund	**158.79**	158.79	-	-

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2020:

Financial assets & Financials Liabilities measured at fair value	**Total**	**Fair value measurement using**		
		Quoted prices in active markets	**Significant observable inputs**	**Significant unobservable inputs**
		(Level 1)	**(Level 2)**	**(Level 3)**
Financials Assets				
Investments in subsidiaries and Joint venture	**20,779.15**	-	-	20,779.15
Investment in Mutual Fund	**97.09**	97.09	-	-

a. Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
b. Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date
c. Fair value of mutual funds and overseas funds is determined based on the net asset value of the funds.
d. There have been no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2021.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

(All amounts in Rupees crores, except otherwise stated)

Reconciliation of fair value measurements of unquoted equity share classified as FVTOCI assets:

Particulars	Amounts
As at 1 April 2019	**17,334.74**
Purchases (Investment during the year)	299.58
Re-measurement recognised in OCI	3,144.83
As at 31 March 2020	**20,779.15**
Purchases (Investment during the year)	215.05
Re-measurement recognised in OCI	(1,333.48)
As at 31 March 2021	**19,660.72**

The significant unobservable input used in the fair value measurement categorised with in Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2021 and 31 March 2020 are as shown below:

Description of significant unobservable input to valuation:

Unquoted equity security	Valuation technique	Significant unobservable inputs	Range (weightage average)	Sensitivity of the input to the fair value
FVTOCI assets in unquoted equity share	Combination of income approach and adjusted net assets value approach	Discounting Rate (Cost of Equity)	31 March 2021: 10.5% to 22% 31 March 2020: 12% to 22%	1% increase in the discounting rate will have a significant adverse impact on the fair value of equity investments.

- **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:

  - Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

  - Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

43. Risk Management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company doesn't hold "Fair Value through Other Comprehensive Income (FVTOCI)" investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2021.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020:

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

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 debt obligations with floating interest rates.

(The space has been intentionally left blank)

(All amounts in Rupees crores, except otherwise stated)

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax (PBT) is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on PBT
31 March 2021*		**Amount**
INR	25 bp increase - Decrease in profit	-
INR	25 bp decrease - Increase in profit	-
31 March 2020		
INR	25 bp increase - Decrease in profit	-
INR	25 bp decrease - Increase in profit	-

*As at 31 March 2021 and 31 March 2020 the company does not have any floating rate borrowings.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax (PBT) is due to changes in the fair value of asset and liabilities.

Particulars	Effects on PBT	
	As at 31 March 2021	**As at 31 March 2020**
USD Sensitivity		
INR/USD- Increase by 5%	108.12	102.87
INR/USD- decrease by 5%	(108.12)	(102.87)
EURO Sensitivity		
INR/EUR- Increase by 5%	(0.22)	(0.02)
INR/EUR- decrease by 5%	0.22	0.02
AED Sensitivity		
INR/AED- Increase by 5%	(0.04)	-
INR/AED- decrease by 5%	0.04	-
CHF Sensitivity		
INR/CHF- Increase by 5%	-	(0.00)
INR/CHF- decrease by 5%	-	0.00

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's management is responsible for liquidity, funding as well as settlement management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
As at 31 March 2021						
Borrowings*	-	-	43.36	3,045.81	-	3.089.17
Trade payables	-	42.01	-	-	-	42.01
Lease Liabilities		0.33	0.87	0.88	-	2.08
Other financial liabilities	-	0.69	1.24	442.86	-	444.79
Total	-	43.03	45.47	3,489.55	-	3,578.05
As at 31 March 2020						
Borrowings*	-	54.12	3,272.04	-	-	3,326.16
Trade payables	21.69	-	-	-	-	21.69
Lease Liabilities	-	0.78	1.86	0.17	-	2.81
Other financial Liabilities	-	0.63	0.67	182.00	-	183.30
Total	21.69	55.53	3,274.57	182.17	-	3,533.96

*For range of interest, repayment schedule and security details refer note 17.

