

SUBMISSION FORM



Financial Services Commission
Mauritius

Online Data Capture System

Date: 06-May-22

1. Licensee Name: GMR INFRASTRUCTURE (MAURITIUS) LIMITED
2. Licence No, FSC Code & Activity

Licence No.	FSC Code	Activity
C107005099	FS-4.1	investment holding and provision of advisory, support and technical services relating to projects of the GMR Group and trading of commodities such as coal and steel in the international market

3. Reporting Entity Relationship with Licensee

Management Company: Ocorian Corporate Services (Mauritius) Limited

4. Period: 01-Jan-21 To 31-Dec-21
5. Number of pages attached: 36 Pages (*excluding this page*)
6. Declaration

I, the undersigned, hereby declare that the documents attached to this Submission Sheet are true copies of the originals and I agree to submit originals to the Financial Services Commission upon request.

DocuSigned by:


Signature:C0C10FD8A5D44E7.....

Responsible Officer: Asnath Sultunti

Position: Unit Head - Client Accounting

Contact No.: 403 6051

Email Address: asnath.sultunti@ocorian.com

GMR INFRASTRUCTURE (MAURITIUS) LIMITED

FINANCIAL STATEMENTS

FOR YEAR ENDED

31 DECEMBER 2021

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1.

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GMR INFRASTRUCTURE (MAURITIUS) LIMITED
COMPANY INFORMATION

2.

		Date of appointment	Date of resignation
DIRECTORS	:		
	Narang Lilaram Suresh	09 June 2020	-
	Rishikesh Batoosam	30 June 2020	-
	Akash Ramessur	05 October 2020	-
	Subash Sandeep	31 March 2022	-
	Tummalapalli Srinivasa Subrahmanya		
	Veerabhadra Lakshminarayana	23 September 2016	31 March 2022
	Diwan Prakash Kumar		
	(Alternate to Srinivasa Veerabhadra		
	Lakshminarayana Tummalapalli)	08 May 2017	31 March 2022
ADMINISTRATOR AND SECRETARY :	Ocorian Corporate Services Limited 6 th Floor, Tower A 1 CyberCity Ebène Republic of Mauritius		
REGISTERED OFFICE	:		
	6 th Floor, Tower A 1 CyberCity Ebène Republic of Mauritius		
AUDITOR	:		
	RSM (Mauritius) LLP Chartered Accountants 109, Moka Business Centre Mount Ory Road, Bon Air Moka Republic of Mauritius		
BANKERS	:		
	AfrAsia Bank Limited Bowen Square 10, Dr Ferriere Street Port Louis Republic of Mauritius		
	ICICI Bank UK PLC One Thomas More Square London E1W 1YN		
	Mirabaud (Middle East) Limited 24 th Floor, North Tower, Emirates Financial Towers Dubai International Financial Centre PO Box 506666 Dubai UAE		

GMR INFRASTRUCTURE (MAURITIUS) LIMITED COMMENTARY OF THE DIRECTORS

3.

The directors are pleased to present their commentary together with the audited financial statements of GMR Infrastructure (Mauritius) Limited ("the Company") for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holding and provision of advisory, support and technical services relating to projects of the GMR Group and trading of commodities such as coal and steel in the international market at a mark-up.

RESULTS AND DIVIDENDS

The Company's profit for the year ended 31 December 2021 is **USD 25,149,982** (loss 2020: 30,183,435)

The directors do not recommend the payment of dividends for the year under review (2020: USD Nil)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards, as modified by the exemption provided by the Mauritius Companies Act 2001, have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

AUDITOR

The auditor, RSM (Mauritius) LLP, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

By Order of the Board _____ DS

SECRETARY

Dated 06 May 2022

Fayaz DOOBARRY, ACCA
FOR
OCOMIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

**SECRETARY'S CERTIFICATE
TO THE MEMBER OF GMR INFRASTRUCTURE (MAURITIUS) LIMITED**

UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001

We certify, as secretary of GMR Infrastructure (Mauritius) Limited ("the Company"), that based on records and information made available to us by the directors and shareholder of the Company, the Company has filed with the Registrar of Companies for the year ended 31 December 2021, all such returns as are required of the Company under the Companies Act 2001.

DS

Fayaz DOOBARRY, ACCA
FOR
OCORIAN CORPORATE
SERVICES (MAURITIUS) LIMITED

OCORIAN CORPORATE SERVICES (MAURITIUS) LTD

SECRETARY

Dated 06 May 2022

**Independent Auditor's Report
To the Shareholder of GMR Infrastructure (Mauritius) Limited****5**

This report is made solely to the shareholder of GMR Infrastructure (Mauritius) Limited (the "Company"), in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder for our audit work, for this report, or for the opinion we have formed.

