

GMR Hyderabad International Airport Limited
CIN:U62100TG2002PLC040118

Consolidated Balance Sheet

(All amounts in Rupees Crores, except per share data and when otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	4	7,979.38	4,717.37
Capital work-in-progress	34	295.06	2,827.18
Right of use asset	5	69.37	71.25
Goodwill	6	36.27	36.27
Other intangible assets	6	72.33	66.95
Intangible assets under development	36	1.94	1.66
Investment in joint ventures	7	90.01	88.23
Financial assets			
- Investments	7	52.43	-
- Loans	8	0.20	0.12
- Other financial assets	9	825.19	846.23
Non current tax assets (net)		61.59	80.38
Deferred tax asset (net)	32	422.69	485.40
Other non-current assets	10	93.89	89.70
		10,000.35	9,310.74
Current assets			
Inventories	11	114.60	121.33
Financial assets			
- Investments	12	1,424.89	1,095.82
- Trade receivables	13	185.43	127.61
- Cash and cash equivalents	14	610.35	145.31
- Bank balances other than cash and cash equivalents	15	184.16	654.34
- Loans	8	201.09	200.03
- Other financial assets	9	274.23	161.36
Other current assets	10	89.30	79.02
		3,084.05	2,584.82
Assets held for sale	66	-	127.44
Total assets		13,084.40	12,023.00
Equity and Liabilities			
Equity			
Equity share capital	16	378.00	378.00
Other equity	17		
- Capital reserve		107.00	107.00
- Debenture Redemption Reserve		253.00	199.00
- Retained earnings		1,160.97	844.12
- Cash flow hedge reserve		(144.29)	(127.01)
Total equity		1,754.68	1,401.11
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	18	8,602.43	8,565.82
- Lease liabilities	53	96.51	95.09
- Other financial liabilities	19	180.98	162.12
Government grants	20	14.51	19.79
Long-term provisions	21	22.66	21.24
Deferred tax liability (net)	32	15.62	7.16
Other non-current liabilities	22	277.50	138.33
		9,210.21	9,009.55

Consolidated Balance Sheet

(All amounts in Rupees Crores, except per share data and when otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
Current liabilities			
Financial liabilities			
- Borrowings	23	748.93	273.62
- Lease liabilities	53	2.50	1.07
- Trade payables	24		
-Total outstanding dues of micro and small enterprises		26.97	23.94
-Total outstanding dues of creditors other than micro and small enterprises		310.98	236.80
- Other financial liabilities	19	837.30	867.56
Government grants	20	5.27	5.27
Other current liabilities	22	141.72	102.91
Short-term provisions	21	45.10	36.44
Current tax liabilities (net)		0.74	-
		2,119.51	1,547.61
Liabilities classified as held for sale	66	-	64.73
Total liabilities		11,329.72	10,621.89
Total equity and liabilities		13,084.40	12,023.00

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm registration number: 001076N/N500013

For K.S. Rao & Co.,

Chartered Accountants

ICAI Firm registration number: 003109S

For and on behalf of the Board of Directors of

GMR Hyderabad International Airport Limited

Sd/-
Anamitra Das
Partner
Membership No.: 062191

Sd/-
Hitesh Kumar P
Partner
Membership No.: 233734

Sd/-
GBS Raju
Managing Director
DIN: 00061686

Sd/-
C Prasanna
Director
DIN: 01630300

Sd/-
Pradeep Panicker
Chief Executive Officer

Sd/-
Anand Kumar P
Chief Financial Officer

Place: Gurugram
Date: May 20, 2024

Place: Bengaluru
Date: May 20, 2024

Place: New Delhi
Date: May 20, 2024

Place: Hyderabad
Date: May 20, 2024

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Consolidated Statement of Profit and Loss

(All amounts in Rupees Crores, except per share data and when otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	25	2,718.31	1,910.80
Other income	26	226.07	177.55
Total income		2,944.38	2,088.35
Expenses			
Concession fee		78.68	54.41
Purchase of stock-in-trade		109.58	130.53
Changes in inventory of stock-in-trade	27	7.41	(42.59)
Employee benefits expense	28	336.92	265.65
Loss on settlement of derivative financial instruments		-	90.77
Other expenses	31	875.19	744.37
Total Expenses		1,407.78	1,243.14
Earnings before finance cost, tax, depreciation and amortisation expenses (EBITDA) and exceptional items		1,536.60	845.21
Finance costs	29	582.14	404.10
Depreciation and amortization expenses	30	495.77	312.88
Profit before tax and exceptional item		458.69	128.23
Exceptional Items		74.68	0.00
Profit before tax and share of profit in joint ventures		533.37	128.23
Share of profit in joint ventures		(4.65)	6.15
Profit / (loss) before tax		528.72	134.38
Tax expense	32		
Current tax		74.83	3.01
Taxes for earlier years		(0.13)	0.79
Minimum alternate tax credit entitlement		(74.83)	(3.01)
Deferred tax expense		155.37	25.69
Total tax expense		155.24	26.48
Profit after tax		373.48	107.90
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans, net of tax	33	(2.63)	(1.22)
Share of other comprehensive income in joint ventures	33	-	
Items that will be reclassified to profit or loss			
Cash flow hedge reserve	33	(26.56)	(240.23)
Income tax effect on above	33	9.28	99.42
Total other comprehensive loss		(19.91)	(142.03)
Total comprehensive profit / (loss)		353.57	(34.13)
Attributable to equity holders of the parent			
Profit after tax		373.48	107.90
Other comprehensive loss		(19.91)	(142.03)
Total comprehensive loss		353.57	(34.13)
Earnings per equity share			
Basic and diluted (in Rs.)		9.88	2.85
Weighted average number of equity shares		37,80,00,000	37,80,00,000
Nominal value per share		10.00	10.00

The accompanying notes are an integral part of these Consolidated Financial Statements.

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C Prasanna

Director

DIN: 01630300

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Pradeep Panicker

Chief Executive Officer

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Anand Kumar P

Chief Financial Officer

Place: Gurugram

Date: May 20, 2024

Place: Bengaluru

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Place: New Delhi

Date: May 20, 2024

Place: Hyderabad

Date: May 20, 2024

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Consolidated Cash Flow Statement

(All amounts in Rupees Crores, except per share data and when otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit before tax	528.72	134.38
<i>Adjustment to reconcile profit/ (loss) before tax to net cash flows</i>		
Share of (profit)/loss in joint ventures	4.65	(6.15)
Depreciation and amortization expenses	495.77	312.88
Provision for bad debts/bad debts written off	5.47	63.00
Inventories written off	4.23	1.66
Amortisation of prepaid expenses	-	0.04
Amortisation of deferred income	(11.19)	2.14
Unrealised foreign exchange loss/ (gain)	0.06	4.77
(Gain)/ loss on sale of property, plant and equipment	1.39	2.30
Income/(loss) arising from fair valuation of investment	(28.43)	-
Interest income	(133.88)	(101.89)
Interest expense	582.14	404.10
Loss on settlement of derivative financial instruments	-	89.25
Exceptional items	(74.68)	-
Gain on sale of financial assets (mutual funds)	(41.93)	(25.50)
Provision no longer required, written back	(3.66)	(1.94)
Income from government grants	(5.28)	(5.27)
Dividend Income	-	(4.90)
Operating profit before working capital changes	1,323.38	868.87
<i>Working capital adjustments:</i>		
Changes in trade payables	80.49	81.40
Changes in other liabilities	177.98	29.36
Changes in other financial liabilities	47.71	21.35
Changes in provisions	7.45	9.20
Changes in trade receivables	(57.82)	(22.73)
Changes in inventories	2.50	(39.17)
Changes in other assets	(13.89)	(93.81)
Changes in other financial assets	(45.25)	120.99
Changes in loans	(0.14)	0.56
Cash generated from operations	1,522.41	976.02
Direct taxes paid (net)	(55.26)	3.88
Net cash generated from operating activities (A)	1,467.15	979.90
Cash flows from investing activities		
Purchase of property plant and equipment, including CWIP, capital advances and intangible assets under development	(1,031.06)	(889.55)
Proceeds from sale of property, plant and equipment including CWIP	0.85	0.81
Dividend income	-	4.90
Loans given	(1.00)	-
Investments made during the period	(30.43)	(21.89)
Recovery in inter corporate deposits	-	40.00
Purchase of current investments	(3,540.51)	(2,578.48)
Proceeds from sale of current investments	3,113.90	2,388.21
Proceeds from sale of non current investments	139.47	-
Movement in other bank balances	470.18	601.17
Interest received	143.07	99.22
Net cash used in investing activities (B)	(735.53)	(355.61)

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Consolidated Cash Flow Statement

(All amounts in Rupees Crores, except per share data and when otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from financing activities		
Proceeds from long-term borrowings	791.54	2,127.22
Repayment of long-term borrowings	(225.61)	(2,050.62)
Proceeds from short term borrowings, net	(158.63)	(103.73)
Payment of lease rentals	(8.51)	(7.70)
Proceeds from hedge cancellation	-	225.49
Interest paid including borrowing cost	(665.69)	(743.96)
Net cash used in financing activities (C)	(266.90)	(553.30)
Net change in cash and cash equivalents (A + B + C)	464.72	70.99
Cash and cash equivalents at the beginning of the year	145.57	74.97
Effects of exchange differences on cash & cash equivalents held in foreign currency	0.06	(0.39)
Cash and cash equivalents at the end of the year	610.35	145.57
Components of cash and cash equivalents		
Cash on hand	1.50	0.63
With banks		
- on current accounts	30.80	32.55
- in foreign currency account	13.98	11.63
- on deposit accounts	564.07	100.50
Cash and cash equivalents classified under asset held for sale	-	0.26
Total cash and cash equivalents	610.35	145.57

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date.

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GMR Hyderabad International Airport Limited
CIN:U62100TG2002PLC040118
Consolidated Statement of Changes in Equity for the year ended March 31, 2024
(All amounts in Rupees Crores, except per share data and when otherwise stated)

Equity share capital:

Equity shares of Rs.10 each issued, subscribed and fully paid

As at April 1, 2022

Issue of shares during the year

As at March 31, 2023

Issue of shares during the year

As at March 31, 2024

Number	Amount
37,80,00,000	378.00
-	-
37,80,00,000	378.00
-	-
37,80,00,000	378.00

Other equity

As at April 1, 2022

Profit for the year

Adjustment on account of Debenture Redemption Reserve

Remeasurement of post-employment benefits obligations

Reclassified to Statement of Profit and Loss on account of hedge settlement (net of tax)

Cash flow hedge reserve (net of tax)

As at March 31, 2023

As at April 1, 2023

Profit for the year

Adjustment on account of Debenture Redemption Reserve

Remeasurement of post-employment benefits obligations

Cash flow hedge reserve (net of tax)

As at March 31, 2024

Attributable to the equity holders of the parent				
Reserves and surplus			Other reserves	Total
Capital reserve*	Debenture Redemption Reserve	Retained earnings	Cash flow hedge reserve	
107.00	-	936.44	(44.26)	999.18
-	-	107.90	-	107.90
-	199.00	(199.00)	-	-
-	-	(1.22)	-	(1.22)
-	-	-	58.06	58.06
-	-	-	(140.81)	(140.81)
107.00	199.00	844.12	(127.01)	1,023.11
107.00	199.00	844.12	(127.01)	1,023.11
-	-	373.48	-	373.48
-	54.00	(54.00)	-	-
-	-	(2.63)	-	(2.63)
-	-	-	(17.28)	(17.28)
107.00	253.00	1,160.97	(144.29)	1,376.68

*GMR Hyderabad International Airport Limited ("the Company") has received a contribution of Rs. 107.00 crores from its shareholder i.e. Government of Telangana as per the terms of State Support Agreement for construction of Airport. This contribution received from Government of Telangana has been recognised as capital contribution from a shareholder of the Company.

The accompanying notes are an integral part of these Consolidated Financial Statements.

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GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

1. Corporate information

GMR Hyderabad International Airport Limited ('GHIAL', 'Company' or 'the Holding Company') is a Public Limited Company domiciled in India, its subsidiaries and joint ventures herein are collectively referred as "the Group". GHIAL was incorporated in 2002 under the provisions of the Companies Act, 1956 having their registered office at GMR Aero Towers, Rajiv Gandhi International Airport, Shamshabad, Hyderabad – 500 108. The Holding Company is engaged in the business of providing Airport Management Services on a Build, Owned, Operate and Transfer, and only operate model. Presently, the Company is managing the operations of Rajiv Gandhi International Airport ("RGIA" or "Airport") at Hyderabad, India and the airport in Bidar in Karnataka, India.

The Group is engaged in operation of airport infrastructure and other allied service such as cargo handling, development of airport city and SEZ area near airport, trading of goods in duty free area of airport, security services, hospitality services, development of logistics park and maintenance, repair and overhaul facility (MRO) of aircraft near and around the RGIA.

The Consolidated Financial Statements are authorized for issue in accordance with a resolution passed by the Board of Directors of Holding Company in its meeting held on May 20, 2024.

2. A. Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Sec 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of Division II of schedule III to the Act, including the amendments to schedule III notified by the Ministry of Corporate Affairs ("MCA") vide its notification dated 24 March 2021.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) and Net defined benefit (asset)/ liability which have been measured at fair value.

The Consolidated Financial Statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2024.

Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements are presented in Indian Rupees ("Rs.") and all the values are rounded to the nearest Crore, except per share data, per unit data and when otherwise indicated.

B. Basis of Consolidation

(i) Subsidiary

Subsidiary includes the entity over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the under-lying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control.

Subsidiary is fully consolidated from the date on which control is transferred to the Group, and they are deconsolidated from the date when control ceases.

(ii) Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint ventures are accounted for from the date on which Group obtains joint control over the joint venture.

GMR Hyderabad International Airport Limited**CIN:U62100TG2002PLC040118****Summary of material accounting policies and other explanatory information****(All amounts in Rupees crores, except per share data and when otherwise stated)****(iii) Method of consolidation**

Accounting policies of the respective individual subsidiary, joint venture are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The Consolidated financial statements of subsidiary are fully consolidated on a line-by-line basis. Intragroup balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The un-realised gains resulting from intra-group transactions are also eliminated. Similarly, the un-realised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

The Group's investments in its joint venture is accounted for using the equity method. Accordingly, the investments are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of investee. Any excess of the cost over the Group's share of net assets in its joint venture at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The un-realised gains / losses resulting from transactions (including sale of business) with joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. However, un-realised losses are eliminated only to the extent that there is no evidence of impairment.

At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

Entities considered in the Consolidated Financial Statements as Subsidiaries are listed below:

Name	Principal activities	Place and country of operation	% equity interest as March 31	
			2024	2023
GMR Hyderabad Aerotropolis Limited (GHAL)	Development of commercial property	Hyderabad, India	100%	100%
GMR Hyderabad Aviation SEZ Limited (GHASL)	Development of SEZ	Hyderabad, India	100%	100%
GMR Air Cargo and Aerospace Engineering Limited (GACAEL)	Cargo handling operations and operation of maintenance, repair and overhaul (MRO) of aircrafts at Airport	Hyderabad, India	100%	100%
GMR Hospitality and Retail Limited (GHRL)	Operation of business hotel and duty free	Hyderabad, India	100%	100%
GMR Aero Technic Limited (GATL)	MRO consultancy services	Hyderabad, India	100%	100%
GMR Hyderabad Airport Assets Limited (GHAAL)	Development of commercial property	Hyderabad, India	-	100%

Information about joint ventures

Name	Principal activities	Country of Incorporation	% equity interest as at March 31	
			2024	2023
Laqshya Hyderabad Airport Media Private Limited (LHAMPL)	Advertisement	India	49%	49%
ESR GMR Logistics Park Private Limited (GLPPL) (formerly GMR Logistics Park Private Limited)	Development of logistics park	India	30%	30%

3. Material accounting policy information

a. Use of estimates:

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The Group based its assumptions and estimates on parameters available when these 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 Group. Such changes are reflected in the assumptions when they occur.

b. Business combinations and goodwill:

Business combinations other than common control business combinations are accounted for using the acquisition method. The cost of an acquisition other than in a common control business combination is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. Business combination involving entities under common control are accounted for using the pooling of interests method.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- i. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- ii. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- iii. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- iv. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

c. Investment in joint ventures:

A jointly controlled entity is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the jointly controlled entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its jointly controlled entity are accounted for using the equity method. Under the equity method, the investment in a jointly controlled entity is initially recognized at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the jointly controlled entity since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the jointly controlled entity. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the jointly controlled entity, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the jointly controlled entity is eliminated to the extent of the interest in the jointly controlled entity.

If an entity's share of losses of a joint venture equals or exceeds its interest in the jointly controlled entity (which includes any long term interest that, in substance, form part of the Group's net investment in the jointly controlled entity), the entity discontinues recognising its share of further losses. If the jointly controlled entity subsequently reports profits, the

entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognized.

The aggregate of the Group's share of profit or loss of a jointly controlled entity is shown on the face of the statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its jointly controlled entity. At each reporting date, the Group determines whether there is objective evidence that the investment in the jointly controlled entity is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entity and its carrying value, and then recognises the loss as 'Share of profit of a jointly controlled entity' in the statement of profit or loss.

d. Current versus Non-current classification:

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

- i) It is expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

e. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date net of accumulated impairment loss, if any. Property, plant and equipment under installation or under construction as at balance sheet are shown as capital work-in-progress and the related advances are shown as capital advances.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are satisfied. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

GMR Hyderabad International Airport Limited**CIN:U62100TG2002PLC040118****Summary of material accounting policies and other explanatory information****(All amounts in Rupees crores, except per share data and when otherwise stated)**

The Group identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset.

Spares parts that can only be used in connection with a particular item of property, plant and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

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

f. Depreciation:

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed by Airport Economic Regulatory Authority ("AERA") in case of airport assets and as prescribed under Schedule II of the Companies Act, 2013 in case of other assets, except as stated below based on the technical advice as obtained by the management. The following useful lives of property, plant and equipment is adopted by the Group:

Particulars	(Useful life in years)
Leasehold Improvements	30
Buildings on leasehold land*	10-30
Building interim terminal#	7
Buildings on freehold land	30-60
Runways	30
Roads – other than RCC **	10
Recarpeting of runways	5
Electrical installations **	10-15
Plant and equipments	15
Office equipment	5
Computer equipments	3-6
Furniture and fixtures	3-7
Vehicles	8-10

*The useful lives of modifications to buildings on leasehold land are estimated as 10 years.