Price Risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Particulars	Change in Price	Effect on Profit Before tax
As at 31 March 2021	5.00%	7.94
As at 31 March 2020	5.00%	4.85

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. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables- Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any services to major customers are generally covered by bank guarantee or other forms of credit assurance.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Financial instruments and cash deposits- Credit risk from balances with banks 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 counter party. Counterparty credit limits are reviewed by the Company's senior management on regular basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company has given Corporate Guarantee to Yes Bank Limited for issuing Term Loan of Rs. 100 Crores (31 March 2020: Rs.100 Crores) in respect of GMR Airport Developers Limited. The said term loan is fully repaid and no amount is outstanding as on 31 march 2021 [Refer note 38(ii)].

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

44. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

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 equity plus total debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents and other bank balances not classified as cash & cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Debt Securities and Borrowings (including current maturities)	3,060.43	3,276.86
Total debts (A)	**3,060.43**	**3,276.86**
Share Capital	1,406.67	1,328.39
Other Equity	14,184.89	14,780.05
Total Equity (B)	**15,591.56**	**16,108.44**
Total equity and total debt (C=A+B)	**18,651.99**	**19,385.30**
Gearing Ratio (%) (A/C)	**16.41%**	**16.90%**

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 breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

45. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.78	0.09
Principal amount due to micro and small enterprises	2.78	0.09
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

46. Expenditure in foreign currency (accrual basis) *

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Legal and professional fees	23.31	21.16
Bank guarantee charges	12.03	-
Training expenses	1.24	0.49
Lease rental	0.90	-
Travelling and conveyance	-	6.59
Miscellaneous expenses	0.30	6.35
Total	**37.78**	**34.59**

*The above expenses are before cost allocation/recovery

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

47. Earnings in foreign currency (accrual basis)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Aviation Academy Income	-	0.71
Interest income on OCD	**183.53**	158.84
Total	**183.53**	**159.55**

48. a. As per regulation 10 of the prudential norms issued by Reserve bank of India ("RBI"), every Non-Banking Financial Institution i.e. Systematically Important Core Investment Company (CIC-ND-SI) is required to make provision @ 0.40% (31 March 2020: 0.40%) on all standard assets and as per regulation 9 at other defined percentages for all "sub-standard assets, doubtful assets and loss assets".

In order to comply with the prudential norms, the Company, based on the internal assessment, has identified only interest bearing assets to be considered for provisioning. Accordingly, the Company has created provision on standard assets @ 0.40% (31 March 2020: 0.40%) on inter corporate deposits & optionally convertible debenture.

b. In addition to above; management has also created provision @ 10% - 100% on the trade receivables and other receivables (31 March 2020: provision @ 10% on the loan to related party, trade receivables and other receivables), as per the requirement of master directions-core investments companies (reserve bank) Directions.

49. During the previous year, the Company has issued 273,516,392 Bonus non-cumulative compulsorily convertible preference shares series A each having a face value of Rs. 10 each, for an aggregate face value of INR 2,735,163,920 as per terms of Shareholders' Agreement ('SHA') dated 20 February 2020 among the Company, Aéroports de Paris S.A. ('ADP'), GMR Infrastructure Limited ('GIL'), and GMR Infra Services Limited ('GISL'), and the Share Subscription and Share Purchase Agreement dated 20 February 2020 ("SSPA") entered among ADP, GIL, GMR Infra Developers Limited, GISL and Company. These CCPS are convertible into equity shares no later than 15 November 2024 in accordance with terms of SHA.

Further, during the Current year as part of second closing with ADP, the Company has issued Bonus CCPS series B, C and D each having a face value of Rs. 10 each, for an aggregate face value of INR 1,693,392,470 as per terms of the revised Shareholders agreement dated 7 July 2020. Bonus CCPS Series B, C and D are convertible into such number of equity shares in accordance with schedule 12 of amended shareholder agreement which are dependent on GAL consolidated target EBIDTA for financial year ended 31 March 2022, 31 March 2023 and 31 March 2024. Bonus Compulsory Convertible Preference Shares Series A, Series B, Series C and Series D are together herein referred as Bonus CCPS'.