Opinion

We have audited the financial statements of GMR Infrastructure (Mauritius) Limited set out on pages 8 to 35, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give true and fair view of the financial position of GMR Infrastructure (Mauritius) Limited as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius. We have fulfilled our other ethical responsibilities in accordance with these requirements and to the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of directors and Secretary's certificate as required by the Mauritius Companies Act 2001. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Else, we have nothing to report in this regard.

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Established since 1982 as Margéot & Associates.

RSM (Mauritius) LLP is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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Responsibilities of the Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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.

**Independent Auditor's Report
To the Shareholder of GMR Infrastructure (Mauritius) Limited (Continued)**

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Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor;
- We have obtained all information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

A handwritten signature in black ink, appearing to be "RSM".

**RSM (Mauritius) LLP
Chartered Accountants
Moka, Mauritius**

Date: 06 May 2022

A handwritten signature in black ink, appearing to be "Prashant Calcutteea".

**Prashant Calcutteea, FCA
Licensed by FRC**

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AUDIT | TAX | CONSULTING**

Established since 1982 as Margéot & Associates.

RSM (Mauritius) LLP is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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The logo for the European Business Awards, featuring a stylized orange circle with a white dot inside, followed by the text "European Business Awards".

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

8.

	Notes	2021 USD	2020 USD
INCOME			
Exchange gain		-	8
Gain on fair value of financial assets at fair value through profit or loss	5	182,349	4,663,180
Gain on disposal of financial assets at fair value through profit or loss		-	31,770
Reversal of impairment on loan	15(a)	98,000	12,816,000
Reversal of impairment on deposit on shares	8(i)	28,750,000	-
		<u>29,030,349</u>	<u>17,510,958</u>
EXPENSES			
Other professional fees		-	3,154
Secretarial and administration fees		13,884	16,356
Audit fees		5,873	6,210
Accountancy fees		7,000	4,800
Directors' fees		2,400	2,400
Licence and registration fees		2,300	2,300
Tax fees		1,200	1,200
Rental expense		5,733	5,753
Custody fees		54,538	63,497
Loss on disposal of financial assets at fair value through profit or loss	5	3,614,443	-
Exchange loss		86	-
Impairment of deposit on shares	8	133,509	47,412,329
		<u>3,840,966</u>	<u>47,517,999</u>
OPERATING GAIN/ (LOSS)		<u>25,189,383</u>	<u>(30,007,041)</u>
Finance cost	3	(39,401)	(47,956)
PROFIT/ (LOSS) BEFORE INCOME TAX		<u>25,149,982</u>	<u>(30,054,997)</u>
Income tax expense	14	-	(128,438)
PROFIT/ (LOSS) FOR THE YEAR		<u>25,149,982</u>	<u>(30,183,435)</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>25,149,982</u>	<u>(30,183,435)</u>

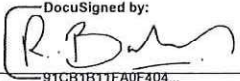
The notes on pages 12 to 35 form an integral part of these financial statements.
Auditor's report on pages 5 to 7.

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

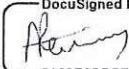
9.

	Notes	2021 USD	2020 USD
ASSETS			
Non-current assets			
Investments in subsidiaries	4	120,815,019	120,815,019
Financial assets at fair value through profit or loss	5	2,955	22,369,106
Financial assets at fair value through other comprehensive income	6	2,064	-
Total non-current assets		120,820,038	143,184,125
Current assets			
Other non-financial assets	7	1,667	2,418
Deposit on shares	8	1,211,469	2
Cash and cash equivalents	9	32,496	18,661
Total current assets		1,245,632	21,081
Total assets		122,065,670	143,205,206
EQUITY AND LIABILITIES			
Stated capital	10	320,550,001	320,550,001
Other equity	11	(221,648,574)	(221,648,574)
Retained earnings/ (accumulated losses)		19,887,668	(5,262,314)
Total equity		118,789,095	93,639,113
Non-current liability			
Loans payable	12	3,265,755	1,290,676
Current liabilities			
Loans payable	12	-	48,263,162
Accounts payable	13	10,820	12,255
Total current liabilities		10,820	48,275,417
Total liabilities		3,276,575	49,566,093
Total equity and liabilities		122,065,670	143,205,206

Authorised for issue by the Board of directors on
and signed on its behalf by

DocuSigned by:

91CB1B11FA0F404...
Director

Dated 06 May 2022

DocuSigned by:

9A30FCBDBFB7498...
Director

The notes on pages 12 to 35 form an integral part of these financial statements.
Auditor's report on pages 5 to 7.

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

10.