**The useful lives of internal roads – other than RCC and certain electrical installations (transformers) are estimated as 10 years and 15 years respectively. These lives are longer than those indicated in schedule II.

#During the previous years, GHIAL has commissioned two interim terminals namely Interim International Departure Terminal (IIDT) and Interim Domestic Arrival Terminal (IDAT) to accommodate the growing traffic, until the expanded terminal becomes operational. Further, the area where these interim terminals are created, will eventually be used for expansion and boarding gates, therefore these interim terminals will need to be demolished after seven years. Based on the same, the management has considered the life of seven years period for these terminal buildings and related assets i.e. electrical installations and certain plant and machineries viz. Fire systems, HVAC systems. Accordingly, IIDT, IDAT building, electrical installations, Fire systems, HVAC systems are depreciated over a period of seven years.

g. Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Goodwill arising on consolidation is not amortized but tested for impairment in accordance with Ind AS 103.

h. Amortization of intangible assets:

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each year. Cost relating to computer software, which are acquired, are capitalized and amortized on a straight – line basis over their useful life not exceeding six years.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

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

i. Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) fair value less cost to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

j. Inventories:

Inventories are valued at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition. However, stores and spares items held for use in providing the service are not written down below cost if the services are expected to be provided at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

k. Borrowing cost:

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

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1. Provisions, contingent liabilities and commitments:

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

Contingent liability is disclosed in the case of:

- 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
- A present obligation arising from past events, when it cannot be measured reliably.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

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

m. Retirement and other employee benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of Superannuation Fund and Employee State Insurance are defined contribution schemes, and the Group recognizes contribution payable to these schemes as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the funds.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method.

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

Short-term employee benefits

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

The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. However, the Group presents the entire provision towards accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

n. Financial Instrument

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

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus except in case of Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

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

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

Debt instruments at amortized cost:

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

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

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

Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On

derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition:

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

- a. The rights to receive cash flows from the asset have expired, or
- b. The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 the Group's 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 Group could be required to repay.

Impairment of financial assets:

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

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115
- d. Loan commitments which are not measured as at FVTPL
- e. Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group 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.

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 Group 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, the Group is required to consider:

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

As a practical expedient, the Group evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation 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.

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

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing credit risk and impairment loss, the Group 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.

Equity Investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement:

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss:

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

Financial liabilities at fair value through profit or loss:

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

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings:

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

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. 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 recognized in the statement of profit or loss.

Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period

following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest."

Offsetting of financial instruments:

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

o. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognized firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation. Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion relating to foreign currency portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in recognised liability and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

p. 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 consolidated 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 Group's cash management.

q. Cash dividend to equity holders of the parent

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

r. Foreign currency Transactions

The Group's Consolidated Financial Statements are presented in INR, which is also the Group's functional currency and the currency of the primary economic environment in which the Group operates.

Transactions and balances

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of profit and loss in the period in which they arise.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income ("OCI"):

- certain debt instruments classified as measured at FVOCI; and
- qualifying cash flow hedges, to the extent that the hedges are effective.

s. Fair Value Measurement

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

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

- i. In the principal market for the asset or liability, or
- ii. 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 group.

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.

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

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 Group 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.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group 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 Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

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

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

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

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Quantitative disclosures of fair value measurement hierarchy
- c) Financial instruments (including those carried at amortized cost)

t. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured on the basis of transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc.

The specific recognition criteria described below must also be met before revenue is recognized.

Revenue from contract with customer

Revenue from contracts with customers is recognised when performance obligation in relation to transfer of services is satisfied at an amount that reflects the transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Income from service:

- i. Revenue from Airport Operations i.e. Aeronautical and Non-Aeronautical Operations are recognized on an accrual basis, net of service tax and applicable discounts, when services are rendered and it is possible that an economic benefit will be received which can be quantified reliably. Revenue from Aeronautical operations includes landing and parking charges of aircraft, operation and maintenance of passenger boarding and other allied services. Revenue from Non-aeronautical operations include granting rights to use land and space primarily for catering to the needs of passengers, air traffic services and air transport services.

Further, Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in non-aeronautical revenue in the statement of profit or loss due to its operating nature.

- ii. In case of cargo handling revenue, revenue from outbound cargo is recognized for non-airline and airline customers at the time of departure of aircraft. Revenue from inbound cargo is recognized at the time of arrival of aircraft in case of airline customers and at the point of delivery of cargo in case of non-airline customers.
- iii. In case of MRO business, revenue is recognized upon transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances, taxes or duties collected on behalf of the Government. An entity shall recognize revenue when the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset. Revenue relating to fixed price contracts is recognized based on percentage of completion method (POC method).
- iv. Revenue from hotel operations comprises of income by way of hotel room rent, sale of food, beverages and allied services relating to the hotel and is recognized net of taxes and discounts as and when the services are provided and products are sold.
- v. Income from management / technical services is recognized as per the terms of the agreement on the basis of services rendered.
- vi. Revenue from commercial property development rights granted to concessionaires is recognized on accrual basis, as per the terms of the agreement entered into with the customers.
- vii. Revenue earned in excess of billings has been included under 'other assets' as unbilled revenue and billings in excess of revenue has been disclosed under 'other liabilities' as unearned revenue.

Sale of Goods:

Revenue from sale of goods is recognized at the time of delivery of goods to customers which coincides with transfer of risks and rewards to its customers. Sales are stated net of returns and discounts.

Interest income:

- i. Interest on all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.
- ii. Interest for delayed payments from customers is accounted only when it is unconditionally accepted by the customers.

Significant financing component:

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Group also receives long-term advances from customers for providing the license to operate at the Airport. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Company satisfies a performance obligation but does not have an unconditional rights to consideration. A receivables represents the Company's right to an amount of consideration that is unconditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. 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.

u. Taxes:

Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Current 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 tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current and deferred tax items are recognized 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 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:

- 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 interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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. 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 (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax on items reversing within the tax holiday period is not recognized.

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.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as "Deferred Tax Asset." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

v. Leases

The Group assesses a contract at 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.

Group as a lessee:

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

Right-of-use assets: The Group 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 remeasurement 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.

The 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. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities: At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

In case of a short-term lease contract and lease contracts for which the underlying asset is of low value in accordance with Ind AS 116, lease payments are charged to statement of profit and loss on accrual basis.

Group as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfers from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

w. 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 Group are segregated.

x. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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, if any.

y. Standards and recent pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

4 Property, Plant and Equipment

	Leasehold Improvements	Freehold land	Buildings on leasehold land	Buildings on freehold land	Runways	Roads	Plant and equipments	Furniture and fixtures	Office equipments	Computer equipments	Electrical installations	Vehicles	Total
Gross block, At cost													
As at April 1, 2022	161.49	16.13	1,818.07	62.31	1,081.60	150.64	796.70	86.33	17.38	72.00	353.43	10.76	4,626.84
Additions	11.22	-	1,035.64	-	195.16	6.08	542.13	41.93	12.09	10.20	193.61	2.71	2,050.77
Disposals	(8.27)	-	(3.61)	-	-	(1.59)	(8.47)	(1.47)	(0.02)	(0.16)	(0.64)	(0.14)	(24.37)
Adjustments*	(5.82)	-	(86.16)	-	-	(5.44)	(8.41)	-	(0.01)	-	(2.54)	-	(108.38)
As at March 31, 2023	158.62	16.13	2,763.94	62.31	1,276.76	149.69	1,321.95	126.79	29.44	82.04	543.86	13.33	6,544.86
Additions	4.45	-	2,071.29	-	156.39	22.47	1,116.70	97.88	9.08	16.50	314.46	4.04	3,813.26
Disposals	-	-	(142.50)	-	-	(1.45)	(19.74)	(15.00)	(3.04)	(20.70)	(6.80)	(1.19)	(210.42)
Adjustments*	-	-	72.08	-	-	1.43	11.15	6.29	1.74	1.72	6.54	-	100.95
As at March 31, 2024	163.07	16.13	4,764.81	62.31	1,433.15	172.14	2,430.06	215.96	37.22	79.56	858.06	16.18	10,248.65
Depreciation													
Up to March 31, 2022	41.63	-	457.60	10.63	175.10	114.58	444.77	55.42	11.83	57.00	194.73	3.74	1,567.03
Charge for the year	7.12	-	91.13	1.33	62.63	4.68	85.96	9.22	3.79	6.66	29.80	1.52	303.84
Adjustments *	(0.53)	-	(15.76)	-	-	(2.86)	(2.69)	-	-	-	(1.42)	-	(23.26)
Disposals	(5.92)	-	(3.40)	-	-	1.18	(7.82)	(0.89)	(0.02)	(0.13)	(0.63)	(0.13)	(20.12)
Up to March 31, 2023	42.30	-	529.57	11.96	237.73	115.22	520.22	63.75	15.60	63.53	222.48	5.13	1,827.49
Charge for the year	7.22	-	167.44	1.30	93.10	7.40	106.36	21.88	5.33	8.59	59.29	1.95	479.86
Adjustments	-	-	25.27	-	-	0.87	10.42	4.88	1.19	1.49	5.69	-	49.81
Disposals	-	-	(25.90)	-	-	(0.90)	(17.30)	(13.47)	(2.88)	(20.37)	(5.88)	(1.19)	(87.89)
Up to March 31, 2024	49.52	-	696.38	13.26	330.83	122.59	619.70	77.04	19.24	53.24	281.58	5.89	2,269.27
Net book value													
As at March 31, 2023	116.32	16.13	2,234.37	50.35	1,039.03	34.47	801.73	63.04	13.84	18.51	321.38	8.20	4,717.37
As at March 31, 2024	113.55	16.13	4,068.43	49.05	1,102.32	49.55	1,810.36	138.92	17.98	26.32	576.48	10.29	7,979.38

* During the previous financial year ended 31 March 2023, the Group has identified certain group of Property, plant and equipment for sale, hence classified the same as "Assets Held for Sale", which has been sold in the current financial year.

Note:

- a) The title deeds of all the immovable properties held by the Group (Other than properties where the Group is the lessee and the lease arrangements are duly executed in favour of the lessee), are held in the name of the Group.
- b) There was no revaluation of property, plant and equipment including right of use assets and intangible assets carried out by the Group during the respective reporting years.

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees Crores, except otherwise stated)

5 Right of use asset

	Land and Building	Vehicles	Total
Gross block, At cost			
As at April 1, 2022	82.99	-	82.99
Additions	-	1.30	1.30
As at March 31, 2023	82.99	1.30	84.29
Additions	7.75	-	7.75
Disposals	(7.14)	-	(7.14)
As at March 31, 2024	83.60	1.30	84.90
Accumulated Depreciation			
Up to March 31, 2022	9.70	-	9.70
Charge for the year	3.18	0.16	3.34
Up to March 31, 2023	12.88	0.16	13.04
Disposals	(1.23)	-	(1.23)
Charge for the year	3.56	0.16	3.72
Up to March 31, 2024	15.21	0.32	15.53
Net book value			
As at March 31, 2023	70.11	1.14	71.25
As at March 31, 2024	68.39	0.98	69.37

6 Goodwill and other intangible assets

	Goodwill	Computer software	Technical knowhow	Right to operate - cargo facility	Total
Gross block, At cost					
As at April 1, 2022	36.27	16.34	8.98	66.50	128.09
Additions	-	5.81	-	17.33	23.14
Disposals	-	-	-	(1.59)	(1.59)
As at March 31, 2023	36.27	22.15	8.98	82.24	149.64
Additions	-	15.32	-	2.27	17.59
Disposals	-	(0.39)	-	(0.07)	(0.46)
As at March 31, 2024	36.27	37.08	8.98	84.44	166.77
Accumulated Depreciation					
Up to March 31, 2022	-	10.54	8.98	22.73	42.25
Charge for the year	-	2.20	-	3.50	5.70
Disposals	-	-	-	(1.53)	(1.53)
Up to March 31, 2023	-	12.74	8.98	24.70	46.42
Charge for the year	-	4.73	-	7.46	12.19
Disposals	-	(0.39)	-	(0.05)	(0.44)
Up to March 31, 2024	-	17.08	8.98	32.11	58.17
Net book value					
As at March 31, 2023	36.27	9.41	-	57.54	103.22
As at March 31, 2024	36.27	20.00	-	52.33	108.60

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees Crores, except otherwise stated)

7 Investment in joint ventures and others

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
(i) Investments in joint ventures				
Investment measured using equity method				
Investment in equity shares (unquoted)				
Laqshya Hyderabad Airport Media Private Limited	98,00,000	28.63	98,00,000	24.41
ESR GMR Logistics Park Private Limited	1,77,15,000	6.62	1,77,15,000	15.48
Investment in Optionally Convertible Debentures (unquoted)				
ESR GMR Logistics Park Private Limited	16,35,000	16.35	16,35,000	16.35
Investment in Non Convertible Debentures (unquoted)				
ESR GMR Logistics Park Private Limited	32,82,000	32.82	26,40,000	26.40
<i>On account of fair valuation of loans given to joint ventures below market rate</i>				
Laqshya Hyderabad Airport Media Private Limited		5.59		5.59
		90.01		88.23
Aggregate book value of unquoted investments		90.01		88.23
Aggregate amount of impairment in the value of investments		-		-
(ii) Investments in Others				
<i>Investment in equity shares (unquoted) measured at FVTOCI</i>				
Digi Yatra Foundation	148	0.00	148	0.00
<i>Investment in units (unquoted), measured at FVTPL</i>				
Innovex Fund I	24,00,000	52.43	Nil	-
		52.43		0.00
Aggregate book value of unquoted investments		52.43		-
Aggregate amount of impairment in the value of investments		-		-

Note: Face value of Groups's investment in equity shares of the above joint ventures and other investments is Rs.10 per equity share fully paid-up, face value of investment in optionally convertible debentures and non convertible debentures is Rs. 100 per debenture fully paid-up, respectively.

8 Loans

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Loan receivables in the nature of				
Loan to employees	0.20	0.12	0.09	0.03
Loans to related parties (refer details below)	-	-	201.00	200.00
	0.20	0.12	201.09	200.03
Break up of loans to related parties*:				
	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
GMR Power & Urban Infrastructure Limited	-	-	58.80	58.80
GMR Airport Infrastructure Limited	-	-	141.20	141.20
Digi Yatra Foundation	-	-	1.00	-
	-	-	201.00	200.00

* The balance of loans receivable as at March 31, 2024 and as at March 31, 2023 represents amount lent to GMR Power & Urban Infrastructure Limited, a fellow subsidiary company and GMR Airports Infrastructure Limited, GALs holding company, for the purpose of fulfilling their immediate debt service requirements. The loan is repayable in a single payment by August 21, 2024 and carries an interest rate of 11% p.a. Further, during the current year the Holding Company has given loan to Digi Yatra Foundation for their working capital requirements, which is repayable in 1 year and carries an interest rate of 9.5% p.a.

Note: The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Act), either severally or jointly that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

9 Other financial assets

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Security deposits	22.69	18.52	0.16	2.35
	22.69	18.52	0.16	2.35
Non-trade receivables	-	-	54.02	26.63
Unbilled revenue	-	-	89.17	84.50
Interest accrued on fixed deposits	0.53	-	2.70	5.89
Interest accrued on investments	11.42	-	7.43	13.76
Interest accrued on others	-	-	14.24	13.91
Margin money deposits*	-	0.83	-	-
Finance lease receivables	8.82	7.03	-	-
Bank deposits with a maturity period more than 12 months	13.36	6.37	-	-
Other receivables	-	-	0.16	14.32
Derivative assets	768.37	813.48	106.35	-
	825.19	846.23	274.23	161.36

*Represents margin money deposits held with banks.

10 Other assets

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Capital advances	20.88	31.49	-	-
(A)	20.88	31.49	-	-
Advances other than capital advances				
Others	7.79	7.79	18.22	12.59
	7.79	7.79	18.22	12.59
Less: Provision for doubtful advances	(5.06)	(0.04)	-	-
(B)	2.73	7.75	18.22	12.59
Prepaid expenses	0.09	1.22	9.80	8.95
Lease equalisation reserve	37.02	25.83	-	-
Balances with government authorities	33.17	23.41	61.28	57.48
(C)	70.28	50.46	71.08	66.43
Total (A+B+C)	93.89	89.70	89.30	79.02

11 Inventories

	March 31, 2024	March 31, 2023
Traded goods*	45.50	52.98
Stores, spare parts and consumables*	72.16	68.42
Less: Provision for non moving spares	(3.06)	(0.07)
	114.60	121.33

*includes material in transit of Rs. 0.46 crores (March 31, 2023: Rs. 1.83 crores).