All these Bonus CCPS are convertible into the equity shares of the Company as per the terms and conditions specified in the SHA. These Bonus CCPS are issued to the shareholders of the Company as Bonus Shares and are non-redeemable and can only be converted into equity shares of the Company. These Bonus CCPS are currently recorded at the face value not at fair value in accordance with Ind As 109 'Financial Instruments'. The difference between the fair value and face value being notional in nature, amounting to Rs. 1,271.34 crore

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

does not impact the Other Equity. Considering the terms of these Bonus CCPS, once converted, the requisite adjustments will be made in the Other Equity.

50. a. GMR Infrastructure Limited, the Holding Company along with other shareholders of the Company, (together referred as "GMR Group") had signed a share subscription and share purchase agreement with Aeroports DE Paris S.A. (ADP) for stake sale in the Company on 20 February 2020. Pursuant to consummation of the same, ADP would hold 49% stake (directly & indirectly) in the Company for an equity consideration of Rs 10,780.00 crore, valuing the Company at the Base post money valuation of Rs. 22,000.00 crore. The equity consideration comprises of:

- Rs. 9,780.00 crore towards secondary sale of shares by GMR Group; and
- Rs. 1,000.00 crore equity infusion in the Company

In addition, ADP had also pegged Earn-outs upto Rs. 4,475.00 crore linked to achievement of certain agreed operating performance metrics as well as on receipt of certain regulatory clarifications. The successful consummation of earnouts, could increase, the Company's valuation on post money basis to Rs. 26,475.00 crore and the Group stake in the Company to ~59%. The Group will retain management control over the Airports Business with ADP having customary rights and board representation at Company and its key subsidiaries.

The first tranche of Rs 5,248.00 crore for 24.99% shares of the Company (primarily through buyout of GMR Infra Services Limited (GISL) via primary infusion of equity) had been completed on 24 February 2020. The second and final tranche of Rs. 5,532.00 crore (including primary of Rs. 1,000.00 crore in GAL) was subject to regulatory approvals, consents and other approvals.

Since 31 March 2020, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses around the world, leading to an economic slowdown. Despite unprecedented adverse conditions, on 7 July 2020 the Group has completed the transaction with ADP with slight modifications. As per the revised Share Purchase Agreement ("Revised SPA"), the second tranche of the investment for 24.01% of the Company has been structured in two parts:

- A firm amount, immediately paid at Second closing, for a total of Rs. 4,565.00 crore, including Rs. 1,000.00 crore equity infusion in the Company.
- Earn-outs amounting to Rs 1,060.00 crore, subject to the achievement of certain performance related targets by the Company upto the financial year ended 31 March 2024.

Accordingly, ADP has increased earn-outs for the GMR Group which are now pegged at up to Rs. 5,535.00 crore compared to the earlier Rs. 4,475.00 crore. These additional Earn-outs of Rs. 1,060.00 crore are linked to the achievement of certain agreed EBITDA metrics/ levels. The Company has received Rs. 1,000 crore as equity infusion as part of second tranche in accordance with the terms of Revised SPA.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

b. In terms of the Settlement Documents, pertaining to arbitration proceedings in relation to conversion of Noncumulative compulsorily convertible participatory preference shares ('CCPS') A and CCPS B subscribed by certain investors ('PE Investors'), between the Company, Holding Company and PE investors, the Company took approval from the shareholders in Annual General Meeting of the Company held on 29 September 2018, for issuance of Non-Convertible Debentures ('NCD') for an amount not exceeding Rs. 2,050 crore (Rupees Two Thousand fifty crore) on a private placement basis for the following purposes:

- for acquisition of or investment in airports and airport related assets,
- refinancing some of the existing loans of the Company and general corporate purposes including towards payment of any fees and expenses for issuance of the NCDs
- in order to cater to the financial requirements of the future expansion plan of the Company.