	Stated capital	Other equity	(Accumulated losses)/ retained earnings	Total equity
	USD	USD	USD	USD
As at 01 January 2020	320,550,001	(221,648,574)	24,921,121	123,822,548
Loss for the year	-	-	(30,183,435)	(30,183,435)
At 31 December 2020	320,550,001	(221,648,574)	(5,262,314)	93,639,113
Profit for the year	-	-	25,149,982	25,149,982
At 31 December 2021	320,550,001	(221,648,574)	19,887,668	118,789,095

The notes on pages 12 to 35 form an integral part of these financial statements.
Auditor's report on pages 5 to 7.

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

11.

	Notes	2021 USD	2020 USD
<i>Cash flows from operating activities</i>			
Profit/ (loss) before income tax		25,149,982	(30,054,997)
Adjustment for:			
Finance cost		36,917	46,179
Gain on fair value of financial assets at fair value through profit or loss	5	(182,349)	(4,663,180)
Loss/ (gain) on disposal of financial assets at fair value through profit or loss	5	3,614,443	(31,770)
Impairment of deposit on shares	8	133,509	47,412,329
Unrealised foreign exchange gain		86	(8)
Reversal of impairment on loan		(98,000)	(12,816,000)
Reversal of impairment on deposit on shares	8(i)	(28,750,000)	-
Cash used in operations before working capital changes		(95,412)	(107,447)
Decrease/ (increase) in prepayments		751	(18)
Decrease in accruals		(1,435)	-
Tax paid		-	(243,563)
Net cash used in operating activities		(96,096)	(351,028)
<i>Cash flows from investing activities</i>			
Investment in financial assets at fair value through other comprehensive income	6	(2,064)	-
Disposal proceeds from sale of financial assets at fair value through profit or loss	5	18,934,057	4,800,000
(Increase)/ decrease in deposit on shares	8	(1,344,976)	10,471,569
Return of deposit on shares	8	28,750,000	-
Repayment of loan from affiliate		98,000	14,906,000
Net cash generated from investing activities		46,435,017	30,177,569
<i>Cash flows from financing activities</i>			
Repayment of borrowings	12	(46,325,000)	(29,815,000)
Net cash used in financing activities		(46,325,000)	(29,815,000)
Net increase in cash and cash equivalents		13,921	11,541
Cash and cash equivalents at beginning of the year		18,661	7,112
Effects of exchange rate changes on cash and cash equivalents		(86)	8
Cash and cash equivalents at end of the year		32,496	18,661

The notes on pages 12 to 35 form an integral part of these financial statements.
Auditor's report on pages 5 to 7.

1. GENERAL INFORMATION

GMR Infrastructure (Mauritius) Limited (the "Company") is a private limited company incorporated on 18 December 2007 and domiciled in the Republic of Mauritius, holds a Category 1 Global Business Licence under the Financial Services Act 2007 and is regulated by Financial Services Commission. The Company's registered office is 6th Floor, Tower A, 1 CyberCity, Ebene, Republic of Mauritius.

The principal activity of the Company is investment holding and provision of advisory, support and technical services relating to projects of the GMR Group and trading of commodities such as coal and steel in the international market at a mark-up.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

(i) *Basis of presentation*

The financial statements have been prepared in accordance with and in compliance with International Financial Reporting Standards ("IFRS"), IFRIC interpretations and Mauritius Companies Act 2001. The Company has claimed exemption from preparing group financial statements as per the fourteenth schedule, paragraph 12 of the Mauritius Companies Act 2001 when it is the subsidiary of any Company. The financial statements have been prepared under the historical cost convention except for financial assets at fair value through profit or loss which are measured at fair value.

The preparation of financial statements in conformity with IFRS as modified by Mauritius Companies Act 2001 requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are described below:

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgements, estimates and assumptions

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described above, the directors have considered those factors therein and have determined that the functional currency of the company is the USD.

Going concern

For the year ended 31 December 2021 the Company incurred a profit of USD 25,149,982 (2020: loss of USD 30,183,435) and had a net current asset position at the reporting date of USD 1,234,812 (2020: net current liability USD 48,254,336). The directors are confident that the Company's shareholder will continue to support the Company. The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the Company's shareholder. If the Company was unable to continue in operational existence for the foreseeable future, adjustment would have to be made to the balance sheet values of assets to bring them to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long-term liabilities as current liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) *Basis of presentation (continued)*

Significant accounting judgements, estimates and assumptions (continued)

Going concern (continued)

In light of the COVID19, management has made an assessment in respect of the entity's going concern and concluded that there is no issue for which the Company will no longer be a going concern.

Fair valuation of unquoted investments

Fair valuation of unquoted investments is the key source of estimation uncertainty at the reporting date that has a significant risk of causing a material adjustment in the carrying value of investments.