12 Investments

	As at March 31, 2024		As at March 31, 2023	
	No. of units	Amount	No. of units	Amount
Investment in mutual funds (unquoted, non-trade) measured at FVTPL				
Aditya Birla Sunlife Liquid Fund - Growth Regular Plan	-	-	9,34,685	115.61
Sundaram Money Fund Regular Growth	-	-	2,77,117	33.01
Sundaram Money Fund Direct Growth	1,16,950	14.89	1,43,443	16.85
UTI Liquid Fund - Growth	1,74,886	57.32	1,67,740	51.47
Axis Overnight Fund-Direct Growth Plan	4,53,900	64.37	2,43,896	33.32
ICICI Prudential Overnight Fund Direct Plan Growth	4,97,535	64.18	2,80,052	41.79
SBI Premier Liquid Fund - Regular Plan - Growth	-	-	7,823	59.88
SBI Overnight Fund - Direct Growth	5,499	2.14	82,666	30.17
Aditya Birla Sunlife Overnight Fund - Growth-Regular Plan	3,54,439	41.31	-	-
Tata Overnight Direct Plan Growth	4,33,267	54.73	2,21,106	28.46
Invesco India Overnight Fund - Direct Plan - Growth	30,236	10.02	-	-
Aditya Birla Sunlife Overnight Fund - Growth - Direct Plan	79,910	10.34	86,770	18.36
Nippon India Liquidity Fund Growth Plan Growth Option	15,21,997	19.56	38,16,414	45.89
HDFC Liquid Fund Growth	30,060	10.68	30,060	10.01
Tata Liquid fund Regular Plan - Growth	68,089	8.60	39,367	4.66
Kotak Liquid Regular Plan - Growth	79,319	10.13	39,504	4.72
Kotak liquid fund Institutional premium - Growth	56,759	7.25	3,05,580	36.54
Sundaram Money Fund Direct Growth	2,18,134	34.27	-	-
HSBC Overnight Fund - Direct Growth	4,44,981	55.75	-	-
ABSL Overnight – Direct Growth	1,03,089	13.35	-	-
HSBC Liquid Fund Direct Growth	75,004	18.05	-	-
Bandhan Mutual Fund Direct Growth	19,652	2.51	-	-
		499.45		530.74
Investment in certificate of deposit* (unquoted, non-trade) at Amortised cost				
Bank of Baroda	2,000	99.41	-	-
Canara bank	4,000	198.76	-	-
Punjab national bank	3,000	148.11	-	-
		446.28		-
Investment in commerical paper* (unquoted, non-trade), measured at amortised cost				
Time Technoplast Ltd	-	-	1,000	107.59
Edelweiss Rural and Corporate Services Limited	4,660	227.86	5,440	360.10
Edelweiss Financial Services Limited	5,140	251.30	3,000	97.39
		479.16		565.08
		1,424.89		1,095.82
Aggregate book value of unquoted investments		1,424.89		1,095.82
Aggregate amount of impairment in the value of investments		-		-

*Face value of all commercial paper and certificate of deposits is Rs.0.05 crores (March 31, 2023: Rs.0.05 crores) per unit.

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13 Trade receivables

	March 31, 2024	March 31, 2023
Secured, considered good	36.96	54.55
Unsecured receivables, considered good	148.47	73.06
Unsecured receivables, with significant increase in credit risk	1.08	1.36
	186.51	128.97
Less: Allowances for doubtful receivables	(1.08)	(1.36)
	185.43	127.61

Trade receivables to the extent covered by security deposit or bank guarantees are considered as secured receivables.

14 Cash and cash equivalents

	March 31, 2024	March 31, 2023
Balances with banks		
- In current accounts	30.80	32.55
- Deposits with original maturity of less than three months	564.07	100.50
- In foreign currency account	13.98	11.63
Cash on hand	1.50	0.63
	610.35	145.31

15 Bank balances other than cash and cash equivalents

	March 31, 2024	March 31, 2023
Deposits with original maturity of more than 3 months but less than 12 months	184.08	652.53
Margin money deposits*	0.08	1.81
	184.16	654.34

*Represents margin money deposits held with banks.

16 Equity

	March 31, 2024	March 31, 2023
Authorized share capital		
400,000,000 (March 31, 2023: 400,000,000) equity shares of Rs. 10 each	400.00	400.00
Issued, subscribed and fully paid-up shares		
378,000,000 (March 31, 2023: 378,000,000) equity shares of Rs.10 each fully paid up	378.00	378.00
	378.00	378.00

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

	March 31, 2024		March 31, 2023	
Equity Shares	Number	Amount	Number	Amount
At the beginning of the year	37,80,00,000	378.00	37,80,00,000	378.00
Outstanding at the end of the year	37,80,00,000	378.00	37,80,00,000	378.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will 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. Further all shareholders will have their representative in the Board of Directors of the Company as per the terms of arrangement.

(c) Shares held by holding/intermediate holding company

	March 31, 2024		March 31, 2023	
Equity shares of Rs.10 each fully paid	Number	Amount	Number	Amount
GMR Airports Limited ("GAL"), Holding Company*	27,97,19,000	279.71	23,81,39,000	238.14
GMR Airports Infrastructure Limited, GAL's Holding Company	1,000	0.00	1,000	0.00
	27,97,20,000	279.71	23,81,40,000	238.14

*Including 5 Equity shares held by others as nominee shareholders.

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

	March 31, 2024		March 31, 2023	
Equity shares of Rs. 10 each, fully paid-up	Number	% holding	Number	% holding
GMR Airports Limited, Holding Company	27,97,19,000	74.00%	23,81,39,000	63.00%
Airports Authority of India	4,91,40,000	13.00%	4,91,40,000	13.00%
Government of Telangana	4,91,40,000	13.00%	4,91,40,000	13.00%
MAHB (Mauritius) Private Limited	-	-	4,15,73,540	11.00%

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

(e) There are no shares reserved for issue under options and contract/commitments for the sale of shares/disinvestment.**(f) The Company has not issued any equity shares pursuant to contract without payment being received in cash or by way of bonus shares or bought back any equity shares during the last five years preceding the balance sheet date.**

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17 Other equity

	March 31, 2024	March 31, 2023
Reserves and surplus		
Capital reserve	107.00	107.00
Debenture Redemption Reserve	253.00	199.00
Retained earnings	1,160.97	844.12
	1,520.97	1,150.12
Cash flow hedge reserve	(144.29)	(127.01)
Total other equity	1,376.68	1,023.11

Nature and purpose of reserves**Capital Reserve**

The Company has received a contribution of Rs.107 crores from its shareholder i.e., Government of Telangana as per the terms of State Support Agreement for construction of Airport. This contribution received from Government of Telangana has been recognised as capital contribution from share holder of the Company.

Debenture Redemption Reserve

Debenture redemption reserve was created on issue of listed secured Non-Convertible Debentures (NCDs). The Company shall use the debenture redemption reserve in accordance with the provisions of the Act.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to the shareholders.

Cash flow hedge reserve

Cash flow hedge reserve was created on entering into derivative transactions in the earlier years. The same shall be reclassified to Statement of Profit or Loss on settlement of the derivative instruments

18 Long-term borrowings

	March 31, 2024	March 31, 2023
Bonds and Debentures, secured		
1,750 units 4.25% Senior Secured Notes ('SSN') of USD 200,000 each	2,898.94	2,850.77
1,436.58 units (March 31, 2023: 1,436.58 units) 4.75% SSN of USD 200,000 each	2,382.06	2,339.61
Nil units (March 31, 2023: 368 units) 5.375% SSN of USD 200,000 each	-	603.02
11,500 units 8.805% Listed Secured NCD of Rs. 1,000,000 each	1,139.48	1,138.35
84,000 units 8.710% Listed Secured NCD of Rs. 100,000 each	834.02	833.39
54,000 units 8.580% Listed Secured NCD of Rs. 100,000 each	534.60	-
123,400 units 8.71% Un-listed Secured NCD of Rs. 10,000 each	120.62	-
Term loans, secured		
From banks	214.21	120.53
From others	289.50	428.11
Term loan, unsecured		
<i>From Others</i>		
Government of Telangana	189.00	252.04
	8,602.43	8,565.82
Current maturities of long-term borrowings		
368 units (31 March 2023: Nil units) 5.375% SSN of USD 200,000 each	613.78	-
Government of Telangana (unsecured)	63.00	63.01
From bank, financial institution and others	51.26	31.09
	728.04	94.10

i) 4.25% SSN

4.25% SSN were issued on October 27, 2017 to refinance secured rupee term loans and foreign currency loans and fund the airport expansion project works. The coupon rate of 4.25% p.a. plus applicable withholding tax is fixed through the tenor and is payable semi-annually. The 4.25% SSN are repayable after 10 years i.e. on October 27, 2027 (bullet repayment).

ii) 4.75% SSN

4.75% SSN were issued on February 02, 2021 for funding the airport expansion project works. The coupon rate of 4.75% p.a. plus applicable withholding tax is fixed through the tenor and payable semi-annually. 4.75% SSN are repayable after 5 years i.e. on February 02, 2026 (bullet repayment). During the previous financial year, the Company has prepaid 4.75% SSN to the extent of USD 12.685 million.

iii) 5.375% SSN

5.375% senior secured notes were issued on April 10, 2019 for funding the airport expansion project works. The coupon rate of 5.375% p.a. plus applicable withholding tax is fixed through the tenor and payable semi-annually. 5.375% SSN are repayable after 5 years i.e. on April 10, 2024 (bullet repayment). During the previous financial year, the Company has prepaid 5.375% SSN to the extent of USD 226.39 million.

iv) 8.805% Listed, Secured, Rated, Redeemable Non-Convertible Debentures

GHIAL has issued 115,000 Non-Convertible Debentures (NCD's) of Rs. 1,000,000 each, which are listed on BSE Limited. NCD's carry an interest of 8.805% per annum payable quarterly. Interest is fixed for a period of five years from the date of issue and subsequently is subject to reset in accordance with the terms of the Debenture Trust Deed. NCD's are repayable in four annual installments of Rs. 143.75 crores starting from September 30, 2028 and balance Rs. 575 crores is repayable on December 13, 2032.

v) 8.710% Listed, Secured, Rated, Redeemable Non-Convertible Debentures

GHIAL has issued 84,000 Non-Convertible Debentures (NCD's) of Rs. 100,000 each, which are listed on BSE Limited. NCD's carry an interest of 8.710% per annum payable quarterly. Interest is fixed for a period of five years from the date of issue and subsequently is subject to reset in accordance with the terms of the Debenture Trust Deed. NCD's are repayable in four annual installments of Rs. 105 crores starting from December 31, 2028 and balance Rs. 420 crores is repayable on March 11, 2033.

vi) 8.580% Listed Secured Non-Convertible Debentures

GHIAL has issued 54,000 Non-Convertible Debentures (NCD's) of Rs. 100,000 each, which are listed on BSE Limited. NCD's carry an interest of 8.580% per annum payable quarterly. Interest is fixed for a period of five years from the date of issue and subsequently is subject to reset in accordance with the terms of the Debenture Trust Deed. NCD's are repayable in four annual installments of Rs. 67.5 crores starting from December 31, 2029 and balance Rs. 270 crores is repayable on March 28, 2034.

Senior Secured Notes mentioned in notes (i) (ii) and (iii) and NCD mentioned in (iv) (v) and (vi) above are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land (to an extent of 2,136.45 acres), freehold land of 8.824 acres and first pari-passu charge on all movable and immovable assets, all insurance contracts, contractors' guarantees and liquidated damages payable by the contractors; all the rights, titles, permits, approvals and interests of GHIAL in, to and in respect of the Project Agreements (i.e. Concession Agreement, State Support Agreement, Land Lease Agreement and the CNS-ATS Agreement) as detailed in the Indenture dated October 27, 2017, April 10, 2019 and February 02, 2021 and Debenture Trust Deed dated December 09, 2022, March 10, 2023 and March 27, 2024 respectively to the maximum extent permitted under the Project Agreements; floating charge on all the operating revenues/receivables of GHIAL; and floating charge on all the GHIAL's accounts and each of the other accounts required to be created by GHIAL pursuant to the Security Documents (excluding any Excluded Accounts) and, including in each case, all monies lying credited/deposited into such accounts.

vii) During FY 23-24, GHRL has issued 1,23,400 rated unlisted senior secured redeemable non-convertible debentures of the nominal value of INR 10,000 each. Amounting to Rs.123.40 crore on a private placement basis ("The Debentures") to NIIF Infrastructure Finance Limited carrying floating interest rate of derived from 5 years Bench Mark Rate plus Spread, as may be reset/revised from time to time on the reset dates which is repayable in structured instalments. The Coupon rate as on 31st March 2024 is 8.71%pa (31st March 2023 is Nil) payable quarterly, is based on the credit rating. Any change in the credit rating will result in the change Spread and result into change in the coupon Rate. Further, these unlisted senior secured redeemable non-convertible debentures has First ranking paripasu charge over the movable & immovable assets of GHRL except Duty free division till final date of settlement.

Debenture holders may have the option to exercise put option only after the expiry of a period of 5(Five) years and/or 10(Ten) years from the deemed date of allotment.

viii) Loans from banks, secured

a) The existing loan of GHRL with Axis Bank carries the interest rate variable from 8.35% to 9.25% p.a (March 31, 2023: 8.60% p.a.) during the current period. The loan is secured by second charge with the existing credit facilities in terms of cash flows (including repayments) and security (Except guarantee's provided for existing facilities). The existing outstanding loan facility has been prepaid during the current financial year

b) During FY 2021-22, the GHRL has obtained Rupee Term Loan facility sanction of Rs.41.52 crore from ICICI Bank Ltd on September 21, 2021. The processing fees @ 0.5% amounting to Rs.0.21 Crore has been paid. The facility shall be used for incurring capital expenditure for Dutyfree division and renovation of hotel division with debt to equity ratio of 75:25. The loan has a repayment schedule of 32 structured quarterly installments started from June 30, 2022. The Rupee Term Loan shall be secured in favour of ICICI Bank/Security trustee by way of first pari-passu charge by way of hypothecation/charge/mortgage/security interest over immovable assets (including assignment of leasehold rights in the case of leasehold land), current assets, fixed assets, cash flows and a pledge of equity shares of the Company held by GHIAL. The entire security shall be shared on pari-passu basis with other lenders of GHRL. The loan with ICICI Bank carries the interest rate of MCLR + 0.25% spread which would be reset at the end of every one year from the date of disbursement. This existing loan facility has been prepaid by the company during the current financial year.

c) GHAL has taken an amount of Rs. 90 Crore from ICICI Bank in April, 2023. Repayment of such Loan will be in 120 structured monthly instalments, beginning from the end of next month of the first disbursement. The interest rate applicable on the facility shall be equal to 8.75% p.a. payable monthly, fully floating linked to the ICICI 1 Year MCLR. The said loan is secured by first pari passu charge on the land sub-leasehold rights in relation to the land parcel and exclusive charge over book debts, operating cashflows, Scheduled Receivables, DSRA and Account, in relation to the properties.

GHAL has got another sanctioned term loan of Rs. 194 Crore from Bank of Maharashtra (BOM) in March, 2024. Out of which, Rs. 15 Crore has been disbursed on 30th March 2024. Repayment of such Loan will be in 120 structured monthly instalments, beginning from the end of construction period of 24 months and moratorium period of 24 months. The interest rate applicable on the facility shall be equal to 9.70% p.a. payable monthly, fully floating linked to the 1 year MCLR (8.80%) + Spread (0.65%) + Business Strategy Spread (0.25%).

ix) Loans from others (secured)

a) GHAL has taken Term loan of amount 63.50 Crore from Aditya Birla Finance Limited (ABFL) at an interest rate of 9.65 % p.a., repayable over 32 structures Quarterly installments beginning from September 2021. The interest rate has changed to 8.95% w.e.f. December 01, 2021. Now, the current interest rate has been reset to 9.15% w.e.f 1st January 2024 and is secured by first ranking charges on leasehold rights, interest and benefit in respect of sub lease land of 1.5 acres together with all building, structures, etc. on the said land, movable assets including movable machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and other movable assets, present and future, and intangibles of whatsoever nature in both present and future, revenues, book debts, receivable, bank accounts including TRA, DSRA etc of GHAL.

b) The GHASL had availed a term loan amounting to 110.00 Crore with an fixed interest rate of 7.60% p.a., Which is repayable in 142 structured monthly repayments beginning from June 30, 2022.

c) During the month of March-23, GHASL had a sanctioned term loan facility of Rs. 62.00 crore from Aseem Infra. Out of which, 15.00 crore loan amount has been disbursed at an interest rate of 9.15% p.a i.e., 6 month MCLR SBI + Spread. which is repayable in 120 structured monthly installments starts from April 2024. During the FY 23-24, another Rs. 25.00 crore loan amount has been disbursed to the GHASL. The interest rate has been reset to 9.20% w.e.f August 24, 2023. Furthermore, the interest rate has been increased by 0.10% w.e.f February 24, 2024. So, the current interest rate is 9.30% p.a.

Term loan facility mentioned in (b) & (c) is secured by cash flows and/or receivables, both present and future from lessees/tenants accruing to the borrower arising from Properties and moveable assets including book debts, operating cash flows, Scheduled Receivables and Escrow Account, in relation to the Properties.

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(d) GACAEL has an outstanding term loan from NIIF IFL at an interest rate of 8.30% p.a. The same is repayable over 40 structured quarterly installments beginning from December 2021 and is secured by (i) first pari-passu mortgage of leasehold rights of the land along with the building, structure etc. on the land by way of a memorandum by deposit of title deeds on lease agreements, (ii) first ranking pari passu charge on (a) moveable assets including plant and machinery, spare, tools and accessories and all other movable assets (b) all the current assets, including bank accounts, cash flows and receivables by way of a deed of hypothecation (c) Project contracts, (iii) Corporate Guarantee from GHIAL to guarantee the obligations of GACAEL under this facility and (iv) Debt service reserve of 2 quarter of the debt service amount.

x) Loan from Government of Telangana (unsecured)

Interest free unsecured loan received from the Government of Telangana is repayable in five equal instalments commencing from 16th anniversary of the commercial operations date (i.e. March 23, 2008). During the current year, the Company has repaid first instalment of interest free loan taken from Government of Telangana.

19 Other financial liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
At amortised cost				
Retention money	3.78	3.35	16.75	14.46
Deposit from concessionaires and others	96.43	54.50	74.85	77.36
Concession fee payable	80.77	104.27	130.69	100.31
Employee related payables	-	-	68.22	52.60
Capital creditors*	-	-	394.29	468.32
Interest accrued but not due on borrowings	-	-	152.50	154.51
	180.98	162.12	837.30	867.56

*includes amount payable to parties registered under the Micro, Small and Medium Enterprises Development Act, 2006 of Rs. 59.86 Crore (March 31, 2023: Rs. 26.92 Crore).

20 Government grants

	March 31, 2024	March 31, 2023
Opening balance	25.06	30.32
Grant received during the year	-	0.01
Less: recognised in the statement of profit and loss	(5.28)	(5.27)
	19.78	25.06
Non-current	14.51	19.79
Current	5.27	5.27

The concession fee payable to Ministry of Civil Aviation ("MoCA") in respect of first 10 years had commenced from 11th anniversary of the commercial operations date (i.e., March 23, 2008) and is repayable in twenty equal half-yearly installments commencing from June 2018. Hence, difference between the fair value and carrying value of such fee payable has been treated as a government grant as per Ind AS 20.