The Company vide Information Memorandum dated 15 October 2018 and 24 October 2018, circulated letter of offer to the PE Investors for issuance of 149,000 (One Lakh Forty Nine Thousand) and 56,000 (Fifty Six Thousand) unlisted, unrated, unsecured, non-convertible debentures redeemable not more than three years from the date of allotment aggregating upto Rs. 1,490 crore and Rs. 560 crore respectively on private placement basis. The PE investors subscribed the issue on 16 October 2018 and 24 October 2018 respectively, the allotment of which was approved by the Board of Director on the same date.

During the year ended 31 March 2021, GAL repaid Rs. 1,306.14 crore (31 March 2020: Rs. 743.86 crore) out of Rs. 2,050 crore (principal) to the debenture holders as per the repayment schedule.

As per the terms of financing documents, Company has to ensure an overall IRR of 15% p.a. at the time of redemption of NCDs, by taking into consideration, the amount of coupons already paid on such debentures from 31 July 2018 till the redemption of NCDs, except otherwise agreed by the Company and the Investors, vide any of the financing document. Accordingly, interest expenses has been provided for an amount of Rs. 139.26 crore for year ended 31 March 2021 (Rs. 250.53 crore for year ended 31 March 2020).

51. The Company is in the process of appointment of new Company Secretary post resignation of the erstwhile secretary in the month of February 2021. In the absence of the Company Secretary on the date of the adoption, these financial statements are not signed by Company secretary as required under section 134 of the Companies Act 2013.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

52. Unhedged foreign currency exposure

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Payables		
EUR 5,08,161 @ 85.75 (31 March 2020: EUR 2962 @ 82.77)	4.36	0.43
USD 8,44,834 @ 73.11 (31 March 2020: USD 1,61,746 @ 75.66)	6.18	1.69
AED 4,50,000 @ 19.91 (31 March 2020: NIL)	0.90	-
CHF Nil (31 March 2020: 10,000 @ 78.29)	-	0.08
Trade Receivables		
USD Nil (31 March 2020: USD 87,871 @ 75.66)	-	0.66
OCD (Investment in Optionally Convertible Debentures)		
Principal USD 240,850,000 @ 73.11 (31 March 2020 USD 240,850,000 @ 75.66)	1,760.85	1,822.39
Interest USD 55,778,033 @ 73.11 (31 March 2020 USD 311,94,972 @ 75.66)	407.79	236.03

53. During the previous year, the Company entered into Subscription agreement for 'Optionally Convertible Debenture' ('OCD') with 'GMR Airport International BV' (on 12 October 2018). As per the subscription agreement, GAL has agreed to subscribe OCD of maximum aggregate amount upto Rs. USD 290 million, in one or more tranches. Face value of each OCD shall be 1000 USD, 0 % OCD. The OCD shall be redeemable along with 9% IRR payable on the maturity date or conversion date along with the investment amount. GAL and GAI BV, both have an option for early redemption of OCD in part or full which can be exercised anytime during the tenure of such instrument by giving 15 days' notice.

Accordingly, the company has subscribed OCD of USD 240.85 million (INR 1,762.70 crore) [31 March 2020: USD 240.85 million (INR 1,762.70 crore)] and GAL has accounted for interest income of Rs. 401.88 crore (31 March 2020: Rs. 218.35 crore) on OCD, from the date of subscription to 31 March 2021, in the financial results. The foreign exchange loss of Rs. 73.31 crore (31 March 2020: foreign exchange gain of Rs. 175.36 crore) on reinstatement of OCD as at 31 March 2021 has been charged to P&L during the year ended 31 March 2021.

54. a) During the year ended 31 March 2020, the Company raised money by issue of secured redeemable, listed, rated Non-Convertible Bond ('NCBs') amounting to Rs.1,670 crores from Deutsche Bank on private placement basis as follows:

Tranche	Date of disbursement	Board approval date	Amount (Rs. in crore)
I	28 June 2019	14 June 2019	800.00
II	26 September 2019	5 September 2019	325.00
III	26 September 2019	16 September 2019	325.00
IV	30 January 2020	13 December 2019	220.00

The proceeds from these NCBs were to be used primarily for part redemption of existing 'NCDs with Private equity investors (PE)', investment, debt servicing and for other general corporate purposes.