Fair values of unquoted investments such as FVPL are determined by using Mirabaud bank statements.

Impairment assessment

The directors have assessed the carrying value of the investments in the subsidiaries at 31 December 2020 as detailed in Note 4. The impairment assessment relies on forecasts and assumptions that are subject to a significant level of uncertainty.

(ii) *Changes in accounting policy and disclosures*

New and amended standards

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 01 January 2021.

The nature and the impact of each new standard or amendment relevant to the Company are described below:

Amendments to IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform

The changes in Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

- modify specific hedge accounting requirements so that entities would apply those hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform;
- are mandatory for all hedging relationships that are directly affected by the interest rate benchmark reform;
- are not intended to provide relief from any other consequences arising from interest rate benchmark reform (if a hedging relationship no longer meets the requirements for hedge accounting for reasons other than those specified by the amendments, discontinuation of hedge accounting is required); and
- require specific disclosures about the extent to which the entities' hedging relationships are affected by the amendments.

The application of these amendments had no impact on the Company's financial statements.

Covid-19-Related Rent Concessions

In May 2020, the International Accounting Standards Board (the IASB or the Board) had amended the standard to provide an optional relief to lessees from applying IFRS 16's guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) *Changes in accounting policy and disclosures (continued)*

New and amended standards (continued)

Covid-19-Related Rent Concessions (continued)

The objective of the amendment is to provide lessees that have been granted COVID-19 related rent concessions by lessors with practical relief, while still providing useful information about leases to users of the financial statements.

In March 2021, the IASB issued the amendment to IFRS 16 COVID-19-Related Rent Concessions beyond 30 June 2021, to update the condition to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021.

New standards and interpretations that are not yet effective and have not been early adopted by the Company

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective

IFRS 1	First-time Adoption of International Financial Reporting Standards - Annual Improvements to IFRS Standards 2018-2020 (effective 01 January 2022)
IFRS 3	Business combinations - Amendments to Conceptual framework (effective 01 January 2022)
IFRS 9	Financial Instruments - Annual Improvements to IFRS Standards 2018-2020 (effective 01 January 2022)
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts-Cost of Fulfilling a Contract (effective 01 January 2022)
IAS 16	Property, plant and equipment - Proceeds before intended use (effective 01 January 2022)
IAS 41	Agriculture - Annual Improvements to IFRS Standards 2018-2020 (effective 01 January 2022)
IFRS 17	Insurance Contracts - Original issue (effective 01 January 2023)
IAS 1	Presentation of Financial Statements - Classification of Liabilities as Current or Noncurrent (effective 01 January 2023)
IAS 1	Presentation of Financial Statements - Disclosure of Accounting Policies (effective 01 January 2023)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (effective 01 January 2023)
IAS 12	Income Taxes (effective 01 January 2023)
IFRS 10	Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) (effective 01 January 2023)
IAS 28	Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) (effective 01 January 2023)

The directors anticipate that these Standards and Interpretation shall be applied on their effective dates in future periods as applicable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies*

Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in USD, which is the Company's functional and presentation currency. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Current and deferred income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Current versus non-current classification (continued)

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Investment in subsidiaries

A subsidiary is an entity (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are shown at cost. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit or loss and other comprehensive income. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Consolidated financial statements

The Company has taken advantage of the exemption provided by the Mauritius Companies Act 2001 allowing a wholly owned or virtually owned subsidiary of any company and holding a Global Business Licence not to present consolidated financial statements which contain financial information of the Company as an individual company and do not contain consolidated financial information as the parent of the group. The financial statements are for the Company only and do not consolidate the results of its subsidiaries. The Company is a wholly owned subsidiary of GMR Infrastructure Limited, a company listed on the Stock Exchange of India who prepares consolidated financial statements in accordance with Indian GAAP.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(a) *Classification and initial measurement*

The Company classifies its financial assets in the following measurement categories :

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and;
- those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Financial instruments (continued)

Financial assets (continued)

(a) *Classification and initial measurement (continued)*

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(b) *Subsequent measurement*

(i) *Equity instruments*

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

The Company's financial assets at FVPL include investments held in Harrington Capital Emerging Markets.

(ii) *Debt instruments*

There is only one measurement category into which the Company classifies its debt instruments which includes financial assets at amortised cost:

- Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Financial instruments (continued)

Financial assets (continued)

(b) *Subsequent measurement (continued)*

(ii) Debt instruments (continued)

- Financial assets at amortised cost (continued)

The Company's financial assets at amortised cost includes loan to related party and cash and cash equivalents which are subsequently measured as follows:

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Loan to related parties

Loan to related party are the contractual amounts for the settlement of other obligations due to the Company. It is initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(c) *Impairment*

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For further details on impairment of financial assets, see note 16 (b).