Summary of material accounting policies and other explanatory information

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21 Provisions

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provision for compensated absences	-	-	26.49	21.50
Provision for superannuation fund	-	-	0.19	2.67
Provision for gratuity (Refer note 48(b))	5.04	2.33	3.84	7.18
Other provisions	17.62	18.91	14.58	5.09
	22.66	21.24	45.10	36.44

22 Other liabilities

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Contract liabilities	113.44	39.03	3.32	3.50
Marketing fund liability	-	-	3.38	1.81
Deferred income	164.06	99.30	34.58	12.36
Advances from customers	-	-	33.57	25.00
Statutory dues	-	-	42.68	39.84
Other payables	-	-	24.19	20.40
	277.50	138.33	141.72	102.91

23 Short-term borrowings

	March 31, 2024	March 31, 2023
Loans		
Secured		
From bank	-	150.00
From others	-	0.39
	-	150.39
Unsecured		
From bank	20.89	29.13
Current maturities of long-term borrowings	728.04	94.10
	748.93	273.62

i. Loan from bank, secured

The working capital demand loan of Rs. 150 crore taken by GHIAL is repayable within 12 months of drawdown and carry a interest rate linked to 1 year MCLR plus spread of 0.10% p.a.

ii. Loan from others, secured

During the FY 2021-22, GACAEL has obtained loan from Cisco Systems Capital India Private Limited amounting to Rs. 1.14 crores repayable in 12 quarterly instalments by February 2024 carrying an interest rate of 14.11% p.a. and the same has been repaid during the FY 2023-24.

Working capital arrangement mentioned in note (i) is secured by mortgage of leasehold and/or freehold rights, title and interest in respect of 2,145 acres and 11 guntas of land under the Land Lease Agreement and other land related documents, together with all buildings and structures thereon and charge on all movable and immovable assets, all insurance contracts, contractors' guarantees and liquidated damages payable by the contractors; all the rights, titles, permits, approvals and interests of the GHIAL in, to and in respect of the Project Agreements (i.e. Concession Agreement, State Support Agreement and Land Lease Agreement); floating charge on all the operating revenues/receivables of the GHIAL; and floating charge on all the GHIAL's accounts and each of the other accounts required to be created by GHIAL pursuant to the Security Documents (excluding any Excluded Accounts) and, including in each case, all monies lying credited/deposited into such accounts.

iii. Loans from bank, unsecured

GACAEL has availed an overdraft facility up to Rs. 45.00 crores from ICICI Bank which is repayable on demand and carries interest of 9% p.a.

24 Trade payables

	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises	26.97	23.94
Total outstanding dues of creditors other than micro and small enterprises	310.98	236.80
	337.95	260.74

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") as at March 31, 2024 and March 31, 2023 (along with balances due to micro and small enterprises classified under capital creditors):

Particulars	March 31, 2024	March 31, 2023
the principal amount remaining unpaid to any supplier as at the end of each accounting year;	86.83	50.86
the amount of interest paid by the buyer in terms of section 16, 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 this MSMED	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

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25 Revenue from operations

	March 31, 2024	March 31, 2023
Aeronautical		
Landing and parking charges	220.81	154.33
User development fee (UDF)	844.94	440.97
Information communication and technology charges (ICT Charges)	3.17	11.77
Fuel farm	93.59	85.86
Ground handling	46.52	38.20
Cargo	142.25	86.92
Others	16.36	36.22
Revenue from Aeronautical services (A)	1,367.64	854.27
Non-aeronautical		
Duty Free	356.00	220.44
Retail	83.77	70.85
Advertisement	64.77	43.64
Food and beverages	95.47	77.46
Parking	108.01	93.66
Land and space rentals	47.72	43.96
MRO services and others	385.10	347.48
Revenue from Non-aeronautical services (B)	1,140.84	897.49
Commercial property development	118.59	83.15
Hospitality services	91.24	75.89
Revenue from Non-airport services (C)	209.83	159.04
Revenue from operations (A+B+C)	2,718.31	1,910.80

Note:

- (i) The Group earns its entire revenue from operations in India.
(ii) Timing of rendering of services is as under:

	At a point in time		Over time	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Aeronautical services	1,298.44	779.85	69.20	74.42
Non-aeronautical services	676.44	496.81	464.40	400.68
Non-airport services	26.08	25.38	183.75	133.66
Total revenue from operations	2,000.96	1,302.04	717.35	608.76

- (iii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	March 31, 2024	March 31, 2023
Revenue as per contracted price	2,717.67	1,910.16
<i>Adjustments:</i>		
Significant financing component	0.64	0.64
Revenue from operations	2,718.31	1,910.80

- (iv) Set out below is the revenue recognised from:

	March 31, 2024	March 31, 2023
Amounts included in contract liabilities at the beginning of the year	1.63	1.63
Total	1.63	1.63

26 Other income

	March 31, 2024	March 31, 2023
Interest on:		
Bank deposits and commercial papers	106.57	64.89
Loans	22.05	29.71
Others	5.26	7.29
Gain on investments carried at fair value through profit and loss	70.36	25.50
Dividend income from joint venture	-	4.90
Gain on fair valuation of financial assets (mutual funds)	-	0.12
Gain on account of foreign exchange fluctuations (net)	1.23	-
Amortisation of deferred income	0.07	2.98
Income from government grant	5.28	5.27
Duty credit Scrips	-	1.47
Provisions no longer required, written back	3.66	1.94
Profit on sale of assets	0.73	0.08
Other non-operating income	10.86	33.40
	226.07	177.55

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27 Changes in inventory of traded goods

Opening stock of traded goods

Closing stock of traded goods

March 31, 2024	March 31, 2023
53.02	10.43
45.61	53.02
7.41	(42.59)

28 Employee benefits expense

Salaries, wages and bonus

Contribution to provident and other funds

Gratuity expense

Staff welfare expenses

March 31, 2024	March 31, 2023
296.48	233.25
17.30	14.67
3.68	3.29
19.46	14.44
336.92	265.65

29 Finance costs

Interest on borrowings

Premium on derivative instruments

Interest expenses on financial liability carried at amortised cost

Other borrowing costs

March 31, 2024	March 31, 2023
403.40	241.99
136.00	98.97
11.00	22.27
31.74	40.87
582.14	404.10

30 Depreciation and amortization expense

Depreciation of property, plant and equipment (refer note 4)

Amortisation of right of use assets (refer note 5)

Amortisation of other intangible assets (refer note 6)

March 31, 2024	March 31, 2023
479.86	303.84
3.72	3.34
12.19	5.70
495.77	312.88

31 Other expenses

Operating and maintenance expenses

Power and fuel

Manpower hire charges

Consumption of stores and spares

Foods and beverages consumed

Cargo handling charges

Repairs and maintenance

Plant and machinery

Buildings

Others

Insurance

Security expenses

Rent

Rates and taxes

Training cost

Advertising and business promotion

Collection charges

Travelling and conveyance

Provision for planned maintenance under SCA

Communication costs

Legal and professional expenses

Technical fees

Corporate cost allocation

Directors' sitting fees

Payment to auditors (refer note A below)

Donation

CSR expenditure

Loss on sale of fixed assets (net)

Loss on account of foreign exchange fluctuations (net)

Inventories written off

Bad debts written off

Property, plant and equipment and CWIP written off

Construction and land development

Provision for bad and doubtful debts

Miscellaneous expenses

March 31, 2024	March 31, 2023
107.67	57.79
71.52	32.07
101.76	79.22
80.60	88.41
8.59	7.94
8.40	7.41
83.63	63.64
20.72	16.84
28.37	21.48
15.98	13.23
26.86	23.87
4.00	7.49
17.00	21.76
0.06	-
25.41	17.72
5.90	3.52
63.69	57.78
5.69	5.99
3.70	3.67
56.52	65.72
12.11	7.62
59.73	42.62
0.25	0.25
0.75	0.80
25.11	0.24
8.75	8.28
1.34	0.68
0.07	-
4.23	1.66
-	63.00
0.78	1.70
-	5.15
5.47	0.50
20.53	16.32
875.19	744.37

Summary of material accounting policies and other explanatory information

(All amounts in Rupees Crores, except otherwise stated)

31 Other expenses (continued)**A. Payment to Auditors**

	March 31, 2024	March 31, 2023
As Auditor		
Audit fee	0.52	0.52
Tax audit fee	0.05	0.05
Other services		
Other services (Including certification fee)	0.12	0.18
Reimbursement of expenses	0.06	0.05
	0.75	0.80

32 Income tax

	March 31, 2024	March 31, 2023
Statement of profit and loss:		
Current income tax	74.83	3.01
Minimum alternate tax credit entitlement	(74.83)	(3.01)
Deferred tax	155.37	25.69
Income tax expense / (credit) reported in the statement of profit or loss	155.37	25.69
Less: Adjustments relating to previous year	(0.13)	0.79
Income tax expense / (credit) for the year	155.24	26.48

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the reported periods:

	March 31, 2024	March 31, 2023
Profit/ (loss) before tax	528.72	134.38
Tax at the applicable tax rate of 34.94% (March 31, 2023: 34.94%)	184.76	46.96
<i>Adjustments:</i>		
Expenses disallowed in calculation of tax	12.57	6.71
Utilization of unrecorded deferred tax asset	(33.57)	(24.71)
Others	(8.39)	(3.27)
Income tax expense / (credit) for the year	155.37	25.69

Deferred tax

	Statement of profit or loss/OCI		Balance sheet	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Deferred tax asset				
Unabsorbed business losses & depreciation	(3.23)	(13.90)	125.85	122.62
MAT Credit asset*	-	-	521.11	446.28
Capital work-in progress	40.17	22.73	-	40.17
Cash flow hedge reserve	(9.28)	(99.42)	77.51	68.23
Changes in the classification from Deferred tax to assets held for sale	5.25	-	-	5.25
Others	3.87	0.96	-	3.78
	36.78	(89.63)	724.46	686.33
Deferred tax liability				
Property, plant and equipment	82.23	15.92	(290.25)	(208.02)
Fair value of financial assets/liabilities	27.08	(0.02)	(27.15)	(0.07)
	109.31	15.90	(317.39)	(208.09)
Net deferred tax assets	146.09	(73.73)	407.07	478.24

* During the previous year, GHIAL has recognised MAT credit asset amounting to Rs. 3.01 crores and has adjusted MAT credit asset amounting to Rs. 14.01 crores against provision created by GHIAL pursuant to the completion of assessments.

The Group 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.

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32 Income tax (continued)**Reconciliations of net deferred tax assets/ (liabilities)**

	March 31, 2024	March 31, 2023
Opening balance as at beginning of the year	478.24	441.46
Recognised in profit or loss	(155.28)	(25.69)
Deferred tax on cash flow hedge reserve loss reclassified to profit or loss	-	(31.19)
Recognised in OCI	9.28	99.42
Changes in the classification from Deferred tax to assets held for sale	-	5.24
MAT credit adjustment	74.83	(11.00)
	407.07	478.24
Deferred tax asset/ (liability) recognized in Balance Sheet		
Deferred tax asset (net)	422.69	485.40
Deferred tax liability (net)	(15.62)	(7.16)

The Taxation Laws (Amendment) Ordinance, 2019 was issued by the Ministry of Finance, Government of India on 20 September 2019. Pursuant to the said Ordinance, the Group is entitled to avail revised tax rates from the financial year commencing 1 April 2019. However, on the basis of a detailed analysis of the provisions of the Ordinance, management has concluded that the Group shall avail revised tax rates after utilization of various tax credits that the Group is currently entitled for. Accordingly, these Consolidated Financial Statements for the year ended March 31, 2024 do not include any adjustments on account of changes in the corporate tax rates.

33 Components of other comprehensive income

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

For the period ended March 31, 2024

	Cash Flow Hedge Reserve	Retained earnings	Total
Cash flow hedge reserve (net)	61.23	-	61.23
Effect of changes in foreign exchange rates	(87.79)	-	(87.79)
Deferred tax	9.28	-	9.28
Reclassified to statement of profit and loss	-	-	-
Tax effect of the above	-	-	-
Remeasurement gain on defined benefit plans	-	(2.63)	(2.63)
Closing balance	(17.28)	(2.63)	(19.91)

For the period ended March 31, 2023

	Cash Flow Hedge Reserve	Retained earnings	Total
Cash flow hedge reserve (net)	323.19	-	323.19
Effect of changes in foreign exchange rates	(621.44)	-	(621.44)
Deferred tax	99.42	-	99.42
Reclassified to statement of profit and loss	90.75	-	90.75
Tax effect of the above	(32.73)	-	(32.73)
Remeasurement gain on defined benefit plans	-	(1.22)	(1.22)
Closing balance	(140.81)	(1.22)	(142.03)

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34 Capital work-in-progress

Opening balance as at the beginning of the year

Add: Incurred during the year

Less: Capitalised during the year

Closing balance as at the end of the year

*Represents reversal due to transfer of capital work-in progress.

Capital expenditure incurred on property, plant and equipment

Legal and professional expense

Employee benefits expense

Finance costs

Other expenses

Total (i)

Less:-

Interest income from bank deposit

Interest income on security deposit paid

Temporary lease rentals earned net of taxes

Total (ii)

Net capital work-in-progress (i-ii)

During the year ended March 31, 2024, the following expenses of revenue nature are capitalized to the capital work-in-progress (CWIP). Consequently, expenses disclosed under the other expenses are net of amounts capitalized by the Group.

Opening balance (A)

Expense:

Legal and professional expense

Employee benefit expense

Finance cost

Other expenses

Total (B)

Less:

Interest income from bank deposit

Total (C)

Less: Capitalised during the year (D)

Less: Adjustments (E)*

Closing balance (F=A+B-C-D-E)

*Represents write off of expenditure related to ongoing project of the Group.

Capital work-in-progress (CWIP) ageing schedule #

As at 31 March 2024

As at 31 March 2023

No project is temporarily suspended.

March 31, 2024	March 31, 2023
2,827.18	3,071.84
1,301.06	1,525.44
(3,833.18)	(1,770.10)
295.06	2,827.18
March 31, 2024	March 31, 2023
261.30	2,018.96
30.56	132.39
0.13	2.12
0.58	785.62
3.06	4.89
295.63	2,943.98
-	(114.33)
-	(1.90)
(0.57)	(0.57)
(0.57)	(116.80)
295.06	2,827.18

March 31, 2024	March 31, 2023
808.22	849.59
70.72	45.26
2.29	0.76
152.82	369.06
4.24	1.63
230.07	416.72
-	(1.90)
-	(1.90)
(1,003.78)	(456.19)
(0.75)	-
33.76	808.22

Amount in CWIP for a period of				
Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
170.20	70.95	35.95	17.96	295.06
1,434.87	932.02	226.32	233.97	2,827.18

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35 Completion schedule in respect of CWIP which is overdue:

As at 31 March 2024	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Novotel Refurbishment	3.50	-	-	-	3.50
Convention Center - Banquet Hall Kitchen Design	0.17	-	-	-	0.17
Transit Lounge	28.86	-	-	-	28.86
Duty Free	3.97	-	-	-	3.97
GMR 147 School	6.31	-	-	-	6.31
Aero Tower-2	1.85	-	-	-	1.85
GMR Aero Tower-3	-	-	0.63	-	0.63
GMR Aero Tower-4	-	-	0.26	-	0.26
Misc Project	0.68	5.81	-	-	6.49
Retail Interchange	-	13.11	-	-	13.11
Projects in progress	0.72	-	-	-	0.72
As at 31 March 2023					
Aero Towers 3 & 4	-	-	-	0.89	0.89
Aero Towers 2	1.80	-	-	-	1.80
Retail Project (Interchange)	-	-	5.44	-	5.44
Edoport	1.71	-	-	-	1.71
Land Development	-	5.81	-	-	5.81
GMR 147 School	23.23	-	-	-	23.23
Novotel Refurbishment	11.93	-	-	-	11.93
Convention centre - Banquet hall Kitchen Design	0.04	-	-	-	0.04
Transit Lounge	0.01	-	-	-	0.01
Duty Free	0.19	-	-	-	0.19

36 Intangible assets under development (IAUD)

As at 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.11	-	0.83	-	1.94
As at 31 March 2023					
Projects in progress	0.83	0.14	-	0.69	1.66

Completion schedule in respect of IAUD which is overdue:

Project name	As at	To be completed in				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Cargo Terminal	31 March 2024	0.84	1.10	-	-	1.94
Cargo Terminal	31 March 2023	0.83	-	0.83	-	1.66

37 Trade receivables ageing

Trade Receivbles ageing schedule as on March 31, 2024 and March 31, 2023

	Outstanding for the following periods from the due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables as at 31 March 2024							
- considered good	77.07	45.68	27.48	6.57	0.96	27.67	185.43
- significant increase in credit risk	-	-	-	0.23	0.16	0.69	1.08
Unbilled receivables as at 31 March 2024	89.17						89.17
Undisputed trade receivables as at 31 March 2023							
- considered good	21.64	92.79	8.70	4.02	0.06	0.40	127.61
- significant increase in credit risk	0.50	-	-	0.16	-	0.69	1.36
Unbilled receivables as at 31 March 2023	84.50	-	-	-	-	-	84.50

There are no disputed receivables as at March 31, 2024 and March 31, 2023

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38 Trade payables ageing

Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023

	Outstanding for the following periods from the due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables as at 31 March 2024					
Outstanding dues to MSME	14.36	12.49	0.12	-	26.97
Others	188.45	51.77	18.98	51.79	310.98
Trade payables as at 31 March 2023					
Outstanding dues to MSME	21.76	1.28	0.81	0.08	23.94
Others	172.77	30.98	11.57	21.48	236.80

There are no disputed trade payables outstanding to MSME and other parties as at 31 March 2024 and 31 March 2023.

39 Promoter's Shareholding

Name of promoter	As at 31 March 2024		As at 31 March 2023		Change in shareholding
	Number of shares	% of total shares	Number of shares	% of total shares	
GMR Airports Limited*	27,97,19,000	74.00%	23,81,39,000	63.00%	11%
MAHB (Mauritius) Private Limited**	-	0.00%	4,15,73,540	11.00%	-11%
Airports Authority of India	4,91,40,000	13.00%	4,91,40,000	13.00%	0%
Government of Telangana	4,91,40,000	13.00%	4,91,40,000	13.00%	0%
GMR Airports Infrastructure Limited	1,000	0.00%	1,000	0.00%	0%
Malaysia Airports Holdings Berhad	-	0.00%	6,460	0.00%	0%

*Including 5 equity shares held by others as nominee shareholders

**During the current year MAHB (Mauritius) Private Limited, has sold its entire stake of 11% to GMR Airports Limited on 17 January 2024 from that date MAHB ceases to be the share holder of GHIAL.

