

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

1. DESCRIPTION OF BUSINESS

GMR Infrastructure Limited ('GIL' or 'the Company') and its subsidiaries, associates and joint ventures (hereinafter collectively referred to as 'the Group') are mainly engaged in generation of power, mining and exploration activities, development of highways, infrastructure development such as development and maintenance of airports and special economic zones, construction business including Engineering, Procurement and Construction (EPC) contracting activities and operation of special economic zones.

Power sector

Certain entities of the Group are involved in the generation of power. These are separate special purpose vehicles which have entered into Power Purchase Agreements ('PPA') with the electricity distribution companies of the respective state governments (either on the basis of Memorandum of Understanding or through a bid process) or short term power supply agreements to generate and sell power directly to consumers as a merchant plant. Certain entities of the Group are involved in the mining and exploration activities and the Group is also involved in energy trading activities through one of its subsidiaries.

Airport sector

Certain entities of the Group are engaged in development and operation of airport infrastructure such as greenfield international airport at Hyderabad and modernisation and operation of international airports at Delhi, Malé and Istanbul on build, own, operate and transfer basis.

Development of Highways

Certain entities of the Group are engaged in development of highways on build, operate and transfer model on annuity or toll basis. These are special purpose vehicles which have entered into concessionaire agreements with National Highways Authority of India ('NHAI') or respective state governments for carrying out these projects.

Construction business

Certain entities of the Group are in the business of construction including as an EPC contractor. These entities are engaged in handling of EPC solution in the infrastructure sector.

Others

Entities of the Group which cover all residual activities of the Group that includes urban infrastructure, investment activities and management/technical consultancy.

2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include accounts of the subsidiaries (accounted as per Accounting Standard (AS) - 21), associates (accounted as per AS 23) and joint ventures (accounted as per AS 27). Subsidiary undertakings are those companies in which the Company, directly or indirectly, has an interest of more than one half of voting power or otherwise controls the composition of the Board/Governing Body so as to obtain economic benefits from its activities. Subsidiaries are consolidated from the date on which effective control is transferred to the Group till the date such control ceases. The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended). The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group as in the previous year except for the change in accounting policy explained in 2.1(a) below.

The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the balance sheet, statement of profit and loss and cash flow statement of the Company and its subsidiaries. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between the entities in the Group are eliminated unless cost can not be recovered. The excess of the cost to the Company of its investments in subsidiaries / joint ventures, over its proportionate share in equity of the investee Company as at the date of acquisition is recognised in the consolidated financial statements as Goodwill and disclosed under Intangible assets. In case the cost of investment in subsidiaries is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as capital reserve and shown under reserves and surplus.

The gains or losses arising from the dilution of interest on issue of additional shares to third parties is recorded as capital reserve. Gains or losses arising on the direct sale by the Company of its investment in its subsidiaries are transferred to the statement of profit and loss. Such gains or losses are the difference between the sale proceeds and the net carrying values of the investments.

The consolidated financial statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

Investments in the associates have been accounted in the consolidated financial statements as per AS 23 on "Accounting for Investments in Associates". Investments in associate companies, which have been made for temporary purposes, have not been considered for consolidation.

Investments in the joint ventures have been accounted using proportionate consolidation method whereby the Group includes its share of the assets, liabilities, income and expenses of the joint ventures in its consolidated financial statements as per AS 27 on "Financial Reporting of Interests in Joint Ventures."

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

The Companies considered in the consolidated financial statements in each of the years are listed below

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2012	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
1	GMR Energy Limited (GEL)	India	Subsidiary	97.91%	97.91%	97.91%	97.91%
2	GMR Power Corporation Limited (GPCL)	India	Subsidiary	49.93%	49.93%	51.00%	51.00%
3	GMR Vemagiri Power Generation Limited (GVPGL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
4	GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
5	Badrinath Hydro Power Generation Private Limited (BHPL)	India	Subsidiary	96.93%	96.93%	99.00%	99.00%
6	GMR Mining & Energy Private Limited (GMEL)	India	Subsidiary	71.57%	71.57%	73.10%	73.10%
7	GMR Kamalanga Energy Limited (GKEL)	India	Subsidiary	78.33%	78.33%	80.00%	80.00%
8	Himtal Hydro Power Company Private Limited (HHPPL)	Nepal	Subsidiary	78.33%	78.33%	80.00%	80.00%
9	GMR Energy (Mauritius) Limited (GEML)	Mauritius	Subsidiary	98.01%	98.01%	100.00%	100.00%
10	GMR Lion Energy Limited (GLEL)	Mauritius	Subsidiary	98.01%	98.01%	100.00%	100.00%
11	GMR Upper Karnali Hydropower Limited (GUKPL)	Nepal	Subsidiary	71.55%	71.55%	73.00%	73.00%
12	GMR Energy Trading Limited (GETL)	India	Subsidiary	99.60%	99.60%	99.99%	99.99%
13	GMR Consulting Services Private Limited (GCSPL)	India	Subsidiary	96.93%	96.93%	99.00%	99.00%
14	GMR Coastal Energy Private Limited (GCEPL)	India	Subsidiary	96.93%	96.93%	99.00%	99.00%
15	GMR BajoliHoli Hydropower Private Limited (GBHHPL)	India	Subsidiary ¹⁰	97.91%	96.93%	100.00%	99.00%
16	GMR Londa Hydropower Private Limited (GLHPPPL)	India	Subsidiary ¹⁰	97.91%	96.93%	100.00%	99.00%
17	GMR Kakinada Energy Private Limited (GKEPL)	India	Subsidiary ¹⁰	97.91%	96.93%	100.00%	99.00%
18	Rampia Coal Mine and Energy Private Limited (RCMEPL)	India	Joint Venture	17.03%	17.03%	17.39%	17.39%
19	GMR Chhattisgarh Energy Limited (GCHEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
20	GMR Energy (Cyprus) Limited (GECL)	Cyprus	Subsidiary	98.01%	98.01%	100.00%	100.00%
21	GMR Energy (Netherlands) B.V. (GENBV)	Netherlands	Subsidiary	98.01%	98.01%	100.00%	100.00%
22	PT Dwikarya Sejati Utama (PTDSU)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
23	PT Duta Sarana Internusa (PTDSI)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
24	PT Barasentosa Lestari (PTBSL)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
25	GMR Rajahmundry Energy Limited (GREL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
26	SJK Powergen Limited (SJK)	India	Subsidiary	68.54%	68.54%	70.00%	70.00%
27	PT Unsoco (PT)	Indonesia	Subsidiary	98.01%	98.01%	100.00%	100.00%
28	EMCO Energy Limited (EMCO)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
29	Homeland Energy Group Limited (HEGL)	Canada	Subsidiary	54.67%	54.67%	55.84%	55.84%
30	Homeland Energy Corp (HEC)	Mauritius	Subsidiary	54.67%	54.67%	100.00%	100.00%
31	Homeland Mining & Energy SA (Pty) Limited (HMES)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
32	Homeland Energy (Swaziland) (Pty) Limited (HESW)	Swaziland	Subsidiary	41.00%	41.00%	75.00%	75.00%
33	Homeland Mining & Energy (Botswana) (Pty) Limited (HMEB)	Botswana	Subsidiary	54.67%	54.67%	100.00%	100.00%
34	Homeland Coal Mining (Pty) Limited (HCM)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
35	Nhalalala Mining (Pty) Limited (NML)	South Africa	Joint Venture	27.34%	27.34%	50.00%	50.00%
36	Tshedza Mining Resource (Pty) Limited (TMR)	South Africa	Joint Venture	27.34%	27.34%	50.00%	50.00%
37	Corpco 331 (Pty) Limited (CPL)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
38	Ferret Coal Holdings (Pty) Limited (FCH)	South Africa	Subsidiary	54.67%	54.67%	100.00%	100.00%
39	Wizard Investments (Pty) Limited (WIL)	Botswana	Subsidiary	38.27%	38.27%	70.00%	70.00%
40	Ferret Coal (Kendal) (Pty) Limited (FCK)	South Africa	Subsidiary	40.46%	40.46%	74.00%	74.00%
41	Manoka Mining (Pty) Limited (MMPL)	South Africa	Subsidiary	35.54%	35.54%	65.00%	65.00%
42	GMR Maharashtra Energy Limited (GMAEL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%

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43	GMR Bundelkhand Energy Private Limited (GBEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
44	GMR Uttar Pradesh Energy Private Limited (GUPEPL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
45	GMR Hosur Energy Limited (GHOEL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
46	GMR Gujarat Solar Power Private Limited (GGSPP)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
47	Karnali Transmission Company Private Limited (KTCL)	Nepal	Subsidiary	98.01%	98.01%	100.00%	100.00%
48	Marsyangdi Transmission Company Private Limited (MTCPL)	Nepal	Subsidiary	98.01%	98.01%	100.00%	100.00%
49	GMR Indo-Nepal Energy Links Limited (GINELL)	India	Subsidiary ¹⁰	97.91%	97.79%	100.00%	99.98%
50	GMR Indo-Nepal Power Corridors Limited (GINPCL)	India	Subsidiary ¹⁰	97.91%	97.79%	100.00%	99.98%
51	GMR Renewable Energy Limited (GREEL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
52	Aravali Transmission Service Company Limited (ATSCL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
53	Maru Transmission Service Company Limited (MTSCL)	India	Subsidiary	97.91%	97.91%	100.00%	100.00%
54	GMR Energy Projects (Mauritius) Limited (GEPML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%
55	Island Power Intermediary Pte Limited (IPIPL)	Singapore	Subsidiary ¹	-	100.00%	-	100.00%
56	GMR Energy Singapore Pte Limited (formerly known as Island Power Company Pte Limited) (GESPL)	Singapore	Subsidiary ²	70.00%	100.00%	70.00%	100.00%
57	GMR Supply Singapore Pte Limited (Formerly known as Island Power Supply Pte Limited) (GSSPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%
58	GMR Infrastructure (Singapore) Pte Limited (GISPL)	Singapore	Subsidiary	100.00%	100.00%	100.00%	100.00%
59	GMR Highways Limited (GMRHL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
60	GMR Tambaram Tindivanam Expressways Private Limited (GTTEPL)	India	Subsidiary	60.48%	60.48%	74.00%	74.00%
61	GMR Tuni Anaparthi Expressways Private Limited (GTAEP)	India	Subsidiary	60.48%	60.48%	74.00%	74.00%
62	GMR Ambala Chandigarh Expressways Private Limited (GACEPL)	India	Subsidiary	99.46%	99.46%	100.00%	100.00%
63	GMR Jadcherla Expressways Private Limited (GJEPL)	India	Subsidiary	99.90%	99.90%	100.00%	100.00%
64	GMR Pochanpalli Expressways Limited (GPEPL)	India	Subsidiary	99.90%	99.90%	100.00%	100.00%
65	GMR Ulundurpet Expressways Private Limited (GUEPL)	India	Subsidiary	99.90%	99.90%	100.00%	100.00%
66	GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL)	India	Subsidiary	90.00%	90.00%	90.00%	90.00%
67	GMR Chennai Outer Ring Road Private Limited (GOCORRPL)	India	Subsidiary	89.79%	89.79%	90.00%	90.00%
68	GMR OSE Hungund Hospet Highways Private Limited (GOSEHHHPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%
69	GMR Hyderabad International Airport Limited (GHIAL)	India	Subsidiary ³	61.20%	63.00%	63.00%	63.00%
70	Gateways for India Airports Private Limited (GFIAL)	India	Subsidiary	86.49%	86.49%	86.49%	86.49%
71	Hyderabad Menzies Air Cargo Private Limited (HMACPL)	India	Subsidiary ³	31.21%	32.13%	51.00%	51.00%
72	Hyderabad Airport Security Services Limited (HASSL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
73	GMR Hyderabad Airport Resource Management Limited (GHARML)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
74	GMR Hyderabad Aerotropolis Limited (HAPL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
75	GMR Hyderabad Aviation SEZ Limited (GHASL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
76	GMR Hyderabad Multiproduct SEZ Limited (GHMSL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
77	MAS GMR Aerospace Engineering Company Private Limited (MGAECL)	India	Joint Venture ⁴	30.60%	31.50%	50.00%	50.00%
78	TVS GMR Aviation Logistics Limited (TVS GMR)	India	Joint Venture ⁴	29.99%	30.87%	49.00%	49.00%