Further, the company has refinanced above NCBs of Rs. 1,670 Crores (raised during the period ended 31 March 2020 in multiple tranches) vide Board approval date 9 December 2020 for 36 months i.e. till December 2023.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Rating of the above mentioned Non-Convertible Bonds of Rs. 1,670 Crores is CARE A-, negative (Single A Minus; Outlook: Negative) assigned by CARE Ratings Limited vide their report dated 10 March 2021

b) During the period ended 31 December 2020, the company has raised money by issue of unsecured, redeemable, Listed non-convertible Bonds (NCBs) amounting to Rs. 1,330 crores from Deustche Bank (Rs. 665 Crores) and Varde holdings Pte Limited (Rs. 665 Crores) in single tranche vide Board approval date 9 December 2020 for 18 months i.e. till June 2022.

Rating of the above mentioned Non-Convertible Bonds of Rs. 1,330 Crores is CARE A-, negative (Single A Minus; Outlook: Negative) assigned by CARE Ratings Limited vide their report dated 10 March 2021.

The proceeds from aforesaid NCBs were to be used for

a. Payment of all outstanding costs, fees and expenses in relation to the issuance of the Bonds; and
b. Payment of all (and not less than all) amounts under or in connection with the Existing PE NCDs and making certain payments in connection with the Existing Bonds.

55. Disclosure as per Part A of Schedule V of Securities (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the loans and intercorporate deposits granted to subsidiaries, fellow subsidiaries, joint ventures, associates and other companies in which the directors are interested.

Name of the entity	**Relationship**		**Amount outstanding as at**		**Maximum amount outstanding during the year ended**		**Investment by lonee in the share of the Company**
	31 March 2021	**31 March 2020**	**31 March 2021**	**31 March 2020**	**31 March 2021**	**31 March 2020**	
GMR Instructure Limited	Holding Company	Holding Company	216.00	-	416.00	-	548.60
GMR Aerostructure Services Limited	Fellow Subsidiary	Fellow Subsidiary	220.00	-	220.00	-	NIL
Kakinada SEZ Limited	Fellow Subsidiary	Fellow Subsidiary	-	427.18	427.18	427.18	NIL

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

56. Maturity analysis of assets and liabilities as required as per Master Direction- Core Investment Companies (Reserve Bank) Directions, 2016

	As at 31 March 2021			As at 31 March 2020		
Particulars	**Before 12 Months**	**After 12 Months**	**Total**	**Before 12 Months**	**After 12 Months**	**Total**
Assets						
Financial Assets						
Cash and cash equivalents	12.42	-	12.42	1.43	-	1.43
Bank balance other than cash and cash equivalents	98.27	-	98.27	7.58	-	7.58
Trade Receivables	50.90	-	50.90	59.66	-	59.66
Loans	203.70	237.34	441.04	428.51	1.74	430.25
Investments	158.79	21,829.37	21,988.16	121.50	22,837.58	22,959.08
Other financial assets	6.33	4.50	10.83	25.54	6.51	32.05
Non-financial Assets			-			-
Current tax assets (net)	28.91	-	28.91	-	28.82	28.82
Deferred tax assets (net)	-	105.96	105.96	-	62.59	62.59
Property, plant and equipment	0.67	1.04	1.71	-	2.27	2.27
Right of Use-Assets	1.05	0.92	1.97	-	2.69	2.69
Capital work in progress	-	-	-	-	0.84	0.84
Other non- financial assets	31.99	-	31.99	1.76	12.36	14.12
Total Assets	**593.03**	**22,179.13**	**22,772.16**	**645.98**	**22,955.40**	**23,601.38**
Liabilities						
Financial Liabilities						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	2.78	-	2.78	0.09	-	0.09
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	39.23	-	39.23	21.60	-	21.60
Debt Securities	14.62	3,045.81	3,060.43	3,276.86	-	3,276.86
Lease Liabilities	1.20	0.88	2.08	2.64	0.17	2.81
Other financial liabilities	1.93	442.86	444.79	1.31	182.00	183.31
Non Financials Liabilities						
Provisions	2.47	17.53	20.00	1.70	19.17	20.87
Deferred tax liabilities (net)	-	3,599.21	3,599.21	-	3,944.72	3,944.72
Other Non-financial Liabilities	12.07	-	12.07	42.68	-	42.68
Total Liabilities	**74.30**	**7,106.29**	**7,180.59**	**3,346.88**	**4,146.06**	**7,492.94**
Net	**518.73**	**15,072.84**	**15,591.57**	**(2,700.90)**	**18,809.34**	**16,108.44**