**During the Year ended 31 March 2023, there is no change in promoter's shareholding

40 The Group neither holds any Benami property, nor any proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

41 The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 to the best of the knowledge of Group's management.

42 The Group has not traded or invested in Crypto currency or Virtual Currency.

43 The Group have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

44 The Group have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or; (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45 The Group has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date except for idle/ surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

46 The Group has not been declared willful defaulter by any bank or financial Institution or other lender.

47 Other Disclosures:

(i) No transactions, which are not recorded in the books of accounts of the Group has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ii) The Group has complied with the number of layers as prescribed under the Companies Act, 2013.

(iii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(iv) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

48 Retirement and other employee benefits:
a) Defined contribution plan:

Contribution to provident and other funds under employee benefits expense are as under:

	March 31, 2024	March 31, 2023
Contribution to provident fund	14.10	11.74
Contribution to ESI and Labour welfare fund	0.41	0.37
Contribution to superannuation fund	2.79	2.57
	17.30	14.67

b) Defined benefit plans:

Gratuity liability is a defined benefit obligation 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 subject to a maximum limit of Rs. 0.20 crores (March 31, 2023: 0.20 crores).

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

Net employee benefit expense (recognized in employee benefits expense):

	March 31, 2024	March 31, 2023
Current service cost	3.16	2.83
Interest cost on net Defined Benefit Obligation (DBO)	0.49	0.46
Net Actuarial (gain)/Loss Recognised in the year	0.03	-
Net benefit expense	3.68	3.29

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48 Retirement and other employee benefits: (continued)

Amount recognized in other comprehensive income:

Actuarial loss due to DBO experience
Actuarial gain due to DBO assumption changes
Return on plan assets less than discount rate

Actuarial losses recognized in OCI

March 31, 2024	March 31, 2023
2.32	1.07
0.31	(0.18)
-	0.33
2.63	1.22

Amounts recognised in the Balance sheet are as follows:

Fair value of plan assets
Defined benefit obligation
Plan liability

March 31, 2024	March 31, 2023
21.82	15.29
(29.60)	(24.80)
(7.78)	(9.51)

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

Opening defined benefit obligation
Interest cost
Current service cost
Benefits paid
Actuarial losses /(gains) on obligation
Acquisition cost
Actuarial gain on financial assumption
Closing defined benefit obligation

March 31, 2024	March 31, 2023
24.80	21.66
1.60	1.39
2.74	2.79
(2.32)	(2.42)
2.00	1.51
0.37	0.05
0.40	(0.18)
29.60	24.80

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

Opening fair value of plan assets
Expected return on plan assets
Contributions by employer
Return on plan assets greater/(lesser) than discount rate
Acquisition adjustment
Interest income on plan assets
Benefits paid
Closing fair value of plan assets

March 31, 2024	March 31, 2023
15.29	14.28
0.33	0.72
7.77	2.17
-	0.29
-	(0.10)
0.68	0.20
(2.24)	(2.27)
21.82	15.29

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

Investments with insurer

March 31, 2024	March 31, 2023
100%	100%

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

Discount rate
Rate of compensation increase
Employee turnover

March 31, 2024	March 31, 2023
7%	7.1% to 7.3%
6% to 8%	6% to 8%
5 to 6%	5% to 20%

A quantitative sensitivity analysis for significant assumption is shown below:

Discount rate

Effect due to 1% increase in discount rate
Effect due to 1% decrease in discount rate

March 31, 2024	March 31, 2023
(2.18)	(1.75)
2.51	2.00

Attrition rate

Effect due to 1% increase in attrition rate
Effect due to 1% decrease in attrition rate

March 31, 2024	March 31, 2023
0.20	(0.16)
(0.17)	0.18

Salary escalation rate

Effect due to 1% increase in salary increase rate
Effect due to 1% decrease in salary increase rate

March 31, 2024	March 31, 2023
1.64	1.54
(1.55)	(1.43)

The sensitivity analyses 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 following payments are expected benefits payment to the defined benefit plan in the future years

with-in one year
between one to two years
between two to three years
between three to five years
between five to ten years

March 31, 2024	March 31, 2023
3.85	2.76
3.09	3.23
2.65	3.11
4.99	6.25
11.98	18.79

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2023: 10 years).

The Company expects to contribute to Rs. 7.78 Crore to gratuity fund during the year ended on March 31, 2024 (March 31, 2023: Rs. 1.13 Crore)

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- 49 Reimbursement of expenses claimed by the Group from the concessionaries and other vendors based on the contractual arrangements have been reduced from the respective expense head as mentioned in the table below:

Expense head	March 31, 2024	March 31, 2023
Electricity and water charges	42.84	35.79
Salaries, wages and bonus	7.88	4.22
Staff welfare expenses	2.36	5.64
Rent	0.84	0.84
Travelling and conveyance	1.79	1.87
Repairs and maintenance	8.68	7.00
Miscellaneous expenses	5.20	2.69
	69.58	58.04

50 Segment reporting

Operating segments are reported in such a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Group only has a single geographical segment operating in Hyderabad, India. As per the evaluation carried out by CODM the Group has only one reportable business segment i.e. of airport and allied services. Accordingly, the amounts appearing in the financial statements relate to the Group's single business segment. The information relating to different products and services regarding products and services regarding revenue from contracts are given in Note 25.

Major Customers: Revenue from one customer of the Group is approximately Rs. 609.98 crore out of revenue from operations of the Group for the year ended March 31, 2024 (March 31, 2023: Rs. 432.45 crore).

51 Disclosure on changes in financing liabilities

	Current borrowings*	Non-current borrowings	Assets held to hedge
Balance as on 1 April 2022	314.35	8,027.64	670.62
Cash flows, net	(103.74)	76.60	-
Amortization of borrowing cost	-	18.66	-
Effect of changes in foreign exchange rates	-	505.93	-
Finance cost	-	-	279.99
Other adjustments	63.01	(63.01)	-
Change in fair values	-	-	(137.13)
Balance as on 31 March 2023	273.62	8,565.82	813.48
Cash flows, net	(158.63)	565.93	-
Amortization of borrowing cost	-	14.65	-
Effect of changes in foreign exchange rates	-	78.71	-
Finance cost	-	-	219.06
Other adjustments	634.25	(622.69)	-
Change in fair values	(0.31)	-	(157.82)
Balance as on 31 March 2024	748.93	8,602.43	874.72

* includes current maturities of non-current borrowings

(Refer note no. 53 for movement in lease liabilities)

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

52 Related party transactions

a) Names of related parties and nature of relationship

Nature of relationship	Name of the related party
Holding company	GMR Airports Limited (GAL)
GAL's holding company	GMR Airport Infrastructure Limited (GIL) <i>(Formerly GMR Infrastructure Limited)</i>
Ultimate holding company	GMR Enterprises Private Limited (GEPL)
Group Company	GMR Power and Urban Infra Limited (GPUIL)
Fellow subsidiary companies	GMR Aviation Private Limited
	Delhi International Airport Limited
	GMR Energy Trading Limited
	GMR Highways Limited
	GMR Corporate Affairs Private Limited
	GMR Airport Developers Limited
	Kakinada SEZ Limited
	GMR Aerostructure Services Limited
	GMR Hyderabad Vijayawada Expressways Private Limited
	Raxa Security Services Limited
	GMR Warora Energy Limited
	GMR Infra Developers Limited
	GMR Business Process and Services Private Limited
	GMR Vemagiri Power Generation Limited
	GMR Kannur Duty Free Services Limited
	GMR Goa International Airport Limited
	GMR Pochanpalli Expressways Limited
	GMR Hospitality Limited
Shareholders having significant influence	GMR Visakhapatnam International Airport Limited
	GMR League Games Private Limited
	Government of Telangana
	Airports Authority of India
Key Management Personnel (KMP)	Malaysia Airports Holdings Berhad (until January 25, 2024)
	MAHB (Mauritius) Private Limited. (until January 25, 2024)
	Mr. G M Rao, Executive Chairman
	Mr. GBS Raju – Managing Director
	Mr. Pradeep Panicker – Chief Executive Officer
	Mr. Anand Kumar Polamada - Chief Financial Officer
	Mr. Kiran Kumar Manikwar - Company Secretary (till April 08, 2024)
	Mr. Srinivas Bommidala – Director
	Mr. HJ Dora – Director
	Mr. Grandhi Kiran Kumar– Director
	Mr. C Prasanna – Director
	Mr. K Ramakrishna Rao IAS – Director
	Mr. Jayesh Ranjan IAS - Director (till January 22, 2024)
	Mr. K. S. Sreenivasa Raju IAS - Director (from January 22, 2024)
	Mr. Joyanta Chakraborty -Director
	Mrs. Bijal Tushar Ajinkya - Independent Director
	Mr. Madhu Ramachandra Rao – Independent Director
	Mr. Antoine Crombrez - Director
	Mr. Alexis Riols - Director (from March 13, 2024)
	Mr. Pierre-Etienne Mathely - Alternate Director to Mr. Antoine Crombrez (from January 22, 2024)
Joint Venture	Mr. Camilo Perez Perez - Director (till January 22, 2024)
	Mr. Iskandar Mizal Bin Mahmood - Director (till October 24, 2023)
Joint Venture of GHAL	Mr. Dharmendra Bhojwani - Director
Associate of GAL	Mr. A. Subba Rao - Independent Director
Associate of GIL	Dr. M. Ramachandran - Independent Director
Relative of KMP	Laqshya Hyderabad Airport Media Private Limited
Enterprises where KMP and their relatives exercise significant influence	ESR GMR Logistics Park Private Limited
	Digi Yatra Foundation
	GMR Rajahmundry Energy Limited
	Ramadevi Bommidala
	GMR Varalakshmi Foundation
Other entities in which Directors are interested	GMR Family Fund Trust
	Sri Varalakshmi Jute Twine Mills Private Limited
	Geokno India Private Limited

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

52 Related party disclosures (continued)**b) Transactions with related parties**

	March 31, 2024	March 31, 2023
Services received		
Raxa Security Services Limited	33.03	28.81
Airports Authority of India	0.32	0.08
GMR Airport Developers Limited	66.77	40.76
GMR Airports Infrastructure Limited	21.18	11.52
GMR Airports Limited	114.08	39.64
Laqshya Hyderabad Airport Media Private Limited	0.10	0.11
GMR Rajahmundry Energy Limited	-	0.03
Delhi International Airport Limited	1.24	0.62
Delhi Duty Free Services Pvt Ltd	0.02	-
GMR Goa International Airport Limited	0.02	-
GMR League Games Private Limited	0.06	-
GMR Infrastructure Limited	0.00	-
Digi Yatra Foundation	3.15	-
Security deposit (paid) /received		
ESR GMR Logistics Parks Private Limited	-	0.24
GMR Airports Limited	32.00	0.25
Delhi International Airport Limited	0.26	0.08
GMR League Games Private Limited	0.20	-
GMR Hospitality Limited	7.15	-
Income from operations		
Airports Authority of India	0.62	0.57
GMR Aviation Private Limited	0.10	0.53
GMR Airports Infrastructure Limited	4.34	-
Laqshya Hyderabad Airport Media Private Limited	57.73	40.25
GMR Airport Developers Limited	0.19	0.18
GMR Airports Limited	82.46	0.22
Raxa Security Services Limited	0.04	0.01
Geokno India Private Limited	0.04	0.03
GMR Energy Trading Limited	-	-
GMR Highways Limited	0.00	-
GMR Varalakshmi Foundation	0.46	0.44
GMR Business Process and Services Private Limited	-	3.40
GMR Kannur Duty Free Services Limited	4.26	7.64
GMR Goa International Airport Limited	-	1.98
Delhi International Airport Limited	0.02	0.27
GMR School of Business	0.09	0.02
GMR Hyderabad Vijayawada Expressways Private Limited	-	0.01
ESR GMR Logistics Park Private Limited	2.07	1.71
GMR Family fund Trust	-	0.69
GMR Generation Assets Limited	0.00	-
Finance Lease Income		
ESR GMR Logistics Park Private Limited	0.89	-
Unsecured loan received back		
GMR Goa International Airport Limited	-	40.00
Investment in Joint Venture		
ESR GMR Logistics Parks Private Limited	6.42	21.90
Interest on unsecured loan given		
GMR Airports Infrastructure Limited	15.57	15.53
GMR Power and Urban Infra Limited	6.49	6.47
GMR Goa International Airport Limited	-	1.98
Interest income on optionally convertible debentures		
ESR GMR Logistics Parks Private Limited	5.26	3.74
Purchase of capital asset / services for Capital work-in-progress:		
GMR Airport Developers Limited	31.50	33.89
GMR Highways Limited	-	0.13
Raxa Security Services Limited	(0.19)	0.04
GMR Airports Limited	39.56	9.18
CSR expenditure		
GMR Varalakshmi Foundation	8.88	8.52
Straight lining of lease rental income		
Laqshya Hyderabad Airport Media Private Limited	0.00	-
GMR Business Process Services Private Limited	-	(0.13)
GMR Airport Developers Limited	0.00	-
GMR Varalakshmi Foundation	(0.04)	(0.02)
Raxa Security Services Limited		

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

b) Transactions with related parties (continued)

	March 31, 2024	March 31, 2023
Depreciation and Interest cost as per Ind AS 116		
GMR Family Fund Trust	0.35	0.48
Government of Telangana	9.51	9.17
Sri Varalakshmi Jute Twine Mills Private Limited	0.25	0.34
Delhi International Airport Limited	0.94	0.59
GMR Airports Limited	1.05	-
Income on amortization of deposit received		
Laqshya Hyderabad Airport Media Private Limited	0.03	0.04
GMR Varalakshmi Foundation	0.01	0.01
ESR GMR Logistics Parks Private Limited	0.76	0.76
GMR Airports Limited	0.94	0.01
Delhi International Airport Limited	0.04	-
GMR League Games Private Limited	0.01	-
GMR Hospitality Limited	0.08	-
Interest income on amortization of deposit paid:		
Raxa Security Services Limited	-	0.06
Interest expense on amortization of deposit received:		
Laqshya Hyderabad Airport Media Private Limited	0.04	0.04
GMR Varalakshmi Foundation	0.01	0.01
ESR GMR Logistics Parks Private Limited	0.04	0.03
GMR Airports Limited	0.33	0.01
Delhi International Airport Limited	-	0.03
GMR League Games Private Limited	0.00	-
GMR Hospitality Limited	0.04	-
Amortisation of expense on deposit paid		
Raxa Security Services Limited	-	0.06
Reimbursement of expenses claimed by the Group during the year from its related parties		
GMR Infrastructure Limited	0.00	-
Laqshya Hyderabad Airport Media Private Limited	2.49	0.99
Kakinada SEZ Limited	-	-
Delhi International Airport Limited	0.00	-
GMR Airports Limited	0.04	0.03
Airports Authority of India	-	-
GMR Airport Developers Limited	2.43	1.95
GMR Highways Limited	-	-
Raxa Security Services Limited	0.00	0.01
GMR Energy Trading Limited	-	-
GMR Varalakshmi Foundation	0.07	0.06
Geokno India Private Limited	0.04	0.02
GMR Business Process and Services Private Limited	0.06	0.57
Development Management Support Fee		
ESR GMR Logistics Park Private Limited	0.67	-
Dividend Income from Joint Venture		
Laqshya Hyderabad Airport Media Private Limited	-	4.90
Rent		
Ramadevi Bommidala	-	0.21
Remuneration paid to Key managerial personnel		
Short term employee benefits	18.27	11.06
Sitting fees	0.24	0.25

Note: All the liabilities for post retirement benefit being 'Gratuity' are provided on actuarial basis for the Company as a whole, accordingly the amount pertaining to Key managerial personnel are not included above.

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Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

c) Outstanding balances at the end of the year

	March 31, 2024		March 31, 2023	
	Non-Current	Current	Non-Current	Current
Balance recoverable/(payable)				
Raxa Security Services Limited	-	(8.74)	-	(6.36)
Airports Authority of India	-	7.22	-	2.63
GMR Airports Infrastructure Limited	-	6.39	-	10.90
Delhi International Airport Limited	-	(0.51)	-	(0.20)
GMR Airports Limited	-	(6.03)	(8.32)	(24.53)
GMR Enterprises Private Limited	-	0.01	-	0.01
GMR Aviation Private Limited	-	0.04	-	0.04
GMR Airport Developers Limited	-	(12.16)	-	(11.28)
Laqshya Hyderabad Airport Media Private Limited	-	7.12	-	4.46
GMR Varalakshmi Foundation	-	0.23	-	0.17
Government of Telangana	-	(4.70)	-	-
GMR Vemagiri Power Generation Limited	-	0.00	-	0.00
GMR Highways Limited	-	-	-	0.11
GMR School of Business	-	0.02	-	-
Geokno India Private Limited	-	1.03	-	0.95
GMR Family Fund Trust	-	(0.00)	-	-
GMR Business Process and Services Private Limited	-	-	-	2.03
GMR League Games Private Limited	-	(0.02)	-	0.00
GMR Goa International Airport Limited	-	0.00	-	-
GMR Kannur Duty Free Services Limited	-	1.40	-	2.85
ESR GMR Logistics Park Private Limited	-	0.74	-	6.57
Ramadevi Bommidala	-	-	-	(0.02)
GMR Power and Urban Infra Limited	-	4.24	-	4.22
GMR Vishakapatnam Limited	-	0.00	-	-
Security deposit receivable /(payable)				
GMR Airport Infrastructure Limited	-	-	-	(0.04)
Laqshya Hyderabad Airport Media Private Limited	(0.53)	-	(0.27)	(0.20)
GMR Varalakshmi Foundation	(0.15)	-	-	(0.13)
Raxa Security Services Limited	-	-	-	1.75
Sri Varalakshmi Jute Twine Mills Private Limited	-	0.10	-	0.10
GMR Family Fund Trust	-	0.39	-	0.39
Delhi International Airport Limited	-	0.42	-	(0.31)
Ramadevi Bommidala	-	-	-	0.03
GMR Airports Limited	(32.00)	-	0.12	-
ESR GMR Logistics Parks Private Limited	-	-	0.36	-
GMR Power and Urban Infra Limited	(0.04)	-	-	-
GMR Hospitality Limited	(7.15)	-	-	-
Interest accrued on Long Term Investment				
ESR GMR Logistics Park Private Limited	-	11.37	-	-
Deferred income on deposits received recognized at amortised cost				
Delhi International Airport Limited	-	-	-	-
GMR Varalakshmi Foundation	-	-	-	-
GMR League Games Private Limited	-	0.16	-	-
ESR GMR Logistics Park Private Limited	-	32.80	-	-
GMR Airports Limited	-	0.09	-	-
Loans given				
Digi Yatra Foundation	-	1.00	-	-
GMR Airport Infrastructure Limited	-	141.20	-	141.20
GMR Goa International Airport Limited	-	-	-	-
GMR Power and Urban Infra Limited	-	58.80	-	58.80
Investment in optionally convertible debentures				
ESR GMR Logistics Parks Private Limited	16.35	-	16.35	-
Investment in non convertible debentures				
ESR GMR Logistics Parks Private Limited	32.82	-	26.40	-
Lease Liabilities				
GMR Family Fund Trust	-	-	(2.33)	-
Sri Varalakshmi Jute Twine Mills Private Limited	-	-	(1.67)	-
Government of Telangana	(83.96)	-	(84.77)	-
Delhi International Airport Limited	-	2.69	-	0.05
GMR Airports Limited	-	2.47	-	-
Lease Receivable				
ESR GMR Logistics Park Private Limited	-	8.82	-	-
Borrowings				
Government of Telangana	(189.00)	(63.00)	(252.04)	(63.01)

Note: All transactions with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured. The details of guarantees extended to the related parties.