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79	Hyderabad Duty Free Retail Limited (HDFRL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
80	GMR Airport Developers Limited (GADL)	India	Subsidiary	96.20%	96.20%	99.02%	99.02%
81	MAS GMR Aero Technic Limited (MGATL)	India	Joint Venture ⁴	30.60%	31.50%	50.00%	50.00%
82	GADL International Limited (GADLIL)	Isle of Man	Subsidiary	96.20%	96.20%	100.00%	100.00%
83	GADL (Mauritius) Limited (GADLML)	Mauritius	Subsidiary	96.20%	96.20%	100.00%	100.00%
84	GMR Airport Handling Services Company Limited (GAHSCL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
85	Asia Pacific Flight Training Academy Limited (APFT)	India	Subsidiary ^{3,9}	60.28%	25.20%	98.50%	40.00%
86	Delhi International Airport Private Limited (DIAL)	India	Subsidiary ³	52.82%	53.53%	54.00%	54.00%
87	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture ⁴	26.41%	26.77%	50.00%	50.00%
88	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary ³	52.82%	53.53%	100.00%	100.00%
89	East Delhi Waste Processing Company Private Limited (EDWPCPL)	India	Subsidiary ²	26.94%	75.27%	51.00%	99.99%
90	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Joint Venture ⁴	21.13%	21.41%	40.00%	40.00%
91	Devyani Food Street Private Limited (DF SPL)	India	Joint Venture ⁴	21.13%	21.41%	40.00%	40.00%
92	Delhi Select Services Hospitality Private Limited (DSSHPL)	India	Joint Venture ⁴	21.13%	21.41%	40.00%	40.00%
93	Delhi Duty Free Services Private Limited (DDFS)	India	Joint Venture ⁴	26.36%	26.71%	49.90%	49.90%
94	Delhi Aviation Fuel Facility Private Limited (DAFF)	India	Joint Venture ⁴	13.73%	13.92%	26.00%	26.00%
95	Celebi Delhi Cargo Terminal Management India Private Limited (CDCTM)	India	Joint Venture ⁴	13.73%	13.92%	26.00%	26.00%
96	Delhi Cargo Service Center Private Limited (DCSCPL)	India	Joint Venture ⁴	13.73%	13.92%	26.00%	26.00%
97	Wipro Airport IT Services Limited (WAISL)	India	Joint Venture ⁴	13.73%	13.92%	26.00%	26.00%
98	Delhi Airport Parking Services Private Limited (DAPSL)	India	Joint Venture ⁴	26.36%	26.71%	49.90%	49.90%
99	TIM Delhi Airport Advertising Private Limited (TIM)	India	Joint Venture ⁴	26.36%	26.71%	49.90%	49.90%
100	Istanbul Sabiha Gokcen Uluslarasi Havalimani Yatirim Yapum Velsletme Sirketi (ISG)	Turkey	Joint Venture	40.00%	40.00%	40.00%	40.00%
101	Istanbul Sabiha Gokcen Uluslararasi Havalimani Yer Hizmetleri Anonim Sirketi (SGH)	Turkey	Joint Venture	29.00%	29.00%	29.00%	29.00%
102	GMR Hotels and Resorts Limited (GHRL)	India	Subsidiary ³	61.20%	63.00%	100.00%	100.00%
103	GMR Airports Limited (formerly known as GMR Airports Holding Limited) (GAHL)	India	Subsidiary	97.15%	97.15%	97.15%	97.15%
104	GMR Aviation Private Limited (GAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
105	GMR Krishnagiri SEZ Limited (GKSEZ)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
106	Advika Properties Private Limited (APPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
107	Aklima Properties Private Limited (AKPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
108	Amartya Properties Private Limited (AMPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
109	Baruni Properties Private Limited (BPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
110	Bougainvillea Properties Private Limited (BOPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
111	Camelia Properties Private Limited (CPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
112	Deepesh Properties Private Limited (DPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
113	Eila Properties Private Limited (EPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
114	Gerbera Properties Private Limited (GPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
115	Lakshmi Priya Properties Private Limited (LPPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
116	Honeysuckle Properties Private Limited (HPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%

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117	Idika Properties Private Limited (IPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
118	Krishnapriya Properties Private Limited (KPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
119	Larkspur Properties Private Limited (LAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
120	Nadira Properties Private Limited (NPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
121	Padmapriya Properties Private Limited(PAPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
122	Prakalpa Properties Private Limited (PPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
123	Purnachandra Properties Private Limited (PUPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
124	Shreyadita Properties Private Limited (SPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
125	Pranesh Properties Private Limited (PRPPL)	India	Subsidiary ⁵	100.00%	-	100.00%	-
126	Sreepa Properties Private Limited (SRPPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
127	GMR SEZ and Port Holdings Private Limited (GSPHPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
128	GMR Corporate Affairs Private Limited (GCAPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
129	Dhruvi Securities Private Limited (DSPL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
130	Kakinada SEZ Private Limited (KSPL)	India	Subsidiary	51.00%	51.00%	51.00%	51.00%
131	GMR Power Infra Limited (GPIL)	India	Subsidiary	100.00%	100.00%	100.00%	100.00%
132	GMR Infrastructure (Mauritius) Limited (GIML)	Mauritius	Subsidiary	100.00%	100.00%	100.00%	100.00%
133	GMR Infrastructure (Cyprus) Limited (GICL)	Cyprus	Subsidiary	100.00%	100.00%	100.00%	100.00%
134	GMR Infrastructure Overseas Sociedad Limitada (GIOSL)	Spain	Subsidiary	100.00%	100.00%	100.00%	100.00%
135	GMR Infrastructure (UK) Limited (GIUL)	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%
136	GMR International (Malta) Limited (GMRIML)	Malta	Subsidiary	100.00%	100.00%	100.00%	100.00%
137	Limak GMR Construction JV (CJV)	Turkey	Joint Venture	50.00%	50.00%	50.00%	50.00%
138	GMR Infrastructure (Global) Limited (GIGL)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%
139	GMR Energy (Global) Limited (GEGE)	Isle of Man	Subsidiary	100.00%	100.00%	100.00%	100.00%
140	LGM Havalimani Isletmeleri Ticaret Ve Turizm Anonim Sirketi (LGM)	Turkey	Joint Venture	40.00%	40.00%	40.00%	40.00%
141	GMR Malé International Airport Private Limited (GMIAL)	Maldives	Subsidiary ¹¹	76.99%	76.87%	77.00%	77.00%
142	GMR Malé Retail Private Limited (GMRPL)	Maldives	Subsidiary ⁶	95.72%	-	99.50%	-
143	GMR Coal Resources Pte Limited (formerly known as GMR Infrastructure Investments (Singapore) Pte Limited) (GCRPL)	Singapore	Subsidiary ³	98.01%	100.00%	100.00%	100.00%
144	GMR Holdings Overseas Spain SLU (GHOSS)	Spain	Subsidiary ¹	-	100.00%	-	100.00%
145	Laqshya Hyderabad Airport Media Private Limited (Laqshya)	India	Joint Venture ⁷	29.99%	-	49.00%	-
146	GMR Infrastructure Overseas Limited (GIOL)	Mauritius	Subsidiary ⁵	100.00%	-	100.00%	-
147	Radhapriya Properties Private Limited (RPPL)	India	Subsidiary ⁵	100.00%	-	100.00%	-
148	GMR Kishangarh Ahmedabad Udaipur Expressways Private Limited (GKUAPEPL)	India	Subsidiary ⁶	100.00%	-	100.00%	-
149	GMR Business Process and Services Private Limited (GBPSPL)	India	Subsidiary ⁶	100.00%	-	100.00%	-
150	GMR Airport Global Limited (GAGL)	Isle of Man	Subsidiary ⁵	96.20%	-	100.00%	-
151	GMR Highways Projects Private Limited (GHPPL) (formerly known as GMR Kishangarh Ahmedabad Expressways Private Limited)	India	Subsidiary ⁶	100.00%	-	100.00%	-
152	PT Golden Energy Mines Tbk (PTGEMS)	Indonesia	Joint venture ⁷	29.40%	-	30.00%	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

Sl. No.	Name of the company	Country of incorporation	Relationship as at March 31, 2012	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at	
				March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
153	PT Roundhill Capital Indonesia (RCI)	Indonesia	Joint venture ^s	29.11%	-	29.70%	-
154	PT Borneo Indobara (BIB)	Indonesia	Joint venture ^s	28.84%	-	29.43%	-
155	PT Kuansing Inti Makmur (KIM)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
156	PT Karya Cemerlang Persada (KCP)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
157	PT Bungo Bara Utama (BBU)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
158	PT Bara Harmonis Batang Asam (BHBA)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
159	PT Berkat Nusantara Permai (BNP)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
160	PT Tanjung Belit Bara Utama (TBBU)	Indonesia	Joint venture ^s	29.34%	-	29.94%	-
161	PT Trisula Kencana Sakti (TKS)	Indonesia	Joint venture ^s	20.58%	-	21.00%	-
162	PT Mangaala Alam Lestari (MAL)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-
163	PT Nusa Indah Permai (NIP)	Indonesia	Joint venture ^s	29.40%	-	30.00%	-

The reporting dates of the subsidiaries and joint ventures coincide with that of the parent Company except in case of HEGL and its subsidiaries and joint ventures (refer Sl. No. 29 to 41 above) and PTGEMS and its subsidiaries and joint ventures (refer Sl. No. 152 to 163 above), whose financial statements for the period ended on and as at December 31, 2011 were considered for the purpose of the audited consolidated financial statements of the Group.

The financial statements of other subsidiaries / joint ventures / associates have been drawn up to the same reporting date as of the Company, i.e. March 31, 2012.

1. Wound up / sold during the year
2. Disinvested during the year
3. Dilution due to change in holding structure of the subsidiaries during the year
4. Dilution due to change in holding structure of the joint ventures during the year
5. Subsidiary acquired during the year
6. Subsidiary incorporated during the year
7. Joint Venture agreement executed during the year
8. Became joint ventures consequent to PTGEMS becoming joint venture of the Group
9. Became subsidiary consequent to infusion of equity share capital
10. Further infusion of Equity Share Capital during the year
11. Further infusion of Equity Share Capital consequent to GAGL becoming subsidiary of the Group

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES

a) Change in accounting policy

Presentation and disclosure of financial statements

During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act 1956, has become applicable to the Group, for preparation and presentation of its consolidated financial statements. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of consolidated financial statements. However, it has significant impact on presentation and disclosures made in the consolidated financial statements. The Group has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Amortisation of carriageways related to toll based projects

During the year ended March 31, 2012, the Group has retrospectively revised the method of amortisation of its carriageways for toll based projects from amortisation on the units of usage basis, whereby amortisation is calculated based on the proportion of actual traffic volume for a particular period over the total projected traffic volume throughout the periods to amortisation based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of Ministry of Corporate Affairs (MCA) notification dated April 17, 2012 for companies engaged in the business of development of highways on build, operate and transfer model and are toll based projects.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

The excess amortisation provided in the books of account till March 31, 2011 as per the earlier basis to the extent of Indian Rupees (Rs.) 48.15 crore has been written back during the year ended March 31, 2012. This change in accounting policy has resulted in decrease in amortisation expenses and corresponding decrease in loss for the year by Rs. 48.15 crore.

b) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on 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.

Change in accounting estimates

During the year ended March 31, 2012, the Group has revised the estimated useful life of its tangible assets from minimum rate prescribed under Schedule XIV of the Companies Act, 1956 to the rates prescribed under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation, 2009 in terms of MCA Circular No: 31/2011 dated May 31, 2011 ('CERC regulations') for companies engaged in the business of generation and sale of energy. Accordingly, the written down value of fixed assets as at April 1, 2011, is being depreciated on a prospective basis over the remaining estimated useful life. This change in accounting estimate has resulted in decrease in depreciation and amortisation expenses and corresponding decrease in loss for the year by Rs. 15.40 crore.

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Power sector business:

In case of power generating companies, revenue from energy units sold as per the terms of the PPA and Letter of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised based on the units of energy delivered and the rate agreed with the customers.

Revenue from the sale of coal is recognised when the risks and rewards of ownership passes to the purchaser including delivery of the product, the selling price is fixed or determinable, and collectability is reasonably assured. Revenue earned in the pre-production stage and related operating costs have been recorded against the carrying value of mining and exploration and development properties.

Claims for delayed payments charges and any other claims, which the Group is entitled to, under the PPAs, are accounted for in the year of acceptance.

Development of highways:

In case of companies involved in construction and maintenance of roads, toll revenue from operation is recognised on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

concessionaire agreement entered into with NHAI or with respective State Governments. Claims raised on NHAI under concessionaire agreement are accounted for in the year of acceptance.

Airport sector business:

In case of airport infrastructure companies, aeronautical and non aeronautical revenue is recognised on an accrual basis and is net of service tax, applicable discounts and collection charges, when services are rendered and it is possible that an economic benefit will be received which can be quantified reliably.

In case of cargo handling revenue, revenue from outbound cargo is recognised at the time of acceptance of cargo with respect to non-airline customers and at the time of departure of aircraft with respect to airline customers and revenue from inbound cargo is recognised at the time of arrival of aircraft in case of airline customers and at the point of delivery of cargo in case of non-airline customers. Interest on delayed receipts from customers is recognised on acceptance.

Revenue from commercial property development rights granted to concessionaires is recognised on accrual basis, as per the terms of agreement with customers.

Revenue share paid / payable to Concessionaire / grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective airports has been disclosed under "other expenses".

Revenue from hotel operations comprises income by way of hotel room rent, sale of food, beverages and allied services relating to the hotel and is recognised net of taxes and discounts as and when the services are provided.

Revenue from the sale of goods at duty free outlets operated by the Group is recognised at the time of delivery of goods to customers which coincides with transfer of risks and rewards. Sales are stated net of discounts, rebates and returns.

Revenue from sale of fuel is recognised when fuel is transferred to the customers and is measured based at the consideration received or receivable, net of returns and trade discounts.

Revenue from developing, operating, maintaining and managing the sites at the airport for display of advertisements are recognised on the display of advertisements.

Construction business:

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. In the case of contracts with defined milestones and assigned price for each milestone, it recognises revenue on transfer of significant risks and rewards which coincides with achievement of milestone and its acceptance by its customer. Provision is made for all losses incurred to the balance sheet date. Any further losses that are foreseen in bringing contracts to completion are also recognised.

Others:

- i. Dividend income is recognised when the right to receive dividend is established by the reporting date.
- ii. Income from management / technical services is recognised as per the terms of the agreement on the basis of services rendered.
- iii. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other operating income" for companies engaged in investing activities and under the head "other income" for other companies in the statement of profit and loss.
- iv. Benefits arising out of duty free scrips utilised for the acquisition of fixed assets or inventory are recognised as income once it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.
- v. On disposal of current investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss. Such income is included under the head "other operating income" for companies engaged in investing activities and under the head "other income" for other companies in the statement of profit and loss.

Revenue earned in excess of billings has been included under "other assets" as unbilled revenue and billings in excess of revenue have been disclosed under "other liabilities" as unearned revenue.