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Financial instruments (continued)

Financial assets (continued)

(d) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's consolidated statement of financial position) when:

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

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

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

Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost.

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

The Company's financial liabilities include loans payable and accounts payable.

(b) Subsequent measurement

(i) *Loan payable*

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

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

This category generally applies to interest-bearing loans payable. For more information, refer to Note 12.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Financial instruments (continued)

Financial liabilities (continued)

(b) Subsequent measurement (continued)

(ii) Accounts payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and accounts payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(c) Derecognition

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

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

Offsetting of financial instruments

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

Impairment of non-financial assets

The carrying amount of assets is assessed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's value in use and its fair value less costs to sell, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to profit or loss.

Stated capital

Ordinary shares are classified as equity.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) *Summary of significant accounting policies (continued)*

Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below:

Dividend income is recognised when the shareholder's right to receive payment is established.

Interest income is recognised using the effective interest method.

Expenses recognition

Expenses are accounted for in profit or loss on the accruals basis.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

3. FINANCE COST

	2021 USD	2020 USD
Interest on loan payable (Note 15(b)(i))	36,917	46,179
Bank charges	2,484	1,777
	<u>39,401</u>	<u>47,956</u>
	=====	=====

4. INVESTMENTS IN SUBSIDIARIES

	2021 USD	2020 USD
<i>Unquoted investments at cost:</i>		
At beginning/ at end of the year	120,815,019	120,815,019
	=====	=====

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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4. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Company held investments in the following companies:

Name of subsidiaries	% Holding	Country of incorporation	Class of shares	Nature of business	2021 USD	2020 USD
GMR Infrastructure (Singapore) Pte. Limited	100% (2020: 100%)	Republic of Singapore	Ordinary	Investment holding	120,815,018	120,815,018
GADL International Limited	100 % (2020: 100 %)	Isle of Man	Ordinary	Contractor Design & Development of airports	1	1
					----- 120,815,019 =====	----- 120,815,019 =====

The directors have assessed that the recoverable amounts of all the other investments approximate their carrying values at the reporting date. The subsidiary namely, GADL International Limited is under liquidation process and the investment shall be written off next year.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 USD	2020 USD
At start of the year	22,369,106	22,474,155
Disposed during the year	(22,548,500)	(4,768,229)
Fair value adjustment at end of the year	182,349	4,663,180
	-----	-----
At end of the year	2,955	22,369,106
	=====	=====

	Fair value	
Name of funds	2021 USD	2020 USD
Harrington Cap Em Mkts	2,955	11,893,726
Ilya Fund Multisector	-	4,380,478
Grove Star Emer. Asia Fix.Inc	-	6,094,902
	-----	-----
	2,955	22,369,106
	=====	=====

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The valuation of the above funds has been estimated based on the portfolio valuation statement as at 31 December 2021 as provided by Mirabaud (Middle East) Limited. The directors have relied on the statement to estimate the value of the above investments and are of opinion that the reported balance at 31 December 2021 of USD 2,955 (2020: USD 22,369,106) fairly reflects the market value of these investments.

The following investments were disposed during the year under review:

Name of funds	Number of units	Fair value	Disposal Proceeds	Gain/(Loss)
Harrington Cap Em Mkts	9,992	11,915,851	11,883,545	(32,306)
Ilya Fund Multisector	41,787	4,537,746	4,530,000	(7,746)
Star Emerging Asia Fixed Income Fund	2,149	6,094,903	2,520,512	(3,574,391)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

Equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Company considers this classification to be more relevant. Equity investment at FVOCI comprise of the following investment:

PT GMR Infrastructure Indonesia	2021 USD	2020 USD
At start of the year	-	-
Acquired during the year	2,064	-
At end of the year	2,064	-

Name of subsidiaries	% Holding	Country of incorporation	Class of shares	Nature of business	2021 USD	2020 USD
PT GMR Infrastructure Indonesia	1% (2020: Nil)	Indonesia	Ordinary	Management Consultancy	2,064	-

7. OTHER NON- FINANCIAL ASSETS

	2021 USD	2020 USD
Prepayments	1,040	1,791
Rental deposit	627	627
	1,667	2,418

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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8. DEPOSIT ON SHARES

	2021 USD	2020 USD
Advance against equity to be allotted, to the Company, by		
(i) GMR Infrastructure (Overseas) Limited		
Cost:		
At start of the year	45,033,900	55,503,900
Movement during the year	(28,750,000)	(10,470,000)
At end of the year	16,283,900	45,033,900
Impairment:		
At start of the year	(45,033,899)	-
Movement during the year	28,750,000	(45,033,899)
At end of the year	(16,283,899)	(45,033,899)
Carrying amount at end of the year	1	1

During the year 2021, a reversal of impairment of USD 28,750,000 was made to account for the repayment of deposit on shares to the Company by GMR Infrastructure (Overseas) Limited.