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Summary of material accounting policies and other explanatory information

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53 Leases

(a) Group as a lessee

The Group has taken land, office, vehicles and other spaces on operating lease having a term ranging from 5 years to 60 years. The land lease has an escalation of 5% per annum from the 8th anniversary of the Commercial Operations Date (i.e., March 23, 2008) and is co-terminus with the concession period. The office and other space leases have an escalation of 5% per annum and are renewable at the end of the lease period with mutual consent. The vehicle leases are for a tenure of 5 years.

Following are the changes in the carrying value of right of use assets:

	Category of ROU asset			Total
	Land	Building	Vehicles	
Balance as at April 01, 2022	63.29	10.00	-	73.29
Additions	-	-	1.30	1.30
Depreciation	(1.37)	(1.81)	(0.16)	(3.34)
Balance as at March 31, 2023	61.92	8.19	1.14	71.25
Additions	7.75	-	-	7.75
Disposals, net	(5.91)	-	-	(5.91)
Depreciation	(1.75)	(1.81)	(0.16)	(3.72)
Balance as at March 31, 2024	62.01	6.38	0.98	69.37

The following is the break-up of current and non-current lease liabilities:

	March 31, 2024	March 31, 2023
Current lease liabilities	2.50	1.07
Non-current lease liabilities	96.51	95.09
	99.01	96.16

The following is the movement in lease liabilities during the year:

	March 31, 2024	March 31, 2023
Balance as at the beginning of the year	96.15	92.73
Movement:		
Additions	7.75	1.30
Disposals	(5.90)	-
Finance cost accrued during the year	9.52	9.82
Payment of lease liabilities	(8.51)	(7.70)
Balance at the end of the year	99.01	96.15

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

	March 31, 2024	March 31, 2023
Depreciation/amortisation on right to use asset	3.72	3.34
Interest on lease liability	9.52	9.82
Expenses related to short term lease (included under other expenses)	4.00	7.49
Total amount recognized in the statement of profit and loss	17.24	20.65

The table below summarises the maturity profile of the Group's lease liabilities based on contractual undiscounted payments:

	March 31, 2024	March 31, 2023
Within one year	12.54	6.92
After one year but not more than two years	12.93	7.25
After two years but not more than three years	13.53	7.52
After three years but not more than four years	13.65	7.76
After four years but not more than five years	8.94	8.00
More than five years	712.18	709.98

(b) Group as a lessor

The Group has sub-leased land to various parties under operating leases having a term of 9 to 30 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiable.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	March 31, 2024	March 31, 2023
Within one year	89.75	98.98
After one year but not more than five years	312.10	338.34
More than five years	688.93	640.70

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

54 Fair values

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 these standalone financial statements are reasonable approximation of fair values.

	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
I. At fair value through Profit or loss				
Investments in mutual funds	499.45	530.74	499.45	530.74
Investments in others	52.43	-	52.43	-
II. At fair value through Other comprehensive income				
<i>Cash flow hedges (refer note V(a))</i>				
Cross currency swap	565.28	571.97	565.28	571.97
Coupon only swap	9.22	10.99	9.22	10.99
Call spread option	300.22	230.52	300.22	230.52
III. At amortized cost				
Investments in commercial paper	479.16	565.08	479.16	565.08
Investments in Certificate of Deposits	446.28	-	446.28	-
Loans	201.29	200.15	201.29	200.15
Trade receivables	185.43	127.61	185.43	127.61
Cash and cash equivalents	610.35	145.31	610.35	145.31
Bank balances other than cash and cash equivalents	184.16	654.34	184.16	654.34
Other financial assets	224.70	194.11	224.70	194.11
	3,757.97	3,230.82	3,757.97	3,230.82
Financial liabilities				
IV. At amortized cost				
Borrowings	9,351.36	8,839.44	9,093.65	8,408.46
Other financial liabilities	1,018.28	1,029.68	1,018.04	1,029.43
Lease liabilities	99.01	96.16	99.01	96.16
Trade payables	337.95	260.74	337.95	260.74
	10,806.60	10,226.02	10,548.65	9,794.79

V. 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 following methods and assumption were used to estimate the fair values:

(a) Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at March 31, 2024, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

(b) The fair values of quoted mutual funds are based on price quotations at the reporting date.

(c) The fair value of borrowings is based on the traded price of the bond and the prevailing exchange rate.

(d) Management has assessed that cash and cash equivalent, trade receivables, trade payables, other bank balances, investments in commercial paper and other current liabilities balances approximate their carrying amounts largely due to the short-term maturities of these instruments, hence the carrying value is considered to be the same as its fair value.

55 Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at the reporting date.

	Fair value measurement using		
	Market prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value as at March 31, 2024			
Investment in mutual funds	499.45	-	-
Investment in others	-	52.43	-
Derivatives designed as Cash flow hedge	-	874.72	-
Borrowings	-	9,093.65	-
Other financial liabilities	-	1,018.04	-
Assets measured at fair value as at March 31, 2023			
Investment in mutual funds	530.74	-	-
Derivatives designed as Cash flow hedge	-	813.48	-
Borrowings	-	8,408.46	-
Other financial liabilities	-	1,029.43	-

There have been no transfers between Level 1, Level 2 and Level 3 during the current and previous year.

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

56 Financial risk management objectives and policies

Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables and cash and cash equivalents are derived from its operations.

Group is exposed to market risk, credit risk and liquidity risk. Group's senior management oversees the management of these risks. Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management team that have the appropriate skills, experience and supervision. It is Group's policy that no trading in derivatives for speculative purposes may be undertaken. 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, investments, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analysis for borrowings have been not prepared as the amount of debt is fully hedged at the fixed currency exchange rate, therefore there is no impact on account of foreign exchange fluctuation. The analysis also excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

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 Group's exposure to interest rate risk on its long-term debt obligations in the form of Senior Secured Notes ("SSN") are hedged through cross currency swaps, call option spread and coupon only swap and the same has been designated as cash flow hedge. Further, for the interest rate risk on the Group's long-term debt obligations on the NCDs issued during the year, the interest rate is fixed for a period of five years from the issue.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to convert variable rate loan to fixed rate loan if the perceived uncertainty of such variable market rates is for a long term. As at March 31, 2024, approximately 93% (March 31, 2023: 97%) of the Group's borrowings are at fixed rate of interest after taking into account the effect of interest rate swaps.

The exposure of the Group's borrowings to interest rate changes as at the end of the reporting period for actual outstanding balances is not significant and therefore, any change in interest rate will not materially impact the reported profit / loss for the period.

	March 31, 2024	March 31, 2023
Borrowings:		
Floating interest rate	578.66	221.16
Fixed interest rate	8,561.03	8,688.78

*The borrowings exposures are disclosed on the basis of actual transaction value and interest free borrowings is not considered.

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. Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings as enumerated above. However, Group has hedged its borrowings through cross currency swaps, call option spread and coupon only swap and designated the same as cash flow hedge.

Cash flow hedges

Foreign exchange derivative instruments measured at fair value through OCI are designated as hedging instruments in cash flow hedges to hedge the USD INR conversion rate volatility with reference to the cash outflows on settlement of its borrowings and related interest payments designated in USD. The fair value of derivative instruments varies with the changes in foreign exchange rates.

	March 31, 2024		March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency forward contracts designated as hedging instruments				
Cross currency swap	565.28	-	571.97	-
Coupon only swap	9.22	-	10.99	-
Call spread option	300.22	-	230.52	-

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Foreign currency sensitivity

Group's exposure to unhedged foreign currency risk at the end of the reporting period expressed in foreign currency is as follows:

Foreign Currency	March 31, 2024		March 31, 2023	
	Foreign Currency	Rs. (in Crore)	Foreign Currency	Rs. (in Crore)
Payable				
EURO	(5,62,063)	(5.00)	(10,65,932)	(9.54)
GBP	(69,983)	(0.69)	(2,28,014)	(2.32)
USD	(20,41,500)	(17.02)	(23,34,025)	(19.18)
CHF	(47,412)	(0.44)	(67,133)	(0.60)
CAD	(3,700)	(0.02)	(7,130)	(0.04)
AED	(1,15,500)	(0.26)	(1,15,500)	(0.26)
SGD	(22,939)	(0.14)	(1,182)	(0.01)
Receivable				
USD	86,54,415	72.18	59,67,725	49.06
CHF	-	-	21,917	0.20
EURO	-	-	7,100	0.06
GBP	-	-	31,121	0.32
Bank balances (including credit card collection)				
USD	16,76,175	13.98	4,25,978	3.50
Others				
USD	32,07,282	26.75	39,21,527	32.24
EURO	19,838	0.18	885	0.01
CHF	69,020	0.64	-	-
Foreign currency on hand				
AED	39,176	0.09	11	0.00
AUD	3,641	0.02	261	0.00
CAD	640	0.00	60	0.00
CHF	7	0.00	7	0.00
CNY	1,000	0.00	175	0.00
EURO	3,033	0.03	553	0.01
GBP	710	0.01	5	0.00
HKD	28	-	28	-
JPY	42	-	42	-
KWD	1,372	0.04	-	-
MYR	5,804	0.01	662	0.00
NZD	8	-	8	-
OMR	283	0.01	-	-
QAR	1,720	0.00	315	0.00
SAR	28,958	0.06	4,366	0.01
SGD	2,552	0.02	399	0.00
THB	3,20,067	0.07	87	-
BAH	95	0.00	-	-
USD	1,38,795	1.16	10,54,894	8.67

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on Group's profit before tax is as under.

Foreign Currency	Nature of transaction	Change in Rate	March 31, 2024	March 31, 2023
EURO	Change in fair valuation of financial liabilities	5%	0.26	0.48
USD		5%	6.55	5.63

The Group's exposure to foreign currency changes for all other currencies is not material.

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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. Group is exposed to credit risk from its operating activities (primarily trade receivables) 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 Group subject to Group'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.

Financial instruments (security deposits) and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with Group'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 Group'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. Exposure to credit risk also includes bank guarantees provided to subsidiary companies.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts of trade receivables and bank guarantees provided to subsidiary companies.

Liquidity risk

Group monitors its risk of a shortage of funds using a rolling cash flow forecasts. Group's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facilities, long-term loans and finance leases. Group's policy is to ensure that the repayments of borrowings are in sync with the cash flows generated from the operations. Approximately, 9.77% of Group's debt will mature in less than one year at March 31, 2024 (March 31, 2023: 3.05%) based on the outstanding amount of borrowings reflected in these Consolidated financial statements. Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders, if required.

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

	On Demand	Up to 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2024					
Borrowings	20.89	896.58	5,849.77	2,624.46	9,391.70
Lease liabilities	-	12.54	49.05	712.18	773.77
Trade payables	-	337.95	-	-	337.95
Other financial liabilities	-	718.54	115.20	184.54	1,018.28
Guarantees	761.12	-	-	-	761.12
Total	782.01	1,965.61	6,014.02	3,521.17	12,282.82
Year ended March 31, 2023					
Borrowings	29.13	242.63	6,390.00	2,248.17	8,909.93
Lease liabilities	-	6.92	30.53	709.98	747.43
Trade payables	-	260.74	-	-	260.74
Other financial liabilities	-	867.56	157.60	5.78	1,030.94
Guarantees	714.88	-	-	-	714.88
Total	744.01	1,377.85	6,578.13	2,963.93	11,663.92

Excessive risk concentration

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

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

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

57 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of Group's capital management is to maximize the shareholder value.

Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is debt (excluding lease liabilities) divided by total equity plus debt. The Group's policy is to keep the gearing ratio at an optimal level to ensure that the debt related covenants are complied with.

	March 31, 2024	March 31, 2023
Borrowings (A)	9,351.36	8,839.44
Share Capital	378.00	378.00
Other equity	1,376.68	1,023.11
Total equity (B)	1,754.68	1,401.11
Total equity and total debt (C=A+B)	11,106.04	10,240.55
Gearing ratio (A/C)	84%	86%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the 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 loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

58 Commitments and Contingencies**I Claim against the Group not acknowledged as debt:****GHIAL**

	March 31, 2024	March 31, 2023
In respect of income tax matters [refer (a) below]	25.73	24.65
In respect of service tax matters [refer (b) below]	32.46	35.66
Claim against the GHIAL not acknowledged as debt [refer (d), (e) and (f) below]	7.85	149.85
In respect of other matters [refer (c) below]	25.20	25.20

- (a) Pursuant to the income tax assessment for the years mentioned below, the Company had received various demands from the income tax authorities in relation to the inadmissibility of certain expenditure in accordance with the provisions of the income tax law. The management, on the basis of its internal assessment of the facts of the case, the underlying nature of transactions, the history of judgements made by the various appellate authorities, including favourable judgements received by the Company from lower appellate authorities and the necessary advice received from the independent expert engaged in this regard, is of the view that the probability of the case being settled against the Company is remote and accordingly do not foresee any adjustment to these Financial Statements in this regard. The details of the relevant financial year which is subject to the dispute and the amount of demanded is as follows:

Disputed tax amount

	March 31, 2024	March 31, 2023
Pending with the Hon'ble Supreme Court of India		
A.Y.2013-14 [Disallowed under 115JB]	3.26	3.26
Pending with the Hon'ble High Court		
A.Y.2017-18 [Disallowed under 115JB]	4.76	-
Pending with Commissioner of Income Tax (Appeals) ("CIT(A)")		
A.Y.2014-15 [Disallowed under 115JB]	3.76	3.76
A.Y.2016-17 [Disallowed under 115JB]	6.46	6.46
A.Y.2016-17	0.07	0.07
A.Y.2017-18 [Disallowed under 115JB]	-	4.76
A.Y.2018-19 [Disallowed under 115JB]	6.34	6.34
A.Y.2020-21[Disallowed under 115JB]	1.08	-

Disputed disallowance of expenses, resulting in reduction in carry forward of tax losses and accordingly no tax demand has been received

	March 31, 2024	March 31, 2023
Pending with the Hon'ble Supreme Court of India	Note	Note
A.Y 2011-12 to A.Y 2013-14	35.60	35.60
Pending with CIT(A)		
A.Y 2009-10	4.01	4.01
A.Y 2010-11 to A.Y 2013-14	23.15	23.15
A.Y 2014-15 to A.Y 2016-17	67.54	67.54
A.Y 2017-18 to A.Y 2018-19	50.51	50.51
A.Y 2016-17 **	0.80	0.80
A.Y 2020-21	12.08	-
A.Y 2021-22	2.50	7.15
A.Y 2022-23	0.48	0.48

**Orders u/s 147 passed in case of AY 2015-16 & 2016-17 disallowing capital expenditure of Rs. 15.11 crore thereby reducing depreciation claim by Rs. 0.80 crore. Demand of Rs. 34.70 crore (including interest of Rs. 16.06 crore) is wrongly raised as against refund of Rs. 0.46 crore. The Company had filed an application for rectification of demand and appeal with Commissioner of Income Tax (Appeals).

Note: Tax liability on aforementioned disputed disallowance of expenses is currently not ascertainable

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

(b) Disputed service tax matters

	March 31, 2024	March 31, 2023
Irregular availment of the cenvat credit, pending with Hon'ble High Court of Telangana*	24.84	24.84
Penalty equivalent to service tax levy on delay in payment of service tax on the user development fee, favourable order passed by Hon'ble Supreme court	7.43	7.43
Appeal filed with the commissioner of Central Tax (Appeals), for demand order received towards non payment of service tax on corporate guarantee.	-	0.19
Appealed filed with with CESTAT against the order in Appeal passed by Commissioner of Central Tax (Appeals), confirming the demand.	0.19	-
Irregular availment of cenvat credit and non-payment of service tax on recovery of electricity and water charges from its concessionaires, pending with CESTAT Hyderabad*	-	3.20

*including penalty amount.

- (c) The Company had received a notice from the office of the Joint Commissioner of Labour for payment of Building and other construction workers' Welfare Cess @ 1% of the cost of construction of Airport Metropolitan amounting to Rs. 25.20 crore (March 31, 2023: Rs. 25.20 crore). The Company had received the stay order from Hon'ble High Court of Telangana against the said order in the earlier years.
- (d) The Company had received notice dated January 19, 2013, from Hyderabad Metropolitan Water Supply & Sewerage Board for disconnection of water connection for non-payment of sewerage cess arrears. The Company had received the stay order against the said order in the earlier years. The sewerage cess outstanding including interest as at March 31, 2024 amounts to Rs. 5.80 crore (March 31, 2023: Rs. 5.80 crore).