Expenditure including pre-operative and other incidental expenses incurred by the Group on projects that are in the process of commissioning, being recoverable from the respective entities created for carrying out these projects, are not charged to the statement of profit and loss and are treated as advances to the respective entities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

d) Operation and maintenance contracts

Certain entities engaged in power generation have entered into a Long Term Service Agreements (LTSAs) for maintenance of the power plants, Operations and Maintenance Agreement for regular and major maintenance and Long Term Assured Parts Supply Agreement (LTAPSA) for supply of parts for planned and unplanned maintenance over the term of the agreements. Amounts payable under the LTSAs are charged to the statement of profit and loss based on actual factored fired hours of the gas turbines during the year on the basis of average factored hour cost including customs duty applicable at the current prevailing rate. Periodical minimum payments are accounted for as and when due.

Operations and Maintenance Agreements have been entered by certain subsidiary companies in the road sector for operations, regular and major maintenance of the highways. Amounts payable under such agreements are charged to the statement of profit and loss on an accrual basis.

e) Fixed assets

Tangible assets

Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and freight, duties levies and borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

From accounting periods commencing on or after December 7, 2006, the Group adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from de-recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

Tangible assets under installation or under construction as at balance sheet are shown as Capital work-in-progress and the related advances are shown as loans and advances.

Intangible assets

In case of airport infrastructure companies, amounts in the nature of upfront fee and other costs incurred pursuant to the terms of the respective concession agreements are recognised as Intangible assets.

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

f) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred for potential mineral reserves and are related to the project expenditure are recognised and reported as part of 'intangible assets under development' when one of the below conditions are met:

- i. Such costs are expected to be either recouped in full through successful exploration and development of the area of interest or alternatively by its sale, or
- ii. When exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically available reserves and active and significant operations in relation to the area are continuing or are planned for future. Ultimate recoupment of the exploration expenditure carried forward is dependent upon a successful development and commercial exploitation, or alternatively, sale of the respective area. Assets are reassessed on regular basis and these costs are carried forward provided that atleast one of the conditions outlined above is met. All other exploration and evaluation expenditure is recognised as expense in the period in which it is incurred.

g) Deferred stripping costs

The Group defers stripping costs incurred subsequently, during the production stage of its operations, for those operations where this is the most appropriate basis for matching the costs against the related economic benefits and the effect is material. This is generally the case where there are fluctuations in stripping costs over the life of the mine (or pit). The amount of stripping costs deferred is based on the ratio ('Ratio') obtained by dividing the tonnage of waste mined either by the quantity of ore mined or by the quantity of minerals contained in the ore. In some operations, the quantity of ore is a more practical basis for matching costs with the related economic benefits where there are important co-products or where the grade of the ore is relatively stable from year to year. Stripping costs incurred in the period are deferred to the extent that the current period Ratio exceeds the life of mine ratio. Such deferred costs are then charged against reported profits to the extent that, in subsequent periods, the current period Ratio falls short of the life of mine ratio.

The life of mine ratio is based on proved and probable reserves of the mine. The life of mine waste-to-ore ratio is a function of the pit design(s) and therefore changes to that design will generally result in changes to the Ratio. Changes in other technical or economic parameters that impact on reserves will also have

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

an impact on the life of mine ratio even if they do not affect the pit design(s). Changes to the life of mine ratio are accounted for prospectively.

In the production stage of some mines, further development of the mine requires a phase of unusually high overburden removal activity that is similar in nature to pre-production mine development. The costs of such unusually high overburden removal activity are deferred and charged against reported profits in subsequent periods on a units of production basis. This accounting treatment is consistent with that for stripping costs incurred during the development phase of a mine, before production commences.

Deferred stripping costs are included in 'Mining properties (including deferred exploration and stripping costs)' under intangible assets. These form part of the total investment in the relevant cash generating unit, which is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

h) Leases

For lessee:

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

For lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

i) Depreciation / Amortisation

In case of entities under CERC Regulations:

Depreciation on plant and machinery is provided using straight line method at the rate of 5.28% per annum as on March 31, of the year till a period of 12 years from the date of commencement of commercial operations. After a period of 12 years from the date of commencement of commercial operations, the remaining written down value at the end of 12th year from the date of commercial operations shall be depreciated over the balance useful life of the asset estimated by the management or in the manner prescribed under CERC Regulations.

Other tangible assets are depreciated using straight line method at the rates specified in the CERC regulations, which is estimated by the management to be the estimated useful lives of the fixed assets, except for fixed assets individually costing Rs 5,000 or less, which are fully depreciated in the year of acquisition.

Sl. No.	Block	Rate of depreciation
1	Buildings:	
	- Factory and office	3.34%
2	Office equipments	
	- Computers (including capitalized software)	15.00%
	- Others	6.33%
3	Vehicles	9.50%
4	Furniture and fixtures	6.33%

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Other Entities:

For domestic subsidiaries, joint ventures and associates, other than as stated aforesaid and below, the Group provides depreciation on fixed assets, using straight line method at the rates specified under Schedule XIV to the Companies Act, 1956 or rates based on useful lives of the assets which are estimated by the management whichever are higher, except for assets individually costing less than Rs. 5,000, which are fully depreciated in the year of acquisition. Leasehold land is amortised over the tenure of the lease except in case of power plant where it is amortised from the date of commercial operation. Leasehold improvements are amortised over the primary period of the lease or estimated useful life whichever is shorter.

Depreciation on adjustments to the historical cost of the assets on account of foreign exchange fluctuations is provided prospectively over the residual useful life of the asset.

For overseas subsidiaries, joint ventures and associates, the Group provides depreciation based on estimated useful lives of the fixed assets as determined by the management of such subsidiaries, joint ventures and associates. In view of different sets of environment in which such foreign subsidiaries, joint ventures and associates operate in their respective countries, depreciation is provided based on local laws and management estimates. These companies follow straight line method of depreciation spread over the useful life of each individual asset. It is practically not possible to align rates of depreciation of such subsidiaries, joint ventures and associates with those of the domestic subsidiaries, joint ventures and associates.

The estimated useful lives of the assets considered by such overseas entities are as follows:

Asset category	Useful life in years	
	Minimum	Maximum
Lease hold improvements	3	16
Buildings	3	10
Plant and machinery	3	15
Furniture and fixtures	3	20
Computer equipments, office equipment	3	20
Motor vehicles	4	7
Other tangible fixed assets	5	10

Intangible assets

Goodwill arising on consolidation is not amortised but tested for impairment.

Intangible assets representing upfront fees and other payments made to concessionaires of the respective airports, pursuant to the terms and conditions of concession agreements are amortised on a straight line method over the initial and extended periods of concession agreements, as applicable.

Carriageways related to annuity based projects are amortised over the period of the respective Concessionaire Agreements on a straight line basis.

Carriageways related to toll based road projects are amortised based on proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of Ministry of Corporate Affairs (MCA) notification dated April 17, 2012.

The total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in traffic and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Intangible assets representing carriageways and airport concessionaire rights are amortised over the concession period, ranging from 17 to 20 years and 20 to 60 years respectively, which is beyond the maximum period of 10 years as specified in the AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

Software is amortised based on the useful life of 6 years on a straightline basis as estimated by the management.

j) Impairment of tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognised in the revaluation reserve up to the amount of any previous revaluation.

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

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

k) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the consolidated financial statements at lower of cost or fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

l) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares: Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis and includes all applicable costs in bringing goods to their present location and condition.

Contract work-in-progress: Costs incurred that relate to future activities on the contract are recognised as contract work-in-progress. Contract work-in-progress comprises of construction cost and other directly attributable overhead valued at cost.

Traded / Finished goods: Traded goods are valued at lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

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

m) Employee benefits

a. Defined contribution plans

Contributions paid / payable to defined contribution plans comprising of provident fund, pension fund, superannuation fund etc., in accordance with the applicable laws and regulations are recognised as expenses during the period when the contributions to the respective funds are due.

The Group makes monthly contributions and has no further obligations under such plans beyond its contributions.

b. Defined benefit plans

The liability as at the balance sheet date is provided for based on the actuarial valuation, based on projected unit credit method at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised immediately in the statement of profit and loss as an income or expense.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

c. Other long term employee benefits

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

d. Short term employee benefits

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

n) Foreign currency transactions.

Foreign currency transactions and balances

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on a monetary item that, in substance, forms part of the Group's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

From accounting periods commencing on or after December 7, 2006, the Group accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.
2. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.
3. All other exchange differences are recognised as income or as expenses in the period in which they arise.

iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. Any gain / loss arising on forward contracts which are long-term foreign currency monetary items is recognised in accordance with paragraph (iii)(1) and (iii)(2) above.

v. Translation of integral and non-integral foreign operation

The Group classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations."

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the statement of profit and loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

Any goodwill or capital reserve arising on acquisition of non-integral operation is translated at closing rate.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

p) Government grants and subsidies

Grants and subsidies including airport development fee from the government or any regulatory authority are recognised when there is reasonable assurance that the grant / subsidy will be received and all conditions attached to the grant / subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant amount (net of direct amount incurred to earn aforesaid grant) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

Development fee entitlement in terms of preliminary ad hoc approval of Ministry of Civil Aviation ('MoCA') dated February 9, 2009, which was finally approved by Airports Economy Regulatory Authority ('AERA') vide its order No. 28/2011-12 and issued on November 14, 2011 towards development of project, is reduced from the total project cost. The balance portion of development fee for the project cost, which is under construction, shall be accrued and reduced from the aforesaid cost after completion of assets under construction.

q) Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 ('IT Act') enacted in India and tax laws prevailing in the respective tax jurisdictions where the entities in the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the entities in the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the entities in the Group are entitled to a tax holiday under IT Act enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the entities in the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the entities in the Group re-assess unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The entities in the Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the entities in the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the entities in the Group recognises MAT credit as an asset in accordance with the Guidance Note on 'Accounting for Credit Available in respect of Minimum Alternative Tax' under IT Act, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The entities in the Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the entities in the Group does not have convincing evidence that it will pay normal tax during the specified period.

r) Segment reporting policies

Identification of segments:

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter segment transfers:

The Group accounts for intersegment sales / transfers at cost plus appropriate margins.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Unallocated items includes general corporate income and expense items, which are not allocated to any business segment. It includes income tax, deferred tax charge or credit and the related tax liabilities and tax assets, interest expense or interest income and related interest generating assets, interest bearing liabilities, which are not allocated to any business segment.

Segment accounting policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

s) Provisions

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

t) Derivative instruments

In accordance with the Institute of Chartered Accountants of India ('ICAI') announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

u) Shares issue expenses and premium on redemption

Share issue expenses incurred are expensed in the year of issue and debenture / preference share issue expenses and redemption premium payable on preference shares / debentures are expensed over the term of preference shares / debentures. These are adjusted against the securities premium account of the respective entities as permitted by Section 78 of the Companies Act, 1956 to the extent of balance available in such securities premium account.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 2.1. | SIGNIFICANT ACCOUNTING POLICIES (Contd.)

v) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

w) Borrowing Costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest 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 respective asset. All other borrowing costs are expensed in the period they occur.

x) Employee stock compensation cost

In respect of HEGL, a subsidiary in Canada, officers, directors, employees and consultants are offered stock-based compensation. Measurement and disclosure of the employee share-based payment plans is done in the consolidated financial statements in accordance with Securities Exchange Board of India (SEBI) (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on 'Accounting for Employee Share-based Payments', issued by the ICAI. The said subsidiary accounts all stock-based payments using a fair value-based method of accounting. The fair value of each stock option granted is accounted over the vesting period. The fair value is calculated using the Black-Scholes option pricing model.

y) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 3 SHARE CAPITAL		
Authorised share capital		
7,500,000,000 (March 31, 2011: 7,500,000,000) equity shares of Re. 1 each	750.00	750.00
Issued, subscribed and fully paid-up		
3,892,430,282 (March 31, 2011: 3,892,430,282) equity shares of Re.1 each	389.24	389.24
Issued, subscribed but not fully paid-up shares		
4,500 (March 31, 2011: 4,500) equity shares of Re. 1 each not fully paid up [Rs. 2,250 (March 31, 2011: Rs. 2,250)]	0.00	0.00
Total issued, subscribed and paid-up share capital]	389.24	389.24

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

Equity shares	March 31, 2012		March 31, 2011	
	Number	Rs. in crore	Number	Rs. in crore
At the beginning of the year	3,892,434,782	389.24	3,667,354,392	366.73
Add: Issued to Qualified Institutional Buyers ¹	-	-	225,080,390	22.51
Outstanding at the end of the year	3,892,434,782	389.24	3,892,434,782	389.24

1. Pursuant to the resolutions passed at the Meeting of the Management Committee of the Board of Directors held on April 21, 2010, 225,080,390 equity shares of face value of Re.1 each have been allotted to Qualified Institutional Buyers at a premium of Rs. 61.20 per share on April 21, 2010 aggregating to Rs. 1,400.00 crore.

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Re. 1 per share. Every member holding equity shares there in shall have voting rights in portion to his / her shares of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 3 | SHARE CAPITAL (Contd.)

(c) Shares held by the Holding Company / Ultimate Holding Company and / or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries / associates are as below:

Particulars	March 31, 2012 Number	March 31, 2011 Number
GMR Holdings Private Limited (GHPL), the Holding Company		
Equity shares of Re. 1 each fully paid up	2,736,221,862	2,726,840,000
Rajam Enterprises Private Limited (REPL), an associate of the Holding Company		
Equity shares of Re. 1 each fully paid up	5,170,000	5,170,000
GMR Infra Ventures LLP (GIVLLP), an associate of the Holding Company		
Equity shares of Re. 1 each fully paid up	30,000,000	30,000,000
GMR Enterprises Private Limited (GEPL), an associate of the Holding Company		
Equity shares of Re. 1 each fully paid up	4,830,000	4,830,000
Welfare Trust of GMR Infra Employees (GWF), an associate of the Company		
Equity shares of Re. 1 each fully paid up	17,999,800	16,699,800

(d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
1,057,747,230 (March 31, 2011: 1,057,747,230) equity shares of Re. 1 each were allotted during the year ended March 31, 2006 as fully paid bonus shares by capitalization of free reserves of the Company.	105.77	105.77
Equity shares allotted as fully paid-up for consideration other than cash. ¹	2.60	2.60

1. During the year ended March 31, 2010, 46,800,000 equity shares of Rs. 10 each of DIAL were acquired from Infrastructure Development Finance Corporation Limited Infrastructure Fund - India Development Fund at a consideration of Rs. 149.72 crore, which was discharged by allotment of 26,038,216 equity shares of the Company of Re. 1 each at an issue price of Rs. 57.50 per equity share (including Rs. 56.50 per equity share towards share premium).