CHARTERED ACCOUNTANTS

The Company's net working capital situation as on 31 March 2021 is Rs. 518.73 crores [31 March 2020: (2,700.90) Crore].

57. The Company had provided for Current Income Tax liability for the year 2020-21 as per Income Tax Act, 1961; considering the book profit as per financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (Ind AS financial statements). For the purpose of these standalone financial statements, the Company has considered the current Income tax expenses / liability arrived at basis Ind AS financial statements.

58. Other Disclosures:

a) Till 31 March 2021; Company has incurred Rs. 26.36 Crores (31 March 2020: Rs. 26.38 crores) in Connection with the proposed Initial public offer (IPO)/Upcoming fund-raising activities of its equity shares. Considering management have called off the IPO process; Company has expensed off Rs. Nil (Rs. Nil for the year ended 31 March 2020 & Rs. 15.90 crores for the year ended 31 March 2019) to the statement of profit and loss and for the remaining balance of Rs 10.46 crore (31 March 2020: Rs. 10.48 crores) has been adjusted against the securities premium generated from the fund raising activity as permitted under section 52 of Companies Act, 2013.

b) During the year ended 31 March 2020, Reserve Bank of India (RBI) has conducted an inspection under section 45N of the RBI Act, 1934 for the financial year ended 31 March 2019. The report for the financial year ended 31 March, 2019 has been received in the current period and reply of the same has been filed with the RBI. Subsequently, RBI have send additional comments on our reply and the company has replied on same to RBI. Further, During the current year RBI has conducted an inspection under section 45N of the RBI Act, 1934 for the financial year ended 31March 2020 and has issued their report in relation to the said inspection. The company is in process of sending reply to RBI in relation to the observations.

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

c. **Leases**

Company as lessee:

Assets taken on operating Lease

The Company has leases for office building, space, hiring office/IT equipment's and vehicles under cancellable operating lease arrangements. There are no sub leases. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in few leases in accordance with the lease contracts.

The lease expenses (including lease on equipment taken on hire) pertaining of the company during the year amounted to Rs 2.41 crores (31 March 2020: Rs. 1.75 crores).

Right of Use Assets

Particulars	**Buildings**	**Office Equipment (including Computers)**	**Vehicles**	**Total**
As at 1 April 2019	5.46	0.02	0.10	**5.58**
Additions	-	-	-	-
Deletions	-	-	-	-
Depreciation (net of disposal) /amortisation during the year	2.85	0.01	0.03	**2.89**
As at 31 March 2020	**2.61**	**0.01**	**0.07**	**2.69**
As at 1 April 2020	**2.61**	**0.01**	**0.07**	**2.69**
Additions	2.30	-	-	**2.30**
Deletions	0.87	-	-	**0.87**
Depreciation (net of disposal) /amortisation during the year	2.11	0.01	0.03	**2.15**
As at 31 March 2021	**1.93**	**0.00**	**0.04**	**1.97**

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in Rupees crores, except otherwise stated)

Lease Liability

Particulars	Buildings	Office Equipment (including Computers)	Vehicles	Total
As at 1 April 2019	5.22	0.02	0.10	**5.34**
Additions	-	-	-	-
Disposal	-	-	-	-
Interest for the year	0.41	0.00	0.01	**0.42**
Repayment made during the year	2.91	0.01	0.03	**2.95**
As at 31 March 2020	**2.72**	**0.01**	**0.08**	**2.81**
As at 1 April 2020	**2.72**	**0.01**	**0.08**	**2.81**
Additions	2.30	-	-	**2.30**
Disposal	0.44			**0.44**
Interest for the year	0.24	0.00	0.01	**0.25**
Repayment made during the year	2.79	0.01	0.04	**2.84**
As at 31 March 2021	**2.03**	**0.00**	**0.05**	**2.08**