(e) Utilization of funds from Passenger Service Fee (Security Component) Fund ("PSF(SC) Fund"):

- (i) The Ministry of Civil Aviation (MoCA) had issued orders in 2014, requiring the Airport Operators to reverse the expenditure incurred from Passenger Service Fee (Security component) (PSF (SC)) Fund towards (a) procurement and maintenance of security systems/equipment; (b) construction of other long lived assets (refer note (ii) below) along with interest till date of reversal. The Company had utilised approximately Rs.142.00 crore towards the aforesaid expenses till March 31, 2018, excluding related maintenance expense, other costs and interest thereon which is presently unascertainable. The Comptroller & Auditor General, during their audits of PSF (SC) Fund, observed that the funds utilized by the Company is contrary to the directions issued by MoCA. Management is of the opinion that the utilisation of funds from PSF(SC) fund is consistent with the Standard Operating Procedures, guidelines and clarification issued by the MoCA from time to time on the subject of utilization of PSF (SC) funds.

As the above order, in management's opinion, is contrary to and inconsistent with SOPs, guidelines and clarification issued by the MoCA from time to time in this regard, the Company had challenged the said order vide a writ petition before the Hon'ble High Court of Andhra Pradesh. The Hon'ble High Court, vide its order dated March 3, 2014 followed by further clarifications dated April 28, 2014 and December 24, 2014, stayed the MoCA order with an undertaking that, in the event the decision of the writ petition goes against the Company, it shall restore the PSF (SC) Fund to this extent. The matter is currently sub judice with the Hon'ble High Court of Telangana.

Based on the internal assessment, Management of GHIAL is of the view that no further adjustments are required to be made to the GHIAL financial statements, in this regard.

- (ii) As per the advice from the Ministry of Home Affairs and the SOP's issued by the MoCA on March 06, 2002, the Company, through its erstwhile wholly owned subsidiary, Hyderabad Airport Security Services Limited (HASSL, liquidated on September 20, 2019) constructed the residential quarters for Central Industrial Security Force (CISF) deployed at the airport. After completion of such construction, the total construction cost including the cost of land and related finance cost amounting to Rs. 113.73 crore till March 31, 2018, was debited to the PSF (SC) Fund with corresponding intimation to the MoCA. The Comptroller & Auditor General, during their audits of PSF (SC) Fund, observed that, the Company had not obtained prior approval from the MoCA for incurring such cost from the PSF (SC) Fund as required by the guidelines dated January 8, 2010 and April 16, 2010 issued by the MoCA. However, Management of the Company is of the opinion that these guidelines were issued subsequent to the construction of the said residential quarters and approached the MoCA for approval of such debit notes to the PSF (SC) Fund account. Pending final outcome of the matter from the Hon'ble High Court of Telangana, residential quarters continue to be accounted under the PSF (SC) Fund and no adjustments have been made to the accompanying Financial Statements.
- (f) Fuel surcharge adjustments (FSA) for the period from April 2008 to March 2010 amounting to Rs. 2.05 crores (March 31, 2023: Rs. 2.05 crores).
- (g) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, Company has amended the pay structure and made the consequent payment of provident fund on a prospective basis from the date of the SC order.
- Based on the internal assessment and legal opinion, the Management is confident that, for the aforesaid mentioned contingent liabilities under paragraph (a) to (g) above, no further provision is required to be made as at March 31, 2024.

GACAEL

	March 31, 2024	March 31, 2023
In respect of income tax matters [refer (h) below]	46.17	46.17
In respect of indirect tax matters [refer (i) below]	5.29	11.51
Claim against GACAEL not acknowledged as debt [refer (j) to (n) below]	14.88	14.88

- (h) Pursuant to the income tax assessment for the years mentioned below, GACAEL had received various demands from the income tax authorities in relation to the inadmissibility of certain expenditure in accordance with the provisions of the income tax law. The management, on the basis of its internal assessment of the facts of the case, the underlying nature of transactions, the history of judgements made by the various appellate authorities, including favourable judgements received by GACAEL from lower appellate authorities and the necessary advice received from the independent expert engaged in this regard, is of the view that the probability of the case being settled against GACAEL is remote and accordingly do not foresee any adjustment to these consolidated financial statements in this regard. The details of the relevant financial year which is subject to the dispute and the amount of demanded is as follows:

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Disputed tax amount

	March 31, 2024	March 31, 2023
Pending with the Hon'ble High Court of Telangana		
A.Y.2009-10 to A.Y.2012-13 [Disallowed under 80IA]	9.84	9.84
A.Y.2013-14 and A.Y.2014-15 [Disallowed under 80IA]	7.30	7.29
A.Y.2017-18 [Un explained Cash Credits]	23.97	23.97
Pending with CIT(A)		
A.Y.2015-16 [Disallowed under 80IA]	4.17	4.17
A.Y.2016-17 [Disallowed under 80IA]	0.17	0.16
A.Y.2018-19 [Disallowed under 80IA]	0.72	0.72

(d) Disputed service tax matters

	March 31, 2024	March 31, 2023
Rejection of service tax refund claim, pending with CESTAT, Hyderabad	1.03	1.03
		5.92
Service tax on export cargo handling services from March 2008 to June 2010, pending with CESTAT, Hyderabad*	-	
Irregular availment of the cenvat credit, pending with CESTAT, Hyderabad*	1.28	1.28
Irregular availment of the GST credit, pending with GST office of Deputy Commissioner	0.87	1.17
Non reversal of CENVAT credit and disallowance of export of service from DGGI	2.11	2.11

*including penalty amount.

- (j) GACAEL accrued customs officers' salaries stationed at Air Cargo Terminal based on debit notes raised by the customs department on GHIAL as the ultimate cost has to be borne by the custodian i.e. GACAEL. GHIAL filed a writ petition under article, 226 of the Constitution of India in the Honorable High Court of Judicature of Andhra Pradesh at Hyderabad against the demand raised in previous years, GHIAL had received an order from the Honorable High court of Andhra Pradesh (Single Judge), stating that the grounds on which the levy was made by customs department were wholly unsustainable and accordingly GACAEL had reversed the accrued customs cost amounting to Rs. 14.02 crores for the period from March 23, 2008 to March 31, 2012 during the earlier years.

Subsequent to the above order, the Customs Department preferred an appeal against the same and on November 2, 2012, a bench of two judges of the Honorable High Court of Andhra Pradesh passed an order for interim suspension of the said order passed by the Honorable Single Judge and the matter is pending.

- (k) During the previous year, GACAEL had received an order from Regional PF Commissioner – I, Regional Office II, Hyderabad, regarding the payment of contributions to International Worker under Employees Provident Funds and Miscellaneous Provisions Act, 1952 demanding an amount of Rs. 0.14 crores. GACAEL has filed writ petition before the High Court of Telangana and received Stay Order dated 12th June, 2019.
- (l) During the previous year, GACAEL has received an order from District Consumer Forum (RR District), regarding the compensation for short delivery of cargo to M/s. Excell Media Pvt.Ltd. amounting to Rs. 0.01 crores along with applicable interest. GACAEL has filed an appeal vide. FA. No.821/2020 before the Telangana State District Consumer Redressal Commission challenging the final order passed by the Ranga Reddy District Consumer Redressal Forum.
- (m) During the previous year, the GACAEL has received an order from Sub Registrar, Shamshabad regarding the payment of fine of Rs. 0.69 crores equal to five times of Registration fee of Rs.0.14 crores. The company has filed writ petition before the High Court of Telangana and received Stay Interim Order dated September 27, 2021. However, based on an internal assessment the management is confident that no liability in this regard would be payable and as such no provision has been made in these Financial Statements.
- (n) During the previous year, the Customs has issued a penalty of Rs. 0.01 crores on M/s GMR Air cargo and Aerospace Engineering Limited for their role in irregular import of aircraft vide Order dated 26th October, 2021. The Company is in the process of filing Appeal with Customs, Excise and Service Tax Appellate Tribunal. However, based on an internal assessment the management is confident that no liability in this regard would be payable and as such no provision has been made in these Financial Statements.

In respect of other subsidiaries:

- (p) GHRL had received an order from Income Tax Officer for the AY 2018-19 disallowing unpaid GST of Rs. 0.01 crores. GHRL had filed an appeal against the said order with the Commissioner of Income Tax - Appeals.
- (q) GHRL had filed appeals with VAT Appellate Tribunal against the orders of Deputy Commissioner and Appellate Joint Commissioner confirming the demand towards levying of Value Added Tax of Rs.0.43 crores on usage of Audio Video Equipment's by the Hotel customers for the periods from Oct-10 to Nov-12 and Dec-12 to June -17 respectively. Further, the Company had filed reply to the SCN on May 16, 2019, on same issue and the order awaited.
- (r) GHRL during the previous year has received order from Deputy Commissioner of Customs, RGI Airport in respect of alleged stock variance. The Company filed with Commissioner of Customs & Central Tax (Appeals-1) against the order passed by Deputy Commissioner Customs, RGIA. The Commissioner Customs & Central Tax (Appeals – I) upheld the order passed by the Deputy Commissioner of Customs, RGI Airport and reduced the penalty to Rs. 0.01 crores. GHRL is in the process of filing an appeal with CESTAT.

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- (s) During the earlier years, the Assistant Commissioner of Central tax, Hyderabad had filed appeals with the CESTAT against the of Order in Appeals passed by the Commissioner (Appeals). During the previous year GHRL has filed counters against the said appeals. Further, the Assistant Commissioner of Central tax, Hyderabad has issued a show cause notice seeking to recover the refund amount of Rs. 13.48 crores (March 31, 2023: Rs.13.48 crores). The Company had filed its response and also filed a writ petition with Hon'ble High Court of Telangana challenging the issue of show cause notice. The Hon'ble High Court had granted interim stay of the Show Cause notice.

During the current period Assistant Commissioner of customs and central tax Shamshabad Division had filed appeals with The Joint Commissioner (Appeals I) against the refund order of Rs. 2.56 Cr. passed by Assistant commissioner for the period Feb 21 to Sep 21. GHRL has attended the personal hearing and submitted its reply.

- (u) One of the customer has filed the complaint against GHRL for an amount of Rs. 0.05 crores during the previous years under Consumer Protection Act, 2019. The company has filed a reply with commission.
- (v) GHAL has preferred an appeal with CESTAT against Order-in-Appeal 17/2017-18 dated February 28, 2018, passed by The Commissioner of Central Tax (Appeals) confirming the demand of Rs.1.47 crores (March 31, 2023: Rs.1.47 crores) in the matter of short payment of service tax under RCM on purchase of designs and drawings under Architecture service. The company has filed an appeal with CESTAT against the order.

Based on the internal assessment and legal opinion, the Management is confident that, for the aforesaid mentioned contingent liabilities under paragraph (a) to (w) above, no further provision is required to be made as at December 31, 2023.

II Financial guarantees**Corporate guarantee given on behalf of its subsidiaries to banks against the loan taken***

	March 31, 2024	March 31, 2023
(a) sanctioned	987.90	831.61
(b) outstanding	701.12	669.52
(c) sanctioned during the year	407.40	172.00

III Commitments**a) Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounting to Rs. 499.10 Crore (March 31, 2023: Rs. 700.72 Crore).

b) Other commitments :

i) As per the terms of Concession Agreement, the Company is required to pay concession fees to MoCA @ 4% on its gross revenue (as defined in the Concession Agreement) of the Company for a term of 60 years commencing from March 23, 2008.

ii) The Company has committed to provide financial support as necessary, to enable its wholly owned subsidiary company, GMR Air Cargo and Aerospace Engineering Limited to meet its operational requirements as they arise and to meet its liabilities as and when they fall due.

iii) The Company had entered into "Cross Currency Swap" with various banks in order to hedge principal portion and to protect interest component of 4.25% senior secured notes (2027 SSN) of USD 350 million which is repayable in October 2027, with interest payable on semi-annually basis. Further the Company had also entered into "Call Spread (CS)" arrangements in order to hedge principal portion of 5.375% senior secured notes (2024 SSN) for USD 73.61 million and 4.75% senior secured notes (2026 SSN) for USD 287.32 million which are repayable in April 2024 and February 2026 respectively and "Coupon Only Swap" (COS) to hedge the payment of interest liability on semi-annually basis on 2024 SSN for USD 73.61 million and 2026 SSN for USD 287.32 million.

59 Significant accounting judgments, estimates and assumptions

The preparation of these consolidated 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.

a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, which has the effect on the amounts recognised in these consolidated financial statements:

Discounting rate

Group has considered incremental borrowing rate of Airport sector as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost till March 31, 2018. From period starting from April 01, 2018, management has considered revised incremental borrowing rate of airport sector i.e. 10.73% for all the deposits given/received post March 31, 2018; and impact has been duly accounted in these consolidated financial statements.

Non applicability of Service Concession Agreement (SCA)

GHIAL had entered into Concession agreement with the Ministry of Civil Aviation ("MoCA"), which gives GHIAL an exclusive right of development, design, financing, construction, commissioning, maintenance, operation and management of the Hyderabad Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years at the option of GHIAL. Under the agreement, the MoCA has granted exclusive right and authority to perform some of the functions of the AAI being the functions of operation, maintenance, development, design, construction, up gradation, modernization, finance and management of the Airport and to perform services and activities at the airport constituting 'Airport activities' (regulated services) and 'Non-Airport Activities' (non-regulated services). Airport Activities are regulated while there is no control over determination of prices for Non-Airport activities. Charges for Non-Airport activities are determined at the sole discretion of GHIAL.

Appendix D to Ind AS 115 contains provisions to cover arrangements between public and private enterprises- referred to as service concession arrangement ("SCA"). An entity is required to evaluate applicability of SCA for its arrangement under public to private partnership based on SCA guidance. The applicability of service concession depends whether the grantors control or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and also control the residual interest in the infrastructure.

GHIAL's management conducted detailed analysis to determine applicability of Appendix D of Ind AS 115. The concession arrangement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from GHIAL, MoCA and users/passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. Airport premises is being used both for providing regulated services and for providing non-regulated services. Based on GHIAL's proportion of regulated and non-regulated activities, the directors have determined that over the concession period, the unregulated business activities drives the economics of the arrangement and contributes substantially to the profits of GHIAL and hence concluded that SCA does not apply in its entirety to GHIAL.

Applicability of Service Concession Agreement (SCA) to GACAEL

GACAEL's management has assessed applicability of Appendix D of Ind AS 115 – "Service Concession Arrangements" to operations and maintenance agreements entered into by GACAEL for provisioning of cargo services at RGIA. In assessing the applicability, management has exercised significant judgement in relation to the underlying ownership of the assets, in terms of the arrangement entered with the grantor, ability to determine prices, fair value of construction service, assessment of right guaranteed cash etc. Based on detailed evaluation, management has determined that this arrangement meets the criteria for recognition as service concession arrangement.

Concession fee:

As per the Concession Agreement (CA), GHIAL is required to pay concession fee to MoCA @ 4% on its gross revenue. As per Article 3.3.2 of CA, "Gross Revenue" is defined to include all pre-tax revenue of GHIAL with certain specified exclusions.

Management of GHIAL is of the view that certain income / credits arising on adoption of Ind-AS, mark to market gain on valuation of derivative instruments and gain on restatement of long-term borrowings was not in contemplation of parties in December 2004 when this Concession Agreement was signed / entered. Further, these income/credits in statement of profit and loss along with interest income on investment of part proceeds from borrowings earmarked for airport expansion project and adjusted from the value of capital work-in-progress, do not represent actual receipts from business operations, from any external sources and therefore, these incomes/ credits should not be treated as "Revenue" for calculation of concession fee payable. Accordingly, GHIAL, basis above and Legal Opinion obtained in this regard, has provided the concession fee payable to MoCA after adjusting such incomes/credits.

b) 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. Group based its assumptions and estimates on parameters available when these 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 Group. Such changes are reflected in the assumptions when they occur.

59 Significant accounting judgments, estimates and assumptions (continued)

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and its present value 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.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial asset

The impairment provisions for financial assets are based on the assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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 Group 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.

Taxes

Deferred tax assets on unused tax losses and minimum alternate tax credit entitlement are recognised to the extent that it is probable that taxable profit will be available against which these amounts can be utilised. Significant management estimate 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.

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

60 Determination of aeronautical tariff

GHIAL had filed an appeal, challenging the disallowance of pre-control period losses and foreign exchange loss on external commercial borrowings, classification of revenues from ground handling, cargo and fuel farm ("CGF") as aeronautical revenues and other issues for determination of aeronautical tariff for the First Control Period ("FCP") commencing from April 01, 2011 to March 31, 2016 by Airport Economic Regulatory Authority ("AERA").

In relation to determination of tariff for the Second Control Period ("SCP"), commencing from April 01, 2016 to March 31, 2021, AERA had issued a consultation paper on November 19, 2017. However, as the aforesaid consultation paper does not address the issues arising out of the FCP, including true up for shortfall of receipt vis-a-vis entitlement for the FCP, GHIAL had filed a writ petition and obtained a stay order from the Hon'ble High Court at Hyderabad in the month of February 2018 in respect of further proceedings in determination of tariff order for the SCP. The Adjudicating Authority, Telecom Disputes Settlement Appellate Tribunal (TDSAT), in its disposal order dated March 04, 2020 has directed AERA to reconsider the issues afresh while determining the aeronautical tariff for the Third Control Period commencing ("TCP") from April 01, 2021.

During the month of August 2021, AERA has issued Tariff Order ("the Order") effective from October 01, 2021 for the TCP commencing from April 01, 2021 to March 31, 2026. GHIAL in the month of September 2021, has filed an appeal against the Order with TDSAT, as the management is of the view that AERA has not considered the outstanding issues of FCP and SCP in determination of aeronautical tariff for the TCP as directed by TDSAT vide its ordered dated March 04, 2020, while continuing to charge the aeronautical tariff as determined by AERA.

During the current year, TDSAT has pronounced the Judgement and has adjudicated various issues raised by GHIAL including directing AERA to true up the pre-control period losses, to treat CGF as non-aeronautical revenue etc., in favour of GHIAL. However, TDSAT ruled in favor of AERA on certain other issues. GHIAL has filed caveat petition with the Hon'ble Supreme Court to avoid any ex-parte orders in case AERA files an appeal against the TDSAT order. Meanwhile, the management is evaluating TDSAT's decision and planning the next legal steps regarding the issues not resolved in its favour, all while adhering to the aeronautical tariff set by AERA for the TCP.