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

Equity shares	March 31, 2012		March 31, 2011	
	Number	% holding in the class	Number	% holding in the class
Equity shares of Re. 1 each fully paid				
GHPL	2,736,221,862	70.30%	2,726,840,000	70.05%

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 4 RESERVES AND SURPLUS		
Capital reserve on consolidation		
Balance as per the last financial statements	115.85	113.34
Add: Additions during the year	-	2.51
Closing balance	115.85	115.85
Capital reserve on acquisition (as per the last financial statements) (refer note 4(a))	3.41	3.41
Capital reserve (government grant)		
Balance as per the last financial statements (refer note 4(b))	92.94	67.41
Add: Grant received during the year (refer note 4(c))	-	28.44
Less: Transferred to minority interest (refer note 4(b))	1.92	2.91
Less: Transferred to intangible assets under development (refer note 4(c))	25.53	-
Closing balance	65.49	92.94
Capital redemption reserve		
Balance as per the last financial statements	10.00	-
Add: Amount transferred from surplus balance in the statement of profit and loss	9.50	10.00
Closing balance	19.50	10.00
Debenture redemption reserve		
Balance as per the last financial statements	49.09	35.07
Add: Amount transferred from surplus balance in the statement of profit and loss	50.66	45.83
Less: Amount transferred to statement of profit and loss on redemption	18.97	31.81
Closing balance	80.78	49.09
Employee stock option outstanding		
Balance as per the last financial statements	1.13	-
Add: Gross employee stock compensation for options on account of acquisitions during the year	-	1.13
Less: Gross employee stock compensation for options forfeited during the year	0.17	-
Closing balance	0.96	1.13
Securities premium account		
Balance as per the last financial statements	7,012.44	5,168.30
Add: Write back during the year (refer note 4(d))	-	33.80
Add: Received on allotment of equity / preference shares	441.36	2,042.08
Add: Received against calls unpaid - Rs. Nil (March 31, 2011: Rs. 6,950)	-	0.00
Less: Utilised towards debenture / share issue expenses / redemption premium (net of taxes and MAT credit)	142.19	211.44
Less: Transfer to minority interest	10.86	20.30
Less: Utilised towards issue of bonus preference shares by a subsidiary to minority shareholders	30.82	-
Closing balance	7,269.93	7,012.44
Foreign currency translation reserve		
Balance as per the last financial statements	59.34	(1.33)
Add: Movement during the year	223.09	60.67
Closing balance	282.43	59.34
Foreign currency monetary item translation difference account		
Balance as per the last financial statements	(7.38)	(0.53)
Add: Movement during the year	4.88	(6.85)
Closing balance	(2.50)	(7.38)
Special Reserve u/s 451C of Reserve Bank of India Act ('RBI Act') [refer note 4(e)]		
Balance as per the last financial statements	20.34	18.51
Add: Movement during the year	6.52	1.83
Closing balance	26.86	20.34

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 4 RESERVES AND SURPLUS (Contd.)		
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(79.15)	895.61
(Loss) for the year	(603.34)	(929.64)
Less: Appropriations		
Add: Transfer from debenture redemption reserve	18.97	31.47
Less: Transferred to special reserve u/s 451C of RBI Act	6.52	1.83
Less: Transfer to debenture redemption reserve	50.66	45.83
Less: Transfer of profit / (loss) to minority on dilution of interest in subsidiaries / joint ventures	(18.05)	8.16
Less: Preference dividend declared by a subsidiary	0.84	6.24
Less: Dividend distribution tax on preference dividend declared by a subsidiary	1.18	4.53
Less: Transferred to capital redemption reserve on redemption of preference shares by a subsidiary	9.50	10.00
Total appropriations	(31.68)	(45.12)
Net surplus / (deficit) in the statement of profit and loss	(714.17)	(79.15)
Total reserves and surplus	7,148.54	7,278.01

Note 4(a)

GAPL purchased the aircraft division of GMR Industries Limited (GIDL) under slump sale on October 01, 2008 for a purchase consideration of Rs. 29.00 crore on a going concern basis and the transaction was concluded in the month of March 2009. Accordingly, an amount of Rs. 3.41 crore being the excess of net value of the assets acquired (based on a valuation report) over the purchase consideration has been recognised as capital reserve.

Note 4(b)

During the financial year 2005-06, GHIAL had received a grant of Rs. 107.00 crore from Government of Andhra Pradesh ('GoAP') towards Advance Development Fund Grant, as per the State Support Agreement. This is in the nature of financial support for the project and accordingly, the Group's share amounting to Rs. 67.41 crore as at March 31, 2011 was included in Capital reserve (government grant) under note 4 - Reserves and Surplus. During the year ended March 31, 2012, pursuant to dilution in Group's effective holding in GHIAL, Rs. 1.92 crore has been transferred to minority interest.

Note 4(c)

During the year ended March 31, 2011, GCORRPL had received project support fund of Rs. 28.44 crore from the Government of Tamilnadu (GoTN) as per the concession agreement and the Group's share amounts to Rs. 25.53 crore. The total project support fund is Rs. 300.00 crore and the same will be disbursed on quarterly basis based on the progress of the project and the expenditure incurred by the concessionaire on the civil works as per the disbursement methodology of the project fund as specified in clause 30.2.1 of the concession agreement entered into by GCORRPL with GoTN. During the year ended March 31, 2012, the grant received by GCORRPL during earlier years aggregating to Rs. 25.53 crore (net off Rs. 2.91 crore transferred to minority interest in earlier years) has been adjusted with intangible assets under development.

Note 4(d)

During the year ended March 31, 2009, GEL had issued 4,250 secured redeemable non convertible debentures of Rs. 0.10 crore each, to Axis Bank Limited which were due for redemption on October 6, 2013. The redemption premium of Rs 23.82 crore was provided in the statement of profit and loss during the year ended March 31, 2009 and redemption premium of Rs.77.28 crore was adjusted against the security premium account during the year ended March 31, 2010 in the consolidated financial statements. During the year ended March 31, 2011, GEL had negotiated with the lenders and redeemed the debentures at a premium of Rs. 54.49 crore and the excess provision towards redemption premium of Rs. 33.80 crore was adjusted against the security premium account based on a legal opinion and the balance provision towards redemption premium of Rs. 12.80 crore was recognised as other income in the previous year.

Note 4(e)

As required by section 451C of Reserve bank of India Act, 20% of GAHL's and DSPL's net profit of the year is transferred to a special reserve. The said reserve can be used only for the purpose as may be specified by the Reserve Bank of India from time to time.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	Non-current portion		Current maturities	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 5 LONG-TERM BORROWINGS				
Bonds / debentures				
Debentures (secured)	1,700.89	588.90	35.13	20.10
Debentures (unsecured)	350.00	425.00	75.00	75.00
Term loans				
Indian rupee term loans from banks (secured)	11,208.57	7,617.26	1,198.94	1,127.23
Indian rupee term loans from financial institution (secured)	2,718.18	3,610.27	957.19	15.39
Foreign currency loans from banks (secured)	8,067.19	3,468.71	543.84	386.70
Foreign currency loans from financial institution (secured)	-	53.77	-	7.97
Indian rupee term loans from banks (unsecured)	237.93	-	362.08	350.00
Indian rupee term loans from financial institutions (unsecured)	280.77	288.71	-	-
Foreign currency loans from banks (unsecured)	0.17	-	-	-
Indian rupee term loans from others (unsecured)	46.17	27.21	0.10	0.10
Foreign currency loans from others (unsecured)	117.56	-	-	-
Supplier's credit (secured)	75.82	79.70	15.16	13.28
Supplier's credit (unsecured)	61.00	61.00	-	-
Other loans and advances				
Bills discounted (secured)	-	-	134.70	134.70
Finance lease obligation (secured)	0.76	0.90	0.79	0.98
Negative grant (unsecured)	186.64	210.38	23.74	17.48
From the State Government of Andhra Pradesh (unsecured)	315.05	315.05	-	-
	25,366.70	16,746.86	3,346.67	2,148.93
The above amount includes				
Secured borrowings	23,771.41	15,419.51	2,885.75	1,706.35
Unsecured borrowings	1,595.29	1,327.35	460.92	442.58
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(3,346.67)	(2,148.93)
Net amount	25,366.70	16,746.86	-	-