(ii) GADL International Limited

Cost:		
At start of the year	2,378,431	2,380,000
Movement during the year	610	(1,569)
Carrying amount at end of the year	2,379,041	2,378,431
Impairment:		
At start of the year	(2,378,430)	-
Movement during the year	(610)	(2,378,430)
At end of the year	(2,379,040)	(2,378,430)
Carrying amount at end of the year	1	1

(iii) GMR Infrastructure UK Limited

At start of the year	17,721,986	17,721,986
Movement during the year	132,900	-
Carrying amount at end of the year	17,854,886	17,721,986
Impairment		
At start of the year	(17,721,986)	(17,721,986)
Movement during the year	(132,899)	-
At end of the year	(17,854,885)	(17,721,986)
Carrying amount at end of the year	1	-

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2021

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8. DEPOSIT ON SHARES (CONTINUED)

(iv) GMR COAL RESOURCES PTE LTD

At start of the year

Movement during the year

Carrying amount at end of the year

Total carrying amount at end of the year

-	-
1,211,466	-
1,211,466	-
1,211,469	2

9. CASH AND CASH EQUIVALENTS

	2021 USD	2020 USD
<i>Cash at bank</i>		
Current accounts	32,496	18,661

10. STATED CAPITAL

	Number of shares		2021 USD	2020 USD
<i>Issued and fully paid up</i>	2021	2020		
At beginning and end of the year	181,236,001	181,236,001	320,550,001	320,550,001

The par value of each ordinary share is USD 1.

The holder of an ordinary share in the Company shall confer on the holder:

- (a) the right to one vote on a poll at a meeting of the Company on any resolution;
- (b) the right to an equal share in dividends authorised by the Board;
- (c) the right to an equal share in the distribution of the surplus assets of the Company.

11. OTHER EQUITY

	2021 Number of shares	2020 Number of shares	2021 USD	2020 USD
Treasury shares	139,314,000	139,314,000	221,648,574	221,648,574

During the year ended 31 December 2018, pursuant to share buyback agreement between GMR Infrastructure Limited and the Company, it was resolved to buyback 139,314,000 ordinary shares at USD 1.591 per share for a total consideration of USD 221,648,574 and the shares are kept as treasury shares.

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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12. LOANS PAYABLE

	2021 USD	2020 USD
Loan from affiliates (Note 15 b(ii))	-	46,325,000
Loan from subsidiary (Note 15 b(i))	3,265,755	3,228,838
Total loans payable	3,265,755	49,553,838
	=====	=====
Non-current		
Loan from subsidiary	3,265,755	1,290,676
	-----	-----
Current		
Loan from subsidiary	-	1,938,162
Loan from affiliates	-	46,325,000
	-----	-----
	-	48,263,162
	-----	-----
Total loans payable	3,265,755	49,553,838
	=====	=====

13. ACCOUNTS PAYABLE

	2021 USD	2020 USD
Accruals	10,820	12,255
	=====	=====

14. INCOME TAX

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15% (2020: 15%). The Company has received its Category 1 Global Business Licence ("GBL1") on or before 16th October 2017 and was grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 ("FA 2018"). As from 1st July 2021, the Company's GBL1 licence was automatically converted to a Global Business Licence ("GBL"). The Company have therefore operated under the current tax regime up to 30th June 2021.

Until 30th June 2021, the Company's foreign sourced income was eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax.

The deemed amount of foreign tax is based on 80% (2020: 80%) of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all of its foreign sourced income.

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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14. INCOME TAX (CONTINUED)

The Company's GBL1 licence will convert to a GBL licence on 1st July 2021 and will operate under the new tax regime. Under the new regime, the Company will be able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws. At 31 December 2021, the Company had accumulated tax losses of USD 40,874 (2020: USD Nil).