Maturity profile of Lease Liability

The table below summarises the maturity profile of the Company's financial liabilities based on contractual Undiscounted Payments:

Particulars	Within 1 year	1-3 years	3-5 years	Above 5 years	Total
Lease liabilities	1.20	0.88	-	-	**2.08**

Following amount has been recognized in statement of profit and loss account:

Particulars	Amount
Depreciation/amortisation on right to use asset (net of allocation)	0.87
Interest on lease liability (net of allocation)	0.14
Expenses related to short term & low value lease (included under Other expense)	2.41
Total amount recognised in statement of profit and loss account	**3.42**

d) The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended 31 March 2021, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

59. (a) With the recent and rapid development of the COVID – 19 outbreak, many countries have implemented travel restrictions. The Company has majority of its investments in the Airport sector (through investments in subsidiaries/joint ventures) and with respect to COVID 19 impact on the business of these entities, management believes while the COVID 19 may impact the businesses in the short term, it does not anticipate medium to long term risk to the business prospects. Considering the business plans of the investee companies, the management does not foresee any material impact on the fair value at which the aforementioned investments are carried in the Standalone Financial Statements.

b) Further, the carrying value of the investments in DIAL and GHIAL (both are subsidiaries of the Company) which are carried at fair value are also subject to likely outcome of ongoing litigations and claims as follows:

i. Ongoing arbitration between DIAL and AAI in relation to the payment of Monthly Annual fees for the period till the operations of DIAL reaches pre COVID 19 levels. Basis an independent legal opinion obtained by the management of DIAL, the Company is entitled to be excused from making payment of Monthly Annual fee under article 11.1.2 of OMDA to AAI on account of occurrence of Force Majeure Event under Article 16.1 of OMDA, till such time the Company achieves level of activity prevailing before occurrence of force majeure. In view of the above, the management has not considered the Annual Fee payable to AAI for the years ended 31 March 2021 and 31 March 2022 in the cash flows used for the purposes of estimation of the fair value of investment made by the Company in DIAL.

ii. Consideration of Cargo, Ground Handling and Fuel farm ('CGHF') income as part of non-aeronautical revenue in determination of tariff for the third control period by Airport Economic Regulatory Authority in case of GHIAL. GHIAL has filed appeal with Telecom Disputes Settlement Appellate Tribunal ('TDSAT') and during the previous year, the adjudicating authority, TDSAT, in its disposal order dated 6 March 2020 has directed Airport Economic Regulatory Autohrity ('AERA') to reconsider the issue afresh while determining the aeronautical tariff for the third control period commencing from 1 April 2021. In July 2020, the Company has filed an application with the AERA for determination of Aeronautical tariff for the third control period commencing from 1 April 2021 to 31 March 2026 wherein it has contended that CGHF income shall be treated as non-aero revenue. The management has also obtained legal opinion and according to which GHIAL position is appropriate as per terms of Concession agreement and Airports Economic Regulatory Authority of India Act, 2008.

Accordingly, no adjustments to the carrying value of these investments are considered necessary. The impact of the COVID 19 pandemic and ongoing litigations might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to the future economic conditions

(The space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

60. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these standalone statements have been rounded off or truncated as deemed appropriate by the management of the Company.

For Walker Chandiok & Co. LLP
Chartered Accountants
Firm registration number: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191
Place:
Date: 31 May 2021

For and on behalf of the Board of Directors of

GMR Airports Limited

Grandhi Kiran Kumar
Jt. Managing Director & CEO
DIN:- 00061669

GBS Raju
Vice Chairman
DIN:- 00061686

G.R.K. Babu
Chief Financial Officer
PAN:- ACAPG2146H

Place:
Date: 31 May 2021