- During the year ended March 31, 2012, GEL has issued 8,000 secured, redeemable and non convertible debentures of Rs. 0.10 crore (Rs. 1,000,000) each to ICICI Bank Limited ('ICICI'). The debentures are secured by way of first ranking:(a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL excess cash flow account, as defined in the subscription agreement executed between GEL and ICICI (e) exclusive charge over Debt Service and Reserve Account ('DSRA') maintained by GEL with ICICI. The debentures are redeemable at a premium yielding 14.25% p.a. till March 2013 and after March 2013 with a yield of base rate of ICICI plus 4.25% p.a. in thirty seven quarterly unequal instalments starting from March 2012. As at March 2012, GEL has partially redeemed these debentures and the revised face value of these debentures after redemption is Rs. 0.10 crore (Rs. 997,500) per debenture.
- During the year ended March 31, 2012, the Company has entered into an agreement to issue 7,000 secured, redeemable, non convertible debentures of Rs. 0.10 crore (Rs. 1,000,000) each to ICICI. As at March 31, 2012, the Company issued 3,500 secured, redeemable, non convertible debentures of Rs. 0.10 crore (Rs. 1,000,000) each to ICICI. The debentures are secured by way of first ranking:(a) pari passu charge on the fixed assets of GVPGL; (b) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GEL held by GREEL; (c) pari passu pledge over 30% of fully paid-up equity shares of Rs. 10 each of GVPGL held by GEL; (d) pari passu charge over GVPGL excess cash flow account, as defined in the subscription agreement executed between the Company and ICICI; (e) exclusive charge over DSRA maintained by the Company with ICICI. The debentures are redeemable at a premium yielding 14.50% p.a. till March 2013 and after March 2013 with a yield of base rate of ICICI plus 4.50% p.a. in thirty seven quarterly unequal instalments commencing from March 2012. As at March 31, 2012, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is Rs. 0.10 crore (Rs. 997,500) per debenture.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- 3 Secured, redeemable and non convertible debentures of Rs. 0.10 crore each issued by GPEPL amounting to Rs. 588.89 crore (March 31, 2011: Rs. 609.00 crore) bear an interest of 9.38% per annum and are secured by way of pari passu first charge over GPEPL's movable and immovable properties, both present and future, including plant and machinery. Further, it is secured by the rights, title, interest, benefit, claims, of GPEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GPEPL in respect of monies lying to the credit of trust and retention account (TRA) and other accounts. These debentures are redeemable half yearly in 34 unequal instalments starting from April 2010 to October 2026.
- 4 During the year ended March 31, 2010, the Company issued 5,000 unsecured redeemable, non convertible debentures of Rs. 0.10 crore each to ICICI which are redeemable at a premium yielding 14.00% p.a. and are repayable in 5 annual unequal instalments commencing from April 2011. As at March 31, 2012, the Company has partially redeemed these debentures and the revised face value of these debentures after redemption is Rs. 0.09 crore (Rs. 850,000) per debenture.
- 5 Secured Indian rupee term loan from a financial institution of Rs. 1,000.00 crore (March 31, 2011: Rs. 1,000.00 crore) carries an interest of 11.75% p.a. The loan is repayable in 10 equated annual instalments commencing from December 2012. The loan is secured by an exclusive first charge on barge mounted plant of GEL and pledge of 10.27 crore (March 31, 2011: 6.60 crore) equity shares of Re. 1 each of the Company, held by GHPL.
- 6 Secured Indian rupee term loan from financial institutions of Rs. 215.00 crore (March 31, 2011 : Rs. 215.00 crore) of KSPL is secured by first charge on entire movable and immovable properties, both present and future of KSPL and is repayable in July 2012 or upon financial closure of the project, whichever is earlier. The loan carries an interest rate of 11.90% p.a.
- 7 Secured Indian rupee term loan from financial institutions of Rs. 250.00 crore (March 31, 2011 : Rs. 250.00 crore) of KSPL is secured by first charge on entire movable and immovable properties, both present and future of KSPL and is repayable in March 2013 or upon financial closure of the project, whichever is earlier. The loan carries an interest rate base rate of the lender minus 2.75% p.a.
- 8 Secured Indian rupee term loan from financial institutions of Rs. 35.34 crore (March 31, 2011 : Rs. 39.00 crore) of GAPL is secured by way of hypothecation of aircrafts of GAPL. The loan is repayable in quarterly instalments of Rs. 1.22 crore each and carries an interest rate of 9.40% to 12.35% p.a.
- 9 Secured Indian rupee term loans from banks and financial institutions of Rs. 1,153.35 crore (March 31, 2011 : Rs. 514.85 crore) of GHVEPL are secured by way of pari passu first charge over GHVEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of the GHVEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GHVEPL in respect of monies lying to the credit of TRA and other accounts. The loans carries interest of 10.75% p.a. and are repayable in 46 unequal quarterly instalments commencing from April 2013.
- 10 Secured Indian rupee term loans from banks and financial institutions of Rs. 481.62 crore (March 31, 2011 : Rs. 492.76 crore) of GUEPL are secured by way of pari passu first charge over GUEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of GUEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GUEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 5.96 crore equity shares of GUEPL held by GMRHL. The loans carries an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly instalments commencing from January 2011.
- 11 Secured Indian rupee term loans from banks of Rs. 278.05 crore (March 31, 2011 : Rs. 280.52 crore) of GACEPL are secured by way of pari passu first charge over GACEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of GACEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GACEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 2.33 crore and 2.42 crore equity shares of GACEPL held by GIL and GEL respectively. The loans carries an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly instalments commencing from August 2010.
- 12 Secured Indian rupee term loans from banks of Rs. 308.05 crore (March 31, 2011 : Rs. 338.66 crore) of GTTEPL are secured by way of mortgage of all the present and future immovable fixed assets of the GTTEPL, hypothecation of movable fixed assets of the GTTEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares, assignment of revolving LC issued by NHAI, corporate guarantee by GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carries an interest of 7.50% p.a. ± 10% spread, now fixed at 8.25% p.a. and are repayable in 29 unequal half yearly instalments commencing from May 2005.
- 13 Secured Indian rupee term loans from banks of Rs. 316.97 crore (March 31, 2011 : Rs. 325.19 crore) of GJEPL are secured by way of pari passu first charge over GJEPL's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- GJEPL in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of GJEPL in respect of monies lying to the credit of TRA and other accounts. Further secured by way of pledge of 3.53 crore equity shares of the GJEPL held by GMRHL. The loans carries an interest at base rate plus spread as approved by the lenders and are repayable in 48 unequal quarterly instalments commencing from January 2011.
- 14 Secured Indian rupee term loans from banks of Rs. 331.49 crore (March 31, 2011 : Rs. 70.88 crore) of GCORRPL are secured by way of first charge on all immovable and movable properties, both present and future; assignment of all rights, titles and interests in respect of all assets and a first charge on all revenues and receivables and by way of pledge of 26% of paid up equity capital of the GCORRPL. The loans carries an interest rate of lead bank's interest rate plus margin of 2.00% p.a. reset from time to time, provided that rate of interest up to the scheduled project completion date is fixed at 10.75% p.a. and are repayable in 27 unequal half yearly instalments commencing from June 2013.
 - 15 Secured Indian rupee term loan from banks of Rs. 238.00 crore (March 31, 2011 : Rs. 261.70 crore) of GTAEPL are secured by way of mortgage of all the present and future immovable fixed assets of the GTAEPL, hypothecation of movable fixed assets of GTAEPL and the annuity / receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares of GTAEPL, assignment of revolving letter of credit issued by NHAI, corporate guarantee from GHPL to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default. The loans carries an interest of 7.50% p.a. ± 10% spread, now fixed at 8.25% p.a. and is repayable in 29 unequal half yearly instalments commencing from November 2005.
 - 16 Secured Indian rupee term loans from banks and financial institutions of Rs. 563.00 crore (March 31, 2011: Rs. 182.00 crore) of GOSEHHHPL are secured by way of hypothecation of all movable assets of GOSEHHHPL both present and future, first charge / assignment on all intangible assets GOSEHHHPL but not limited to goodwill, right and undertakings, both present and future, uncalled capital of GOSEHHHPL both present and future, GOSEHHHPL's bank accounts including debt service escrow accounts and first charge / assignment / security interest on GOSEHHHPL's rights, title and interest in the project documents including the substitution agreement. Further secured by way of pledge of 51% of the equity shares of GOSEHHHPL held by its shareholders. The loans carries an interest rate ranging from 7.50% to 7.75% p.a plus applicable spread rate, reset from time to time and are repayable in 46 unequal quarterly instalments from April 2014 to July 2025.
 - 17 Secured Indian rupee term loans from banks and financial institutions of Rs. 3,650.00 crore (March 31, 2011: Rs. 3,650.00 crore), of DIAL are secured by first rank pari passu charge on all the future revenues and receivables of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under Operation Management and Development Agreement ('OMDA') and further secured by the pledge and non disposable undertaking of shares of DIAL held by GIL, GEL, GAHL, Malaysia Airports (Mauritius) Private Limited ('MAMPL') and Fraport AG Frankfurt Airport Services Worldwide ('FAG'). The loans carries an interest rate of base rate plus agreed spread, which is subject to reset at the end of agreed interval . The interest rate ranges from 11.50% to 12.00 % p.a (March 31, 2011: 9.00% to 13.00% p.a). The loan is repayable in 48 quarterly equated instalments starting after 63 months from the first drawdown i.e. March 2008.
 - 18 Secured Indian rupee term loans from banks of Rs. 1,153.11 crore (March 31, 2011: Rs. 828.63 crore) of DIAL are secured by pari passu first charge on development fund fee receipts. Further, the Company has given undertaking to lenders for meeting the shortfall in the repayment of loan by DIAL. The loans outstanding as at the balance sheet date carries interest at fixed rate of Interest of 11.74% p.a. The DF loan outstanding as at March 31, 2011 and repaid during the current year carried interest rate ranging from 10.75% to 14.00 % p.a. (March 31, 2011: 10.75% to 12.75% p.a). The current loan is repayable from collection of DF receipts and repayment would be higher of DF collection and repayment commitments as per the loan agreement.
 - 19 Secured foreign currency loans from banks of Rs. 1,803.55 crore (March 31, 2011: Rs. 1,579.90 crore) of DIAL are secured by first rank pari passu charge on all the future revenues and receivables of DIAL and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA and further secured by the pledge of shares of shareholders of DIAL held by GIL, GEL, GAHL, MAMPL and FAG. The loans carry an interest at LIBOR plus agreed spread. DIAL had entered into interest rate swap (IRS) arrangement to convert floating rate of interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 7.76% p.a. The loans are repayable in unequal half yearly instalments starting from March 2013 and will end on March 2021.
 - 20 Secured Indian rupee loans from banks and financial institutions and foreign currency loans from banks of Rs. 1,493.72 crore (March 31, 2011: Rs. 1,508.04 crore) of GHIAL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and first paripassu charge on all movable and immovable assets, operating cash flows, book debts, receivables, intangibles and revenues, both present and future, as well as assignment of all right, title, interest, benefits, claims and demands available under the concession agreement and other project documents, security interest in the TRA, DSRA and further secured by pledge of 16.41 crore and 2.87 crore equity shares, both present and future, held or to be held, as the case may be, by both GAHL and MAMPL respectively upto 51% of the paid up share capital of GHIAL. The foreign currency loans from banks of Rs. 579.71 crore (March 31, 2011: Rs. 536.04 crore) carry an interest rate of LIBOR plus agreed spread. However GHIAL has entered into IRS arrangement to convert floating rate of