The tax losses are available for set off against taxable profits of the Company as follows:

Up to the year ending:

	2021 USD	2020 USD
31 December 2026	40,874	-
	=====	=====
	40,874	-
	=====	=====

A reconciliation between the accounting profit and the actual income tax expense is presented below:

	2021 USD	2020 USD
Profit/ (loss) before taxation	25,149,982	(30,054,997)
	=====	=====
Applicable income tax at tax rate of 15% (2020:15 %)	3,772,497	(4,508,250)
Impact of:		
Income not taxable	(4,354,539)	(2,621,878)
Exempt income	-	(4,765)
Expenses not deductible for tax purposes	575,912	7,134,893
Utilised tax losses	6,130	-
	-----	-----
Income tax charge	-	-
	=====	=====

A reconciliation between the opening and closing tax liability is shown below:

	2021 USD	2020 USD
At start of the year	-	115,125
Under provision in previous year	-	128,438
Income tax charge for the year	-	-
Paid during the year	-	(243,563)
	-----	-----
At end of the year	-	-
	=====	=====

GMR INFRASTRUCTURE (MAURITIUS) LIMITED
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14. INCOME TAX (CONTINUED)

Deferred income tax

A deferred tax asset of USD 6,131 (2020: USD Nil) has been recognised in respect of tax losses carried forward as the directors consider that it is not probable that future taxable profits will be available against which the unused tax losses can be utilised.

15. RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following transaction with related parties. The nature, volume of the transactions and the balances are as follows:

a) Loans receivable

<i>(i) GMR Energy Project (Mauritius) Limited - Affiliate</i>	2021 USD	2020 USD
At start of the year	98,000	15,004,000
Refund during the year	(98,000)	(14,906,000)
	-----	-----
At end of the year	-	98,000
	-----	-----
Impairment:		
At start of the year	(98,000)	(12,914,000)
Movement during the year	98,000	12,816,000
	-----	-----
At end of the year	-	(98,000)
	-----	-----
Carrying amount at end of year	-	-
	=====	=====

During the year under review, GMR Energy Project (Mauritius) Limited has repaid the amount of USD 98,000 and the impairment of USD 98,000 was reversed.

b) Loans payable

<i>(i) GMR Infrastructure (Singapore) Pte Ltd - Ph Branch</i>	2021 USD	2020 USD
At start of the year	3,228,838	3,182,658
Addition during the year	-	-
Interest payable during the year (Note 3)	36,917	46,180
	-----	-----
At end of the year (Note 12)	3,265,755	3,228,838
	=====	=====

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Details of the above loans are given below:

- (i) Loan amounting to USD 573,822 (2020: USD 567,670) which is unsecured, and bears interest at 12 months USD LIBOR plus 1% per annum and is repayable on 31 August 2024.
- (ii) Loan amounting to USD 1,096,617 (2020: USD 1,084,311) which is unsecured, and bears interest at 12 months USD LIBOR plus 1% per annum and is repayable on 02 January 2023.
- (iii) Loan amounting to USD 863,695 (2020: USD 853,850) which is unsecured, and bears interest at 12 months USD LIBOR plus 1% per annum and is repayable on 26 June 2023.
- (iv) Loan amounting to USD 731,621 (2020: USD 723,007) which is unsecured, and bears interest at 12 months USD LIBOR plus 1% per annum and is repayable on 05 June 2024.

(ii) *GMR Male International Airport Private Limited- affiliate*

At start of the year	46,325,000	76,140,000
Repaid during the year	(46,325,000)	(29,815,000)
	=====	=====
At end of the year (Note 12)	-	46,325,000
	=====	=====

Details of the above loans are given below:

- (i) Loan amounting to USD Nil (2020: USD 20,955,000) which is unsecured, interest free and repayable on demand.
- (ii) Loan amounting to USD Nil (2020: USD 25,370,000) which is unsecured, interest free and repayable on demand.

(c) Key management services

	2021 USD	2020 USD
Expenses including directors' fees incurred by the Company	24,484	24,757
	=====	=====
Outstanding balance	5,121	6,021
	=====	=====

The compensation to key management personnel is provided on commercial terms and conditions.

16. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

The Company's exposure to the various types of risks associated to its activity and financial instruments is detailed below:

(a) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) *Currency risk*

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company has assets and liabilities denominated in Great Britain Pound Sterling ("GBP") and EURO ("EUR"). Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to GBP and EUR may change in a manner, which has a material effect on the reported value of the Company's assets and liabilities which are denominated in GBP and EUR.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	2021		2020	
	Financial assets USD	Financial liabilities USD	Financial assets USD	Financial liabilities USD
Financial assets				
GBP	218	-	220	-
EUR	40	-	42	-
USD	37,884	3,265,755	22,387,505	49,566,093
	-----	-----	-----	-----
	38,142	3,265,755	22,387,767	49,566,093
	=====	=====	=====	=====

Investment in subsidiaries amounting to USD 120,815,019 (2020: USD 120,815,019), deposit on shares amounting to USD 1,211,469 (2020: USD 2) and prepayments amounting to USD 1,040 (2020: USD 1,791), have been excluded in the above table.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(i) *Currency risk (continued)*

Sensitivity analysis

The following table indicates the approximate change in the Company's post-tax profit and equity in response to reasonable possible changes in the foreign exchange rates to which the Company has significant exposure at the reporting date, with all other variables held constant.