- 61** The Company has recognized, deferred tax asset comprising of Minimum Alternate Tax (MAT) credit entitlement and unabsorbed business losses aggregating to Rs. 634.59 Crore (March 31, 2023: Rs. 546.36 Crore) as at March 31, 2024. The Company based on the future taxable income expects to adjust these amounts against the projected taxable profits. The ultimate realisation of the deferred tax asset is dependent upon the generation of future taxable income projected by considering the applicable tariff order for the Third Control Period and the anticipated tariff orders for the subsequent control periods, estimated revenues and expenses of the business, scheduled reversals of deferred tax liabilities and tax planning strategy. As the recoverability of deferred tax assets is based on estimates of future taxable income including projected aeronautical tariff revenue which involved determination of applicable tariff orders by AERA and being a subject matter of litigations as detailed in note 60, any changes in such future taxable income could impact its recoverability. However, basis the sensitivity analysis performed, management believes that any reasonable possible change in the key assumptions would not effect the Company's ability to recover the deferred tax asset within the specified period as per the provisions of Income Tax Act, 1961.

- 62** As detailed in note 59(a), to these consolidated financial statements, certain incomes/credits recognised on adoption of Ind-AS are not considered for computation of concession fee payable to MoCA basis a legal opinion obtained. Accordingly, the following sources of income have not been considered for accrual of the concession fee:

	Income forming part of	March 31, 2024	March 31, 2023
Discounting on fair valuation of deposit received from concessionaries	Revenue from operations	9.43	5.40
Income recognised on advance from customers under Ind AS 115	Revenue from operations	0.64	0.64
Impact on account of straight lining of lease rentals	Revenue from operations	10.39	4.53
Income arising from fair valuation of financial guarantee*	Other income	2.67	1.82
Discounting on fair valuation of deposit paid to vendors	Other income	0.14	0.10
Income from government grant	Other income	5.28	5.27
Amortisation of deferred income	Other income	0.53	0.22

*These transactions got eliminated in the Consolidated Financial Statements of the Group.

- 63** The disclosure on nature of revenue from contracts as required under Ind AS 115 is part of note 25. Further, the additional disclosure on trade receivable and contract assets, contract liabilities are as below:

	March 31, 2024	March 31, 2023
Contract balances		
Trade receivables *	185.43	127.61
Contract assets**	89.17	84.50
Contract liabilities***	150.33	67.53

* Trade receivables carry a credit period ranging between 15-30 days. Further, trade receivables beyond the credit period as per the contracts with the customers, are interest bearing. In March 31, 2024: Rs. 0.18 crore (March 31, 2023: Rs. 0.18 crore) was recognized as provision for expected credit losses on trade receivables.

** Contract asset includes unbilled revenue. Amount of revenue recognised from amounts included in the contract assets at the beginning of the year is Rs. 84.50 crores. Total contract assets outstanding as on 31 March 2024 will be recognised in next 12 months.

*** Contract liabilities includes advance received from customers. Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year Rs. 82.80 crores (31 March 2023: Rs. 2.72 crores). Total contract liabilities outstanding as on 31 March 2024 will be recognised in next 12 months.

Details of movement in provision for trade receivable is as below:

Particulars	March 31, 2024	March 31, 2023
Opening balance	1.36	1.49
Add: Provision made/(reversed) during the year	(0.28)	(0.13)
Less: Bad debts written off	-	-
Closing balance	1.08	1.36

GMR Hyderabad International Airport Limited

CIN:U62100TG2002PLC040118

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

64 GMR Air Cargo and Aerospace Engineering Limited

Pursuant to the agreement entered by the GMR Group dated February 20, 2020, the GMR Group has executed a definitive agreement with Aeroports De Paris ("ADP") for acquisition of 49% stake by ADP in GMR Airports Limited (the holding company of GHIAL, which is the holding company of the GACAEL) on fully diluted basis. The MRO CGU is part of the Airports business. To assess whether the Cash Generating Unit ("MRO CGU") (including goodwill of Rs. 36.27 crores) is impaired, management has reckoned the values attributed to MRO CGU which are higher than its carrying value, on the basis of an independent valuation of the Airport business carried out as part of entering the aforesaid agreement. The Management has reviewed such assessment as at March 31, 2022, the updated business plans and the projections considering the COVID-19 impact and believes that there would not be any change in the original conclusion as of 31 March 2024.

Management has also performed sensitivity analysis considering different scenarios to build in the uncertainties attached. Based on such assessment, management is of the view that no impairment is required in the carrying value of MRO CGU as at March 31, 2024.

65 Interest in Joint Ventures

The Group has a 49% interest in Laqshya Hyderabad Airport Media Private Limited (LHAMPL), a joint venture engaged in offering Out of Home (OOH)/Outdoor Media Services for display of advertisement at the airport. The Group's interest in LHAMPL is accounted for using the equity method in the Consolidated Financial Statements. Summarised financial information of the joint venture, based on its financial statements, and reconciliation with the carrying amount of the investment in Consolidated Financial Statements are set out below:

Summarised Balance Sheet:

	March 31, 2024	March 31, 2023
Current assets, including cash and cash equivalents Rs. 3.69 crores (March 31, 2023: Rs. 2.46 crores)	51.85	46.66
Non-current assets	28.31	17.68
Current liabilities	(16.27)	(8.80)
Non-current liabilities	(0.96)	(1.21)
Equity	62.93	54.33
Less: Equity component of borrowings availed at below market rate	(4.51)	(4.51)
Adjusted equity	58.43	49.82
Proportion of the Group's ownership	49%	49%
Group's share in adjusted equity	28.63	24.41
Add: GHIAL's share of equity components of borrowings	5.59	5.59
Carrying amount of the investment	34.22	30.00

Summarised Statement of Profit and Loss account:

	March 31, 2024	March 31, 2023
Revenue from operations	100.21	73.29
Other income	0.96	1.50
Total Income	101.17	74.79
Operating expenses	64.02	45.93
Employee benefit expenses	3.82	3.17
Depreciation	2.84	1.82
Finance cost	0.06	0.04
Other expenses	17.27	2.00
Total expenses	88.00	52.97
Profit before tax	13.17	21.83
Tax expenses	4.58	6.43
Profit after tax	8.59	15.40
Other comprehensive income	(0.01)	(0.01)
Total comprehensive income	8.58	15.39
Group's share of total comprehensive income for the year	4.21	7.54
Group's share of contingent liabilities of the jointly controlled entity is Rs. 1.27 crores (March 2023: Rs. 0.82 crores).		

The Group has a 30% interest in ESR GMR Logistics Park Private Limited (GLPPL), a joint venture of GHAL engaged in the business of acquiring land and developing warehouses on those land parcels for the purpose of renting:

Summarised Balance Sheet:

	March 31, 2024	March 31, 2023
Current assets, including cash and cash equivalents Rs. 2.67 crores (March 31, 2023: Rs. 25.27 crores)	41.96	30.77
Non-current assets	476.43	393.87
Current liabilities	(22.01)	(52.90)
Non-current liabilities	(472.88)	(318.70)
Equity	23.50	53.04
Proportion of the Group's ownership	30%	30%
Group's share in adjusted equity	7.05	15.91
Less: Loss on conversion of subsidiary to joint venture	(0.43)	(0.43)
Carrying amount of the investment	6.62	15.48

Summary of material accounting policies and other explanatory information

(All amounts in Rupees crores, except per share data and when otherwise stated)

65 Interest in Joint Ventures (continued)

Summarized Statement of Profit and Loss account:

	March 31, 2024	March 31, 2023
Revenue from operations	22.31	6.98
Other income	2.42	0.88
Total Income	24.73	7.86
Employee benefit expenses	0.13	0.17
Depreciation	21.65	6.75
Finance cost	28.71	7.36
Other expenses	5.23	0.87
Total expenses	55.72	15.15
Loss before tax	(30.99)	(7.30)
Tax expenses	(1.44)	(2.64)
Loss after tax	(29.55)	(4.66)
Total comprehensive income	(29.55)	(4.66)
Group's share of total comprehensive income for the year	(8.86)	(1.40)
Group's share of contingent liabilities of the jointly controlled entity is Rs. Nil (March 31, 2023: Rs.Nil)		

- 66 For the previous year ended March 31, 2023, the Holding Company has identified certain group of assets and its directly associated liabilities to be disposed off and hence the same has been classified as "Held for sale". Further, during the year the Group has disposed off the same.

Details of assets and liabilities classified as held for sale as of 31 March 2023 are as under:

	Amount
Property, plant and equipment	85.12
Other non-current assets	34.02
Trade receivables	0.72
Cash and cash equivalents	0.26
Other current assets	7.32
Assets classified as held for sale	127.44
Borrowings (including current maturities of long term borrowings)	55.28
Other non-current liabilities	8.73
Other current liabilities	0.72
Liabilities directly associated with assets classified as held for sale	64.73

67 Disclosure as per the Schedule III of the Companies Act, 2013:

A) Net Assets, i.e. total assets minus total liabilities as at:

Name of the Entity	March 31, 2024		March 31, 2023	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
GHIAL	81.69%	2,061.60	81.76%	1,803.07
GACAEL	3.41%	86.14	1.09%	24.09
GHAL	2.89%	72.95	3.39%	74.77
GHASL	3.91%	98.70	2.96%	65.26
GATL	0.00%	0.04	0.00%	0.07
GHAAL	0.00%		2.81%	61.96
GHRL	6.47%	163.38	5.92%	130.63
Jointly controlled entities (as per equity method)				
Laqshya	1.36%	34.22	1.36%	30.00
GLPPL	0.26%	6.62	0.70%	15.48
	100.00%	2,523.65	100.00%	2,205.33
Less: Consolidated adjustments/elimination*		(768.97)		(804.24)
Grand Total		1,754.68		1,401.09

*Consolidated adjustments/eliminations include intercompany eliminations and consolidated adjustments.

B) Share in profit/ (loss) for the year:

Name of the Entity	March 31, 2024		March 31, 2023	
	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
GHIAL	68.85%	277.00	29.36%	32.99
GACAEL	15.73%	63.27	9.10%	10.22
GHAL	-0.42%	(1.67)	-9.19%	(10.32)
GHASL	8.32%	33.48	12.62%	14.18
GATL	-0.01%	(0.03)	-0.03%	(0.03)
GHRL	8.15%	32.80	45.14%	50.72
GHAAL	0.52%	2.11	7.51%	8.44
Jointly controlled entities (as per equity method)				
Laqshya	1.05%	4.21	6.72%	7.55
GLPPL	-2.20%	(8.86)	-1.25%	(1.40)
	100.00%	402.31	100.00%	112.35
Less: Consolidated adjustments/elimination*		(28.83)		(4.45)
Grand Total		373.48		107.90

C) Share in other comprehensive loss for the year:

Name of the Entity	March 31, 2024		March 31, 2023	
	As % of consolidated other comprehensive loss	Amount	As % of consolidated other comprehensive loss	Amount
GHIAL	92.61%	(18.44)	99.65%	(141.52)
GACAEL	6.18%	(1.23)	0.25%	(0.35)
GHAL	0.75%	(0.15)	0.04%	(0.06)
GHASL	0.21%	(0.04)	0.03%	(0.04)
GHRL	0.25%	(0.05)	0.04%	(0.05)
Jointly controlled entities (as per equity method)				
Laqshya	0.00%	-	0.00%	-
Grand Total	100.00%	(19.91)	100.00%	(142.03)

D) Share of profit and loss for the financial year:

Name of the Entity	March 31, 2024		March 31, 2023	
	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
GHIAL	67.62%	258.56	365.71%	(108.53)
GACAEL	16.22%	62.04	-33.24%	9.87
GHAL	-0.48%	(1.82)	34.96%	(10.38)
GHASL	8.74%	33.44	-47.63%	14.14
GATL	-0.01%	(0.03)	0.10%	(0.03)
GHRL	8.56%	32.75	-170.73%	50.67
GHAAL	0.55%	2.11	-28.44%	8.44
Jointly controlled entities (as per Equity method)				
Laqshya	1.10%	4.21	-25.44%	7.55
GLPPL	-2.32%	(8.86)	4.72%	(1.40)
	100.00%	382.40	100.00%	(29.68)
Less: Consolidated adjustments/elimination*		(28.83)		(4.45)
Grand Total		353.57		(34.13)

- 68 The Hon'ble Orissa High Court vide Judgement in W.P. No.20463/2018, in the case of Safari Retreats Private Limited, observed that the GST provisions under Section 17(5)(c) and 17(5)(d) w.r.t input tax credit eligibility are not in line with the objective of the GST Act to allow seamless credit where such input services are used to provide taxable output services and accordingly, it was held that if an assessee is required to discharge GST on the rental income, it is eligible to avail the Input Tax Credit (ITC) of GST paid on the goods or services or both by a taxable person for construction of an immovable property when they are used in the course or furtherance of business. The Company is engaged in the operation of Airport, it renders taxable Output Services in the nature of landing and parking charges, hanger services, charges for use of terminal facilities, refuelling facilities, licensing of space for various aeronautical and non-aeronautical charges being its output supplies which are subject to output GST. Hence, the company in view of the favourable judgment of Orissa High Court in the case of Safari Retreats Private Limited has availed the Input Tax Credit accumulated in respect of the Input goods and Services supplied for the construction of Airport facilities as part of the ongoing expansion project and regular operations. Further, department has filed Special leave to appeal before Hon'ble Supreme Court of India against the judgement of Hon'ble Orissa High Court, where leave has been allowed without stay of operation of the judgment. Thus relying upon the favourable ruling of Orissa High Court which is a binding law and enforceable across all jurisdictions, the management decided to avail the Input Tax Credit in the GST Returns and books for the respective periods. However, the credit availed was not utilized by the Company owing to pending outcome of the judgement of Hon'ble Supreme Court of India. Further, the Company has filed a writ petition (10367/2020) with Hon'ble High Court of Telangana requesting to strike down the relevant provisions of GST which denies ITC in respect of works contract services or goods and services received for construction of immovable property (other than plant & machinery). The Hon'ble High Court had passed interim order directing the Respondents to not take any coercive action against the petitioner.

Considering that, the final decision from the Hon'ble Supreme Court of India, may take longer time, the management has taken a considered view for recognition of the project expenditure in terms of the prudent accounting principles and prevailing circumstances and also in view of the fact that various developmental activities under the ongoing expansion project are under completion and currently being recognised as CWIP, the said expenditure including the value of Input Tax Credit pertaining to the Civil Works has been capitalised during the year ended March 31, 2023. However, the management reserves its right to claim ITC in case of favourable decision from the Supreme Court on the above issue. Accordingly, GST ITC on civil works amounting to Rs. 512.67 crores accumulated till March 31, 2023 has been reversed from GST recoverable account and capitalized against the respective property, plant and equipment and capital work in progress to the tune of Rs. 316.57 Crores and Rs. 196.10 Crores respectively in the books of accounts of the Company.

- 69 "The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Holding Company is using SAP ERP accounting software for maintaining its books of account and Comvision used for processing parking revenues, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that the audit trail logs for direct changes in data at database level for accounting software, SAP ERP, is retained only for 7 days and has not been enabled for Comvision application. The retention of edit logs for more than 7 days for SAP ERP will require huge data space and accordingly, the Company has implemented additional control, wherein alerts generated through these logs are monitored at the Security operation Centre. Audit trail (edit log) for Comvision is enabled at the application level, users have access to perform transactions only from the application level and continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database. Further, Comvision has inbuilt data consistency checks to detect any tampering of tables and mismatches in accounting entry. Additionally, the audit trail (edit log) facility that logs for direct changes in data at database level was not enabled in the accounting softwares used for maintaining books of account by two of its subsidiaries."

- 70 On March 28, 2024, GHIAL has issued listed, rated, secured, redeemable non-convertible debentures (“NCD”) amounting to ₹540 crore to the eligible Qualified Institutional Buyers. Further GHIAL has received premium of ₹0.02 crore. The proceeds from the NCD's have been fully utilized for redemption of existing Senior Secured Notes (SSN) 2024 aggregating to \$73.61 million, including accrued interest on April 10, 2024.
- 71 During the financial year ended 2019, GHIAL had entered into a term loan facility arrangement with Yes Bank Limited (“YBL” or “Bank”), to avail term loan of Rs. 4,200 crore and had incurred an up-front processing fee of Rs. 63 crore. However, in view of certain developments, the Bank expressed its inability to extend the loan, and accordingly on April 21, 2020, the arrangement was terminated. Further YBL vide their letter dated June 9, 2020 acknowledged the receipt of request from GHIAL for refund of the aforesaid up-front fees and to present the GHIAL’s request to the appropriate committees for approvals. Further, GHAIL had obtained legal opinion from an independent lawyer regarding the GHIAL’s right to receive the refund of upfront fee and accordingly had considered the amount recoverable in full for all reporting periods upto December 31, 2022.
- However, owing to the delays in obtaining requisite approvals by the Bank for processing of upfront fee, GHIAL had assessed and written-off the carrying value of upfront processing fee receivable during the quarter and year ended March 31, 2023.
- 72 During the current year, the Company has sold 100% stake in it's subsidiary, GMR Hyderabad Airport Assets Limited involved in the business of development and renting of commercial property. The gain on sale has been recognised as an exceptional item in the accompanying Financial Statements.
- 73 The Company has presented profit/ (loss) before finance costs, taxes, depreciation, amortisation expense and exceptional items as EBITDA.

This is the summary of material accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandiok & Co LLP Chartered Accountants ICAI Firm Registration Number: 001076N/N500013	For K S Rao & Co., Chartered Accountants ICAI Firm Registration Number: 003109S	For and on behalf of the Board of Directors of GMR Hyderabad International Airport Limited	
Sd/- Anamitra Das Partner Membership No.: 062191	Sd/- Hitesh Kumar P Partner Membership No.:233734	Sd/- GBS Raju Managing Director DIN.: 00061686	Sd/- C Prasanna Director DIN: 01630300
		Place: New Delhi Date: May 20, 2024	Place: Hyderabad Date: May 20, 2024
			Sd/- Pradeep Panicker Chief Executive Officer
			Place: Hyderabad Date: May 20, 2024
			Sd/- Anand Kumar P Chief Financial Officer
Place: New Delhi Date: May 20, 2024	Place: Bengaluru Date: May 20, 2024	Place: Hyderabad Date: May 20, 2024	Place: Hyderabad Date: May 20, 2024