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- interest into fixed rate of interest, as per the terms of the loan agreement. The effective weighted average interest rate is 7.30% p.a. The Indian rupee term loans from banks and financial institutions carries interest at base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate ranges from 10.50% to 13.75 % p.a (March 31, 2011: 10.50% to 12.50% p.a). Foreign currency loans from banks and Indian rupee loans from banks and financial institutions are repayable in 56 equated quarterly instalment commencing from July 2010.
- 21 Secured Indian rupee loans from financial institutions of Rs. Nil (March 31, 2011: Rs. 11.53 crore) of CDCTM are secured against charge on project assets and surplus account in accordance with escrow agreement entered with the financial institutions with pari pasu clause and pledge of shares of CDCTM held by Celebi Hava Servisi A.S, Turkey (CHSAS). Further, secured against corporate guarantee from CHSAS. The loans carried an interest rate of base rate of the lender plus 1.75% p.a. and were repaid during the year.
 - 22 Secured Indian rupee term loan from banks of Rs. 37.45 crore (March 31, 2011: Rs. 9.79 crore) of CDCTM are secured against charge on project assets and surplus account in accordance with escrow agreement entered with banks with pari pasu clause and pledge of shares of CHSAS. Further, secured against corporate guarantee from CHSAS. The rate of interest is base rate of the lenders plus 1.25% to 1.50% p.a. The loan is repayable in 28 equal quarterly instalments commencing from June 2012.
 - 23 Secured Indian rupee term loans from banks and financial institutions of Rs. 1,693.62 crore (March 31, 2011 : Rs. 699.88 crore) of GREL are secured by first charge on all movable, immovable properties including stock of raw material and consumables, all book debts, cash flows receivables, TRA, DSRA, other reserves and any other bank accounts of GREL, both present and future. Further secured by way of assignments / hypothecation of security interest of all the rights, title, interest, benefits, claims and demands of the GREL in the project documents. Further, secured by way of pledge of 25.17 crore equity shares of GREL held by GEL. The rate of interest is base rate of the lead bank plus 3.00% to 3.25% p.a. The loans are repayable in 46 equated quarterly instalments commencing from April 2013.
 - 24 Secured Indian rupee term loan from banks and financial institutions of Rs. 1,031.76 crore (March 31, 2011 : Rs. 646.69 crore) of GKEL are secured by first mortgage and charge by way of registered mortgage of GKEL's immovable properties, present and future / a first charge by way of hypothecation of all GKEL's movables fixed assets including movable plant and machinery, machinery spares, tools and accessories, present and future, GKEL's stock of raw materials, semi-finished and finished goods and consumable goods, a first charge on the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising present and future, intangibles, goodwill, uncalled capital, present and future / first charge on the TRA including the DSRA and other reserves and any other bank accounts, wherever maintained present and future first charge by way of assignment or creation of charge of all the right, title, interest, benefits, claims and demands whatsoever of GKEL in the project documents / in the clearances / in any letter of credit, guarantee, performance bond provided by any party to the project documents and all insurance contracts / insurance proceeds pledge of shares (in the demat form) representing a minimum of 51% of the total paid up equity share capital of GKEL. From the date of repayment of 50% of loan, the number of shares under the pledge may be reduced to 26% of the paid up equity share capital of GKEL. All the securities set out above shall rank pari passu amongst the lenders of the project for an aggregate rupee term loans of Rs. 3,405.00 crore and working capital lenders for an amount acceptable to the lenders. The interest rate ranges from 11.50% to 14.50 % p.a and are repayable in 48 equal quarterly instalments from the earlier of 12 months from scheduled project completion date i.e in August 2012 or 51 months from the date of financial closure i.e. in May 2009 as per the loan agreement, whichever is earlier.
 - 25 Secured Indian rupee term loans from banks and financial institutions of Rs. 327.61 crore (March 31, 2011 : Nil) of GCHEPL are secured by way of a first charge on all the movables including current assets, all bank accounts, all rights, title, interest, benefits, claims, and demand of GCHEPL in project documents, all clearances, licenses, permits, approvals, consents, letters of credit, guarantees, all insurance contracts, all intellectual property etc and immovable property at Warora, Maharashtra. The loan has a tenure of ten to fifteen years. The loan carries an interest rate of 13.25% p.a except for one lender which charges the rate prevailing at the each rupee disbursement. GCHEPL shall repay 70% of the loans in 40 equal quarterly instalments commencing from March 2015 and the balance of 30% by a single instalment on March 2025, except for one lender to whom the loan is paid in 60 equal quarterly instalments commencing from March 2015.
 - 26 Secured Indian rupee term loans from banks and financial institutions of Rs. 534.60 crore (March 31, 2011 : 197.50 crore) of EMCO are secured by way of a first charge and registered mortgage of all the immovable properties and movables including plant and machinery, machinery spares, tools and accessories, stock of raw materials, semi finished goods and consumable goods and book debts, operating cash flows, receivables, revenues whatsoever in nature, present and future. Further secured by pledge of shares representing 51% of the total paid up equity share capital of EMCO. The loan carries an interest rate of BPLR of the lead lender less 3.75% p.a. EMCO shall repay 70.09% of the loan in 43 equal quarterly instalments commencing from September 2013 and the balance of 29.91% shall be paid by a single instalment in June 2024.
 - 27 Secured Indian rupee term loans from financial institutions of Rs. 375.00 crore (March 31, 2011 : 600.00 crore) of SJK are secured by way of pledge of shares held by the GEL in the equity share capital of the SJK, representing 51% of the total paid up equity share capital of SJK and also, irrevocable and unconditional corporate guarantee of GEL. The rate of interest is 12.40% p.a (March 31, 2011 : 10.50% p.a) and is repayable in May 2012.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- 28 Secured Indian rupee term loans from banks and financial institutions of Rs. 20.00 crore (March 31, 2011 : Nil) of EDWPCPL are secured by way of hypothecation / mortgage of all movable assets, receivables, bank balances and intangible assets of EDWPCPL. The rate of interest is 15.00% p.a. The loans are repayable in 40 equal quarterly instalments payable commencing from the 9th quarter from the date of first disbursement, i.e July 2011.
- 29 Secured foreign currency loans from a banks of Rs. 389.28 crore (March 31, 2011: Rs. 345.32 crore) of GIML are secured by way of pledge of 6.91 crore (March 31, 2011 : 6.91 crore) shares of GISPL and further secured by way of corporate guarantee given by the Company. The rate of interest is LIBOR plus 3.50% to 6.45% p.a. (March 31, 2011 : LIBOR plus 3.50%). The lenders have a call option excisable in August 2012 for full repayment of loans. The loan has been treated as current maturities of long term borrowings pending the outcome of the call option as at the balance sheet date. The loans are repayable in 3 equal annual instalments commencing from August 2013, in case the call option is not exercised.
- 30 Secured foreign currency loans from banks and financial institutions of Rs. 36.26 crore (March 31, 2011 : Rs. 40.32 crore) of LGM are secured by corporate guarantee given by the Company and further secured by pledge of shares of LGM held by its shareholders. The rate of interest is Euribor plus 550bps and repayable in 14 equal half yearly instalments commencing from December 2010.
- 31 Secured foreign currency loans from banks amounting Rs. 592.60 crore (March 31, 2011: Rs. 315.98 crore) of GMIAL are secured by first charge / assignment of all receivables of GMIAL from the project or otherwise, first charge of existing and future movable properties, all banks accounts including without limitation, the escrow accounts and each of the other accounts required to be created by GMIAL under any project document or contract, all intangible assets including but not limited to the goodwill, undertaking, uncalled capital and intellectual property rights, assignments of all the rights, titles, and interests of GMIAL from all contractors, insurances, licenses in, to, and under all assets of the project, all project documents, which GMIAL is a party to including contractor guarantees, liquidated damages and all other contracts relating to the project, a first charge or assignment of all the rights, titles, interests, benefits, claims and demands whatsoever of GMIAL in any letter of credit, guarantee, performance bonds, provided by EPC contractors, or any party to the project documents, lender's security package listed in the project documents, including substitution rights and termination payments due in respect of the project in specified circumstances and pledge of 51% of the equity share capital of GMIAL. All the securities created would be shared on pari passu basis amongst the lenders participating in the facility and the lenders providing the operations and maintenance bonds, works bonds, capex LCs and working capital facilities and interest and currency hedge providers. The rate of interest is LIBOR plus 550 bps. The loan is repayable in 16 unequal half yearly instalments commencing from June 2015.
- 32 Secured foreign currency loans from banks and financial institutions of Rs. 924.09 crore (March 31, 2011: Rs. 755.28 crore) of ISG are secured against present and future receivables, rights, income, claims, interest, benefits and all kinds of receivables arising out of or in connection with other agreements. Further secured by pledge of shares of ISG held by the Company and a subsidiary of the Company. The rate of interest is Euribor plus spread i.e. 500 bps. The loan is repayable in 18 unequal half yearly instalments commencing from June 2013.
- 33 Foreign currency loans from banks of Rs Nil (March 31, 2011: Rs.163.75 crore), of GVPGL were secured by way of pari passu first charge on all the immovable and movable assets of GVPGL including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movables assets, all cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, all intangibles including but not limited to goodwill, uncalled capital, both present and future. Further secured by the right, title, interest, benefits, claims and demands of GVPGL in respect of the project documents, clearances, letter of credit, guarantee, performance bond provided by any party to the project documents, insurance contracts and insurance proceeds both present and future, secured by first charge on the TRA and other reserves and all other bank accounts of GVPGL, wherever maintained. Further the loans were secured by way of pledge of 14.11 crore equity shares of GVPGL held by GEL. The rate of interest was one to six months LIBOR plus 350 to 700 bps. Foreign currency loan from banks and financial institutions were repayable in 34 equal quarterly instalments commencing from July 2010. GVPGL has prepaid all the foreign currency loan from banks and financial institutions during the year ended March 31, 2012.
- 34 Foreign currency loans from banks of Rs.255.17 crore (March 31, 2011 : Nil) of GISPL are secured by way of a charge over the DSRA to be created and a corporate guarantee provided by a shareholder. The interest rate ranges from 3.65% to 5.08% p.a. The loans are repayable in 8 equal quarterly instalments commencing from July 2014.
- 35 Foreign currency loans from banks of Rs. 109.30 crore (March 31, 2011 : Nil) of GISPL are secured by way of a charge over the DSRA to be created and a corporate guarantee provided by a shareholder. The interest rate ranges from 3.65% to 5.08% p.a. The loans are repayable after 48 months from the first drawdown date . i.e. in November 2011.
- 36 Foreign currency loans from banks of Rs.1,190.44 crore (March 31, 2011 : Nil) of GESPL are secured against debentures in respect of rights and interest over project assets, project documents, project accounts, insurances, all shares certificates, instruments of transfer and stock transfer forms. The rate of interest is 2.91% p.a. The loans are repayable in 28 half yearly instalments commencing from December 2014.
- 37 Secured foreign currency loans from banks of Rs.102.61 crore (March 31, 2011: Rs. Nil) of HEGL are secured by way of charge on all the assets of HEGL.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- The loan bears interest at LIBOR plus 400 bps p.a, with tenure of 6 years from first drawdown date i.e. July 2011 with repayment starting from third year onwards.
- 38 Secured foreign currency loans from banks of Rs. 206.12 crore (March 31, 2011: Rs.180.56 crore) of GENBV are secured by pledge of shares of GENBV and guaranteed by the Company. The rate of interest is LIBOR plus 550 bps. The loan shall be repaid in 3 annual equal instalments commencing from February 2013.
- 39 Secured foreign currency loan from banks of Rs. 2,421.91 crore (March 31, 2011: Nil) of GCRPL are secured by a charge over the shares of GCRPL and guaranteed by the Company. The rate of interest is one month LIBOR plus 3.73% p.a. 5% of the loans are repayable within 24 months from the first utilisation date i.e in October 2011, 10% within 36 months from the first utilisation date, 10% within 48 months from the first utilisation date and the final instalment of 75% on the maturity date i.e. in October 2016.
- 40 Secured Indian rupee term loans from banks of Rs. 59.00 crore (March 31, 2011: Nil) of the Company are secured by an exclusive first charge on assets to be acquired out of the proceeds of the loan and second charge on the current assets of EPC division of the Company. The rate of interest is base rate of the lender plus 2.50% p.a and are repayable in 3 half yearly instalments commencing from February 2013.
- 41 Secured Indian rupee term loans from banks of Rs. 138.64 crore (March 31, 2011: Rs. 137.70 crore) of GHRL are secured by first pari passu charge by way of equitable mortgage of GHRL's immovable properties pertaining to the hotel project (including assignment of leasehold rights in the case of leasehold land, if any) and assets of the project consisting of land admeasuring 5.37 acres together with all the buildings, structures etc on such land; further secured by first pari passu charge on the whole of stocks of raw materials, goods-in-process, semi-finished goods and finished goods, consumable stores and spares, book debts, bills, movable plant and machinery, machinery spares, tools and accessories and other movables, whole of equipments including its spares, tools and accessories, software, whether installed or not and whether in the possession or under the control of the company or not, all bank accounts (whether escrow and no lien or otherwise) and all estate, rights, title, interest, benefits, claims and demands, trade receivables, all cash flows and receivables and proceeds of GHRL. Further secured by corporate guarantee given by the GHIAL. The interest rate is 11.00% to 13.00% p.a (March 31, 2011 : 10.00% to 12.00%) . The loans are repayable in 48 unequal quarterly instalment beginning from December 31, 2012.
- 42 Secured Indian rupee term loans from banks of Rs. 32.19 crore (March 31, 2011: Rs. 25.09 crore) of DASPL are secured by first charge on DASPL's escrow accounts (i.e. after payment of statutory dues and payment of concession fee to DIAL). The interest rate is base rate of the lender minus 2.75% p.a. The loans are repayable in 32 quarterly instalments commencing from July 2011.
- 43 Secured Indian rupee term loans from banks of Rs. 69.40 crore, (March 31,2011: Rs.72.98 crore) of HASSL are secured by equitable mortgage of leasehold right and title in respect of leasehold land belonging to GHIAL and other immovable properties and first charge on all movables, including movable machinery, machinery spares, tools, accessories, furniture, fixtures, vehicles and other movable assets, book debts, operating cash flows, receivables, intangibles, uncalled capital, commissions, revenues, present and future and assignment of all claim and demands from insurance, TRA, DSRA of HASSL and further secured by pledge of 0.37 crore equity shares of HASSL held by GHIAL. The rate of interest is PLR plus 3.00% p.a. The loan is repayable in 21 equal quarterly instalments commencing from March 2012.
- 44 Secured Indian rupee term loans from banks of Rs. 40.00 crore (March 31,2011: Rs. Nil) of GHASL are secured by mortgage of leasehold right, title, interest and benefit in respect of leasehold land and first pari passu charge on all movable and immovable assets, operating cash flows, book debts, receivables, commissions, revenue of whatsoever nature, both present and future, and an exclusive charge on all bank accounts of the project, including TRA, escrow accounts etc. The rate of interest is PLR plus 2.50% p.a with yearly reset. The loan is repayable in 120 unequal instalments commencing from April 2013.
- 45 Secured Indian rupee term loans from banks of Rs. 116.00 crore (March 31, 2011: Rs 61.50 crore) of MGAECL are secured by first pari-passu charge of equitable mortgage by deposit of title deeds over immovable properties of MGAECL admeasuring 16.46 acres of leasehold lands, hypothecation of all the movable assets of MGAECL including, but not limited to plant and machinery, machinery spares, tools and accessories, current assets of the project, all rights, title, interests, benefits, claims and demands whatsoever of MGAECL with respect to the insurance contracts, both present and future and all rights, claims and benefits to all monies receivable there under in respect of all the insured assets of the project both, present and future, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future of the project, all bank accounts of the project. Further secured by pledge of 26% of the paid up share capital of MGAECL held by one of its shareholders. The rate of interest is 11.00% to 13.00% p.a. (March 31, 2011 : 11.00% to 12.00% p.a). The loan is repayable in 40 unequal quarterly instalments commencing from February 2014.
- 46 Secured Indian rupee term loans from banks of Rs. 3.21 crore (March 31, 2011: Rs. 3.63 crore) of DFSPL are secured against exclusive charge on receivables of DFSPL through an escrow account maintained by DFSPL, non-disposal undertaking from Devyani International Limited for 60% shareholding in DFSPL, escrow receivables of DFSPL, corporate guarantee of Devyani International Limited (DIL). The rate of interest is base rate of the lender plus 2.25% p.a. The loan is repayable in 28 equal quarterly instalments commencing from September 2011.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- 47 Secured Indian rupee term loans from banks of Rs. 3.50 crore (March 31, 2011: Rs. 3.10 crore) of DSSHPL are secured by way of charge on furniture and fixtures and equipments of DSSHPL installed at various outlets and security deposit of Rs. 0.80 crore by DSSHPL with DIAL and pledge of 30% of the shareholding of DSSHPL held by DIL. The rate of interest is base rate of the lender plus agreed premium minus 1.50% p.a. The loan is repayable in 25 unequal quarterly instalments commencing from March 2011.
- 48 Secured Indian rupee term loans from banks of Rs. 109.98 crore (March 31, 2011: Rs. 113.97 crore) of DDFS are secured by hypothecation of DDFS` s entire stocks of raw material, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future ,in a form and manner satisfactory to banks, first charge on movable fixed assets of the DDFS, both present and future, pledge of 30% of share holding in DDFS worth Rs. 24.00 crore, escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 12.50% p.a . The loan is repayable in 36 unequal quarterly instalments commencing from December 2011.
- 49 Secured Indian rupee term loans from banks of Rs. 47.79 crore (March 31, 2011: Rs. 55.36 crore) of DAFF are secured by charge on receivables / cash flows / revenue under escrow account after payment of statutory dues and DIAL` s license fees. The rate of interest is base rate plus 1.25% to 1.50% p.a. The loans are repayable in 48 quarterly equated instalments commencing from July 2011.
- 50 Secured Indian rupee term loans from banks of Rs. 89.04 crore (March 31, 2011: Rs. 93.84 crore) of DAPSL are secured by exclusive first charge on all present and future receivable belonging to DAPSL after meeting certain payments. The rate of interest is 12.50% to 13.75 % p.a (March 31, 2011: 11.50% to 12.50 % p.a). The loans are repayable in 36 unequal quarterly instalments commencing from April 2011.
- 51 Secured Indian rupee term loans from banks of Rs. 35.52 crore (March 31, 2011: Rs 10.66 crore) of DCSCPL are secured by first charge by way of hypothecation of all the current assets, all the tangible and intangible assets and pledge of 30% of the shares of DCSCPL held by one of its shareholders. The rate of interest is BPLR minus 250 bps on floating basis. The loan is repayable in 30 unequal instalments commencing from October 2012.
- 52 Secured Indian rupee term loans from banks of Rs. 7.14 crore (March 31, 2011: Rs. 7.30 crore) of TFS are secured by pledge of 30% of the shareholding in TFS and by way of lien on escrow account. The rate of interest is 11.25% to 12.00% p.a. The loan is repayable in 28 equal quarterly instalments commencing from July 2011.
- 53 Secured Indian rupee term loans from banks of Rs. 11.44 crore (March 31,2011: Rs 9.23 crore) of HDFRL are secured by current assets including stock, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts, a pledge of 30% of shares of total equity held by GHIAL. As on March 31, 2012, HDFRL has pledged 0.06 crore equity shares out of total equity of 0.50 crore which is 12% of the paid up share capital of HDFRL. HDFRL is in process of securing pledge of balance 0.09 crore equity shares as per the sanction terms. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate for the year ranges from 11.50% to 12.75% (March 31, 2011 : 11.00%). The loans are repayable in 22 unequal quarterly instalments commencing from March 2012.
- 54 Secured Indian rupee term loans from banks of Rs. 10.88 crore (March 31, 2011:Rs. 11.50 crore) of TIM are secured by a charge on receivables and subservient charge on security deposit of Rs. 35.00 crore given to DIAL after statutory dues and license fees payable to DIAL. The rate of interest is 12.50% p.a. The loans are repayable in 24 quarterly equal instalments commencing from December 2011.
- 55 Secured Indian rupee term loans from banks of Rs. 1.23 crore (March 31, 2011: Rs. Nil) of Laqshya are secured by first pari passu charge on current and fixed assets of Laqshya. Further secured by a corporate guarantee given by Laqshya Media Private Limited. The rate of interest is 9.00% p.a. The loans are repayable in 4 unequal quarterly instalments from February 2013.
- 56 Secured Indian rupee term loan from banks of Rs. 31.44 crore (March 31, 2011: Rs. 36.04 crore) of GEL are secured by way of an equitable mortgage of immovable properties comprising of land and building acquired with the loan proceeds. The rate of interest is benchmark primary lending rate minus 1.00% p.a. The loan was repayable in 120 equated instalments of Rs. 0.74 crore each till August 2011. With effect from September 2011, the loan is repayable in 87 monthly instalments of Rs. 0.41 crore each.
- 57 Secured Indian rupee term loans from banks of Rs. 150.00 crore (March 31, 2011: Rs. 142.64 crore) of GBHHPL are secured by a corporate guarantee of GEL and subsequent charge on movable fixed and current assets of the GBHHPL. The rate of interest is base rate plus 2.45% p.a. The lenders have a call option excisable in September 2012 for full repayment of loans. The loans have been treated as current maturities of long term borrowings pending the outcome of the call option as at the balance sheet date. The loan is repayable in 14 unequal instalments commencing from March 2012, in case the call option is not exercised.
- 58 Secured Indian rupee term loans from banks of Rs. 184.00 crore (March 31, 2011: Nil) of GGSPPL are secured by way of pledge of shares aggregating 51% of the total paid up capital of GGSPPL and first charge by way of mortgage of immovable properties of GGSPPL. The rate of interest is 13.00% p.a. The loan is repayable in 47 unequal quarterly instalments commencing from July 2012.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- 59 Secured Indian rupee term loans from banks of Rs. 20.00 crore (March 31, 2011: Nil) of MTSCCL are secured by way of a first ranking mortgage/ hypothecation/ assignment/ security interest/ pledge on the immovable property comprising of land and building both present and future acquired, movable current assets both present and future, pledge of shares representing 30% of the total equity shares of MTSCCL, all rights, titles, permits, interests in respect of MTSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The rate of interest is base rate plus spread of 2.75% p.a. The loan is repayable in 28 equated monthly instalment commencing from March 2014.
- 60 Secured Indian rupee term loans from banks of Rs. 14.46 crore (March 31, 2011: Nil) of ATSCCL are secured by way of a first ranking mortgage / hypothecation / assignment / security interest / pledge on the immovable property comprising of land and building both present and future acquired, movable, current assets both present and future, pledge of shares representing 30% of the total equity share capital of ATSCCL, all rights, titles, permits, and interests of ATSCCL in respect of all the assets, project documentation including all insurance contracts and clearances. The rate of interest is base rate plus spread of 2.75% p.a. The loans are repayable in 28 equated monthly instalments commencing from March 2014.
- 61 Unsecured Indian rupee term loan from a financial institution of Rs. 275.00 crore (March 31, 2011 : Rs. 275.00 crore) of the Company carries periodic rates of interest as agreed with the lenders and is payable on yearly basis. The loan is repayable in 3 equated annual instalments commencing from August 2013. The loan is secured by way of corporate guarantee issued by GHPL and pledge of 16.92 crore (March 31, 2011: 12.31 crore) equity shares of Re. 1 each of the Company, held by GHPL.
- 62 Unsecured Indian rupee loans from banks of Rs. 250.01 crore (March 31, 2011 : Nil) of GHIAL are guaranteed by the Company. The rate of interest is base rate plus agreed spread, which is subject to reset at the end of agreed interval, which is presently 11.75% p.a. The loans are repayable in 43 unequal quarterly instalments commencing from October 2012.
- 63 Unsecured Indian rupee loans from banks of Rs. 350.00 crore (March 31, 2011 : Rs. 350.00 crore) of GEL carry an interest rate of 9.50% to 12.25% p.a. The loans are repayable by way of a bullet payment after one year from the date of disbursement.
- 64 Unsecured foreign currency loan from bank Rs. 0.17 crore (March 31, 2011: Nil) of KIM carry an interest rate of 14.50% p.a. The loan is repayable in 5 unequal instalments over the next 5 years.
- 65 Unsecured Indian rupee loans from a financial institution of Rs. 5.77 crore (March 31, 2011 : Rs. 13.71 crore) of WAISL carries an interest rate of 10.55% p.a. The loan is repayable in 5 monthly instalments commencing from August 2017.
- 66 Unsecured Indian rupee loans from others of Rs. 26.00 crore (March 31, 2011 : Rs. 26.00 crore) in relation to GTAEPL and GTTEPL carries an interest rate of 1.00% p.a. and are repayable as mutually agreed between the parties after November 2019.
- 67 Secured supplier credit of Rs. 90.98 crore (March 31, 2011: Rs. 92.98 crore) of GAPL is secured by way of hypothecation of aircrafts and guarantee issued by the Company. The rate of interest is six months LIBOR plus spread of 115 bps .The interest rate is hedged at 3.66% p.a. The loan is repayable in 16 equal half yearly equal instalments commencing from April 2010.
- 68 Unsecured supplier credit of Rs. 61.00 crore (March 31, 2011 : Rs. 61.00 crore) of GVPGL is interest free and is repayable in a single instalment on December 31, 2018. The rights, benefits and obligations under this suppliers' credit were assigned to Grandhi Enterprises Private Limited (GREPL), on terms accepted by GVPGL as at March 31, 2011. During the year ended March 31, 2012, GREPL has assigned the credit facilities to Prolific Finvest Private Limited ('assignee'), on terms accepted by GVPGL. The assignee on acceptance by GVPGL may convert the above facility in to fully convertible debentures at par to be issued by GVPGL.
- 69 Bills discounted of Rs. 134.70 crore (March 31, 2011 : Rs. 134.70 crore) of GEL are secured by first charge over the current assets of GEL and second charge over the entire fixed assets of GEL. The security would be shared on a pari passu basis with existing charge holders.
- 70 Finance lease obligations of Rs. 1.55 crore (March 31, 2011 : Rs. 1.88 crore) are secured by underlying assets taken on finance lease arrangement. Lease term is around 5 years and carries an interest 10.00% to 13.00% p.a.
- 71 Negative grant of Rs. 126.50 crore (March 31, 2011 : Rs. 126.50 crore) of GUEPL is interest free. Negative grant is repayable in unequal yearly instalments over next 7 years. Refer note 34(ii).
- 72 Negative grant of Rs. 83.88 crore (March 31, 2011 : Rs. 101.36 crore) of GACEPL is interest free. Negative grant is repayable in unequal yearly instalments over next 6 years. Refer note 34(ii).
- 73 Interest free loan from others of Rs. 315.05 crore (March 31, 2011 : Rs. 315.05 crore) of GHIAL received from the GoAP is repayable in 5 equal instalments commencing from 16th anniversary of the commercial operations date of GHIAL i.e. March 2008.
- 74 Unsecured loan from others of Rs. 117.56 crore (March 31, 2011 : Nil) of GISPL carries an interest rate of 6.50% to 6.72% p.a. The tenor of the loan is 10 years and is to be repaid by half yearly instalments commencing from December 2014.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 5 | LONG-TERM BORROWINGS (Contd.)