	Increase/(decrease) in Foreign exchange rates	Effect on post tax profit (loss)/ gain		Effect on equity (loss)/ gain	
		2021 USD	2020 USD	2021 USD	2020 USD
Depreciation of GBP	+5%	11	11	11	11
Appreciation of GBP	-5%	(11)	(11)	(11)	(11)
Depreciation of EUR	+5%	2	2	2	2
Appreciation of EUR	-5%	(2)	(2)	(2)	(2)

(ii) *Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company holds significant interest bearing financial assets and liabilities such as cash and cash equivalents, loans to related parties and loans payable on which interest may fluctuate in amount, due to changes in market interest rates.

The Company's interest rate risk arises from interest received on cash and cash equivalents, loans to related parties and interest paid or payable on loans payable. Based on the assumption that the interest rate had been 0.5% higher or lower on the applicable interest rate, post-tax profits and equity would have been USD 185 higher or lower (2020: USD 231).

(iii) *Price risk*

Equity price risk is the risk of unfavourable changes in fair values of equities as the result of changes in the value of individual shares. The Company has no exposure to price risk at year end.

(b) *Credit risk*

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

The Company has only one type of financial assets that are subject to the expected credit loss model which includes financial assets carried at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

Financial assets at amortised cost

Financial assets at amortised cost include loans to related parties and to key management personnel. The loss allowance for other financial assets at amortised cost as at 31 December 2020 reconciles to the opening loss allowance on 1 January 2021 and to the closing loss allowance as at 31 December 2021 as follows:

During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired financial assets:

	2021 USD	2020 USD
Impairment losses on financial assets at amortised cost	-	-
	=====	=====

(c) Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves to meet its obligations as they fall due and through financing from related parties.

The maturity profile of the financial liabilities is summarised as follows:

	Due within 1 year USD	More than 1 year USD	Total USD
2021			
Loans payable	-	3,265,755	3,265,755
Accounts payable	10,820	-	10,820
	-----	-----	-----
	10,820	3,265,755	3,276,575
	=====	=====	=====
2020			
Loans payable	48,263,162	1,290,676	49,553,838
Accounts payable	12,255	-	12,255
	-----	-----	-----
	48,275,417	1,290,676	49,566,093
	=====	=====	=====

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) *Fair values*

The carrying amounts of other non-financial assets, financial assets at amortised cost, other non financial assets (excluding prepayments), amount due from parent, cash and cash equivalents, loan payable, derivative financial liability approximate their fair values.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table analyses within the fair value hierarchy the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value, measured at 31 December 2021 and 2020, is observable:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2021				
Financial assets at fair value through profit or loss	<u>-</u>	<u>2,955</u>	<u>-</u>	<u>2,955</u>
	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2020				
Financial assets at fair value through profit or loss	<u>-</u>	<u>22,369,106</u>	<u>-</u>	<u>22,369,106</u>

(e) *Capital management*

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The management considers issued and paid up ordinary shares to be comprising the capital of the Company.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial risk factors (continued)

(f) *Financial instruments by category*

2021	Financial assets at fair value through profit or loss USD	Fair value at amortised cost USD	Total USD
Financial assets at fair value through profit and loss	2,955	-	2,955
Cash and cash equivalents	-	32,496	32,496
Total	2,955	32,496	35,451

2020	Financial assets at fair value through profit or loss USD	Fair value at amortised cost USD	Total USD
Financial assets at fair value through profit and loss	22,369,106	-	22,369,106
Cash and cash equivalents	-	18,661	18,661
Total	22,369,106	18,661	22,387,767

	Other financial liabilities at amortised cost	
	2021 USD	2020 USD
Financial liabilities		
Loans payable	3,265,755	49,553,838
Accounts payables	10,821	12,255
Total	3,276,576	49,566,093

17. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	01 January USD	Cash changes Financing cash flows USD	31 December USD
2021			
Loan payable	49,553,838	(46,288,083)	3,265,755
Accounts payable	12,255	(1,434)	10,821
2020			
Loan payable	79,322,658	29,768,820	49,553,838
Accounts payable	12,255	-	12,255

18. PARENT AND ULTIMATE PARENT

The directors consider GMR Power Urban and Infra Limited and GMR Enterprises Pvt Limited as the Company's parent and ultimate parent respectively.

19. EVENTS AFTER THE REPORTING DATE

The subsidiary namely GADL International Limited is currently under liquidation process and will wind up during the year 2022.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.