- 75 Unsecured loan others of Rs. 4.55 crore (March 31, 2011 : Nil) of EDWPCPL carries an interest rate of 15.00% p.a and is repayable in 40 equal quarterly instalments commencing from 9th quarter from the date of first disbursement i.e. April 2011.
- 76 Unsecured loan from others of Rs. 14.51 crore (March 31, 2011 : Nil) of Laqshya is interest free. The loan is repayable in unequal annual instalments over next 9 years.
- 77 Unsecured loan from others of Rs. 1.20 crore (March 31, 2011 : Rs. 1.30 crore) of HMA CPL is interest free. The loan is repayable in 15 equal annual instalments of Rs. 0.10 crore each commencing from March 2010.

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 6 OTHER LONG-TERM LIABILITIES		
Trade payables	11.67	10.45
Others		
Advance / deposits received from customers	284.54	499.55
Unearned revenue	2.37	-
Deposits / advances from concessionaires	274.86	478.23
Deposits / advances from commercial property developers	1,427.18	1,389.41
Concession fee payable	80.51	55.61
Non trade payable	415.91	219.53
Other liabilities	41.15	22.14
	2,526.52	2,664.47
	2,538.19	2,674.92

(Rs. in crore)

Particulars	Long-term		Short-term	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 7 PROVISIONS				
Provision for employee benefits				
Provision for gratuity (refer note 36)	3.92	0.01	0.80	0.56
Provision for leave benefits	-	-	31.42	16.50
Provision for voluntary retirement compensation (refer note 39)	108.57	118.48	19.36	19.73
Provision for other employee benefits	-	-	61.04	33.64
	112.49	118.49	112.62	70.43
Other provisions				
Provision for taxation (net)	-	-	39.93	4.86
Provision for wealth tax	-	-	0.05	0.03
Provision for debenture redemption premium	-	-	7.88	0.75
Provision for preference shares redemption premium	-	-	12.95	10.17
Provision for operation and maintenance (net of advances)	36.59	14.68	8.20	10.27
Proposed preference dividend	-	-	-	2.74
Provision for tax on proposed preference dividend	-	-	0.59	0.65
	36.59	14.68	69.60	29.47
	149.08	133.17	182.22	99.90

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 8 SHORT TERM BORROWINGS		
Secured:		
Cash credit and overdraft from banks	74.66	135.51
Letters of credit / bills discounted	5,183.00	1,851.21
Indian rupee short term loans from banks	120.52	396.82
Foreign currency short term loans from banks	108.58	170.95
Indian rupee short term loans from financial institutions	125.28	-
Unsecured:		
Bonds	3.45	-
Indian rupee short term loans from banks	1,382.42	1,893.35
Indian rupee short term loans from financial institutions	192.00	-
Indian rupee short term loans from others	125.66	0.39
	7,315.57	4,448.23
The above amount includes		
Secured borrowings	5,612.04	2,554.49
Unsecured borrowings	1,703.53	1,893.74
	7,315.57	4,448.23

- Cash credit from banks of Rs. 45.01 crore (March 31, 2011: Rs. 30.01 crore) of GHIAL is secured by way of first pari passu charge by way of hypothecation of the stocks, consumable stores and spares, other movables including book debts, bills, outstanding monies receivable, both present and future and whole of the moveable properties including moveable plant and machinery, machinery spares, tools and accessories, whether stored or not or in the course of transit or on high seas or on order of delivery, but not limited to documents of title to goods. The rate of interest is 12.75% p.a (March 31, 2011: 11.50% to 12.75% p.a).
- Cash credit from banks of Rs. 0.80 crore (March 31, 2011: Rs. 0.53 crore) of HDFRL is secured by current assets including stock, book debts, movable assets, software, whether installed or not and whether in possession or under the control of HDFRL or not, all bank accounts, a pledge of 30% of shares of total equity share capital held by GHIAL. As on March 31, 2012, HDFRL has pledged 0.06 crore equity shares out of total equity of 0.50 crore which is 12% of the paid up share capital of HDFRL. HDFRL is in process of securing pledge of balance 0.09 crore equity shares as per the sanction terms. The rate of interest is 11.00% to 12.75% p.a (March 31, 2011: 11.00 % p.a).
- Cash credit from banks of Rs. 1.57 crore (March 31, 2011: Rs. 0.87 crore) of TIM is secured by charge on receivables and subservient charge on security deposit of Rs. 17.15 crore deposited with DIAL by TIM, after statutory dues and license fees payable to DIAL. The rate of interest is base rate of the lender plus 1.75% p.a.
- Bank overdraft of Rs. 0.04 crore (March 31, 2011: Nil) of GPCL is secured by way of first charge on inventories and book debts of GPCL. The rate of interest is base rate of the lender plus 4.75% p.a.
- Bank overdraft of Rs. 24.83 crore (March 31, 2011: Nil) of GETL is secured against bank deposits of GETL. The rate of interest is 10.90% p.a.
- Cash credit from banks of Rs. 2.41 crore (March 31, 2011: Rs. 3.02 crore) of GAPL are secured by way of hypothecation of aircraft and charge over receivables of GAPL. The rate of interest is 13.25% to 14.60% p.a. (March 31, 2011: 13.25 % p.a.)
- Bank overdraft of Rs. Nil (March 31, 2011: Rs. 101.08 crore) of the Company were secured on first charge on current assets of the EPC division of the Company. The rate of interest is 11.20% p.a (March 31, 2011 : 11.20% p.a).
- Domestic letters of credit of Rs. 1,074.47 crore (March 31, 2011 : Rs. 610.52 crore) and foreign letters of credit of Rs. 783.41 crore (March 31, 2011: Nil) of GCHEPL are sub limit to rupee term loans as per the facility agreement entered into by GCHEPL and are secured in the same manner and terms and conditions as that of rupee term loans of GCHEPL. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. Rate of interest of domestic letters of credit is 9.82% to 11.75% p.a (March 31, 2011: 9.52% to 11.75%) and foreign letters of credit is 0.99% to 4.05%, p.a.
- Domestic letters of credit of Rs. 237.79 crore (March 31, 2011 : Rs. 47.59 crore) and foreign letters of credit of Rs. 1,028.08 crore (March 31, 2011: Rs. 92.48 crore) of GKEL are sub limit to rupee term loans as per the facility agreement entered into by GKEL and are secured in the same manner and terms and conditions as that of rupee term loans of GKEL. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 8 | SHORT TERM BORROWINGS (Contd.)

been discounted with banks. Rate of interest of letters of credit is 9.62% to 10.79% p.a (March 31, 2011: 9.62% to 10.79% p.a) and foreign letters of credit is 0.85% to 3.66% p.a. (March 31, 2011 : 0.85% to 3.66% p.a.)

- 10 Domestic letters of credit of Rs. 504.85 crore (March 31, 2011 : Rs. 158.47 crore) and foreign letters of credit of Rs. 762.96 crore (March 31, 2011: Rs. 80.79 crore) of EMCO are sub limit to rupee term loans as per the facility agreement entered into by EMCO and are secured in the same manner and terms and conditions as that of rupee term loans of EMCO. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. The rate of interest of domestic letters of credit is 8.95% to 12.00% p.a (March 31, 2011: 7.55% to 10.00%.p.a) and foreign bills letters of credit is 0.85% to 4.00% p.a (March 31, 2011: 0.85 % to 2.48% p.a).
- 11 Domestic letters of credit of Rs. 348.61 crore (March 31, 2011 : Rs. 547.19 crore) and foreign letters of credit of Rs. 420.21 crore (March 31, 2011: Rs. 314.17 crore) of GREL are sub limit to rupee term loans as per the facility agreement availed by GREL and are secured in the same manner and terms and conditions as that of rupee term loans of GREL. The security details of the rupee term loans have been disclosed in note 5. These letters of credit have been discounted with banks. The rate of interest of domestic letters of credit is 9.95% to 11.30% p.a (March 31, 2011: 8.00% to 10.50%) and foreign bills letters is 1.95% to 3.05% p.a (March 31, 2011: 1.41 % to 2.07% p.a).
- 12 Bills discounted of Rs. 22.62 crore (March 31, 2011; Nil) of GEL are secured by a first charge over the current assets of GEL and second charge over the entire fixed assets of GEL. The rate of interest is 11.00% to 11.75% p.a.
- 13 Secured short term loans from banks and financial institutions of Rs. 240.23 crore (March 31, 2011: Rs. 137.87 crore) of KSPL are secured by way of a charge on fixed deposits of the Company. The rate of interest is 8.50 % to 10.50% p.a. (March 31, 2011: 8.50 % to 10.50% p.a).
- 14 Secured short term loans from banks of Rs. 108.58 crore (March 31, 2011: Rs. 170.95 crore) of ISG are secured against present and future receivables, rights, income, claims, interest, benefits, into and under its receivables and all kinds of receivables arising out of or in connection with other agreements. Further, secured by pledge of shares of ISG held by the Company and one subsidiary. The rate if interest is 6.10 % plus agreed margin.
- 15 Secured short term loans from banks of Rs. 2.50 crore (March 31, 2011: Rs. 3.95 crore) of DDFS are secured by hypothecation of the DDFS `s entire stocks of raw material, semi-finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank, first charge on movable fixed assets of the DDFS, both present and future, pledge of 30% of share holding in DDFS worth Rs. 24.00 crore, escrow agreement between the lenders and DDFS for first and exclusive charge on receivables. The rate of interest is 12.50 % p.a (March 31, 2011: 12.50% p.a).
- 16 Secured short term loans from financial institutions of Rs. 3.06 crore (March 31, 2011: Nil) of DASPL are secured by a first charge on DASPL's escrow account, after payment of statutory dues and fees of DIAL. The rate of interest is 13.00% p.a.
- 17 Secured short term loans from banks of Rs. Nil (March 31, 2011: Rs. 255.00 crore) of GBHPL are secured by a subservient charge on movable, fixed and current assets of GBHPL. The rate of interest is base rate of the lender plus 2.00% p.a.
- 18 Unsecured short term loans from banks of Rs. Nil (March 31, 2011 : Rs. 100 crore) of GHVEPL carries an interest rate of 10.50% p.a (March 31, 2011 : 10.50% p.a)
- 19 Unsecured short term loans from banks of Rs. 731.50 crore (March 31, 2011 : Rs. 600.00 crore) of DIAL are guaranteed by the Company. The rate of interest is 12.00% to 13.50% p.a (March 31, 2011: 10.50% to 11.50% p.a).
- 20 Unsecured short term loans from banks of Rs. Nil (March 31, 2011 : Rs. 442.00 crore) of GHIAL carried an interest rate of 11.00% p.a (March 31, 2011 : 8.75% to 11.00% p.a).
- 21 Unsecured short term loans from banks of Rs. 500.00 crore (March 31, 2011 : Rs. 500.00 crore) of the Company carry an interest rate of 12.00% to 12.50% p.a (March 31, 2011: 12.00% to 12.50% p.a).
- 22 Unsecured short term loans from banks of Rs. 150.00 crore (March 31, 2011 : Rs. 250.00 crore) of GEL carry an interest rate 9.00% to 11.00% p.a (March 31, 2011: 9.00% p.a).
- 23 Unsecured short term loans from banks of Rs. 0.92 crore (March 31, 2011 : Rs. 1.35 crore) of other companies under airport segment are repayable on demand and carry an interest rate 9.00% to 12.00% p.a (March 31, 2011: 9.00% to 12.00% p.a).
- 24 Unsecured short term loans from financial institutions of Rs. 192.00 crore (March 31, 2011 : Nil) of GHIAL is guaranteed by the Company. The rate of interest is the rate existing on the date of disbursement plus agreed spread.
- 25 Unsecured short term loans from others of Rs. 95.00 crore (March 31, 2011 : Nil) of the Company from GMR Projects Private Limited (GPPL) carries an interest rate of 11.00% p.a.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 8 | SHORT TERM BORROWINGS (Contd.)

- 26 Unsecured short term loans from others of Rs. 30.00 crore (March 31, 2011 : Nil) of EDWPCPL from IL&FS Renewable Energy Limited, a minority shareholder in EDWPCPL carries an interest rate of 11.00% p.a.
- 27 Unsecured short term loans from others of Rs. 0.56 crore (March 31, 2011 : Rs. 0.39 crore) of other companies in airport segment carry an interest rate of 9.00% to 13.00% p.a. (March 31, 2011 : 9.00% to 13.00% p.a).
- 28 Convertible bonds of Rs. 3.45 crore (March 31, 2011 : Nil) have been issued by MAL to PT Bumi Kencana Eka Sakti (BKES) pursuant to an agreement between MAL and BKES. The convertible bonds are repayable on the maturity date which is within twelve months from the date of agreement and carry an interest of 12.00% p.a. Further, BKES has the right to convert the bonds whether in part or in whole the value of the bonds to be compensated with the conversion shares with nominal value of Indonesian Rp.0.10 crore per share at any time before maturity date.

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 9 OTHER CURRENT LIABILITIES		
Trade payables (including acceptances)	1,236.71	1,030.64
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	3,346.67	2,148.93
Deposits / advances from concessionaires	11.21	5.70
Deposits / advances from commercial property developers	119.00	74.00
Interest accrued but not due on borrowings	114.50	138.62
Others		
Advance/ deposits from customers	1,248.29	638.28
Unpaid share application money refund - not claimed	0.05	0.05
Book overdraft	19.59	0.17
Non trade payables	2,824.80	1,535.11
Statutory dues payable	122.65	114.30
Unearned revenue	242.87	21.51
Other liabilities	42.81	36.81
	8,092.44	4,713.48
	9,329.15	5,744.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE 10 | TANGIBLE ASSETS

(Rs. in crore)

Particulars	Freehold land	Leasehold land	Runways and others	Buildings	Plant and machinery	Leasehold improvements	Office equipments (including computers)	Furniture and fixtures	Vehicles and aircrafts	Leased assets - plant and machinery	Leased assets - office equipments	Leased assets - vehicles	Total
Cost or Valuation													
As at April 1, 2010	146.66	73.15	1,581.38	3,331.48	3,621.49	128.19	526.84	139.81	451.32	2.46	5.39	0.06	10,008.23
Additions	58.56	12.65	469.14	5,282.09	3,711.86	25.35	21.93	147.21	58.44	-	-	-	9,787.23
Additions on inclusion of subsidiaries/ joint ventures	-	4.68	-	3.17	90.00	1.21	1.88	0.10	1.39	-	-	-	102.43
Disposals	-	(0.21)	-	(7.67)	(15.86)	-	(2.32)	(6.15)	(81.00)	-	-	-	(113.21)
Adjustments against development fund	-	-	(70.14)	(1,105.54)	(621.05)	-	(0.01)	(20.22)	-	-	-	-	(1,816.96)
Other adjustments	-	-	-	-	9.90	-	-	-	-	-	-	-	9.90
Exchange differences	-	-	(1.26)	26.98	(3.32)	-	(0.40)	(0.34)	(0.85)	-	-	-	20.81
Borrowing costs	-	-	31.42	530.40	300.34	-	-	10.74	-	-	-	-	872.90
As at March 31, 2011	205.22	90.27	2,010.54	8,060.91	7,093.36	154.75	547.92	271.15	429.30	2.46	5.39	0.06	18,871.33
Additions	35.56	20.80	49.79	454.05	568.87	78.40	16.89	25.99	13.02	-	-	-	1,263.37
Additions on inclusion of subsidiaries/ joint ventures	0.27	0.02	-	10.04	30.86	-	0.05	3.04	1.31	-	-	0.10	45.69
Disposals	(0.52)	(0.36)	(8.24)	(6.52)	(4.31)	(4.65)	(0.79)	(6.80)	(1.13)	-	-	-	(33.32)
Adjustments against development fund	-	-	(48.17)	(762.04)	(414.54)	-	-	(12.19)	-	-	-	-	(1,236.94)
Other adjustments	-	(11.96)	-	-	-	-	-	-	-	-	-	-	(0.06)
Exchange differences	-	-	22.88	255.12	96.96	1.63	4.67	11.18	10.22	-	-	-	402.66
Borrowing costs	-	-	7.30	131.89	68.36	-	0.15	2.10	0.01	-	-	-	209.81
As at March 31, 2012	240.53	98.77	2,034.10	8,143.45	7,439.56	230.13	568.89	294.47	452.73	2.46	5.39	0.10	19,510.58
Depreciation													
As at April 1, 2010	-	-	86.99	209.49	1,472.54	5.53	107.75	27.27	43.73	0.50	3.06	-	1,956.86
Charge for the year	-	-	66.28	207.14	256.86	4.70	51.39	19.13	24.69	0.25	1.47	-	631.91
Depreciation on account of inclusion of subsidiaries/ joint ventures	-	-	-	0.29	7.81	0.84	1.07	0.06	0.51	-	-	-	10.58
Disposals	-	-	-	(1.29)	(0.78)	-	(0.20)	(1.57)	(7.97)	-	-	-	(11.81)
Other adjustments	-	-	-	-	0.95	-	-	-	-	-	-	-	0.95
Exchange differences	-	-	-	3.72	(0.08)	-	-	-	(0.04)	-	-	-	3.60
As at March 31, 2011	-	-	153.27	419.35	1,737.30	11.07	160.01	44.89	60.92	0.75	4.53	-	2,592.09
Charge for the year	-	-	73.43	311.24	327.16	7.95	55.19	18.63	26.60	0.74	0.86	0.01	821.81
Depreciation on account of inclusion of subsidiaries/ joint ventures	-	-	-	0.55	6.15	-	0.03	1.43	0.28	-	-	0.08	8.52
Disposals	-	-	-	(0.93)	(3.79)	(2.37)	(0.32)	(4.81)	(0.73)	-	-	-	(12.95)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	0.01	8.73	0.07	0.92	0.32	0.92	0.36	-	-	0.00	11.33
As at March 31, 2012	-	-	226.71	738.94	2,066.89	17.57	215.23	61.06	87.43	1.49	5.39	0.09	3,420.80
Net Block													
As at March 31, 2011	205.22	90.27	1,857.27	7,641.56	5,356.06	143.68	387.91	226.26	368.38	1.71	0.86	0.06	16,279.24
As at March 31, 2012	240.53	98.77	1,807.39	7,404.51	5,372.67	212.56	353.66	233.41	365.30	0.97	0.00	0.01	16,089.78

Notes:

- Buildings with a gross book value of Rs. 6,473.58 crore (March 31, 2011: Rs. 6,562.52 crore) and runways are on leasehold land
- Foreign exchange differences in gross block:
 - Foreign exchange gain of Rs. 90.55 crore (March 31, 2011: Rs. 44.48 crore) on account of the effect of translation of assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of AS 11.
 - Foreign exchange loss of Rs. 312.11 crore (March 31, 2011: Rs. 232.67 crore, foreign exchange gain) in respect of exchange differences arising on foreign currency monetary items relating to the acquisition of depreciable assets.
- Foreign exchange differences in accumulated depreciation represents foreign exchange loss of Rs. 11.33 crore (March 31, 2011: Rs. 3.60 crore) on account of the effect of translation of assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of Accounting Standard-11.
- Other adjustment in plant and machinery Rs Nil (March 31, 2011: Rs. 9.90 crore) on account of cancellation of duty drawback refund order received by GVPSL in the year 2009-10 which was previously adjusted against the cost of fixed assets. Refer note 32b)(a).
- Disposals from gross block during the year ended March 31, 2012 includes reversal of outstanding liabilities amounting to Rs. 17.87 crore pertaining to project construction which are no longer payable now in case of GHIAL and reversal of depreciation thereon amounting to Rs. 1.53 crore under depreciation charge of the year.
- Other adjustments in lease hold land during the year ended March 31, 2012 includes reclassification of Rs. 11.96 crore to capital advances with respect to PTDSLI.
- Development fund of Rs. 1,236.94 crore (March 31, 2011: Rs. 1,816.96 crore) received towards development of aeronautical assets in BIAL is reduced from the gross block above. Refer note 34(vii).
- Depreciation for the year includes Rs. 10.72 crore (March 31, 2011: Rs. 1.05 crore) relating to certain consolidated entities in the project stage, which is included in capital work in progress in note 31(a) and intangible assets under development in note 31(b).
- Refer note 34(viii)(f) for demerger scheme of GHIAL pursuant to which assets of GHIAL have been transferred to GHRL.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE 11 | INTANGIBLE ASSETS

(Rs. in crore)

Particulars	Goodwill on consolidation	Airport concessionaire rights	Capitalised software	Carriageways	Mining properties (including deferred exploration and stripping costs)	Technical know-how	Total
Cost or Valuation							
As at April 1, 2010	841.43	457.91	64.94	3,517.13	-	-	4,881.41
Additions	83.61	444.08	15.34	0.58	26.67	-	570.28
Additions on inclusion of subsidiaries/ joint ventures	-	-	-	-	47.17	-	47.17
Disposals	-	(0.10)	-	-	-	-	(0.10)
Exchange differences	12.30	(8.74)	0.01	-	(3.43)	-	0.14
Borrowing costs	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
As at March 31, 2011	937.34	893.15	80.29	3,517.71	70.41	-	5,498.90
Additions	-	39.71	10.32	0.46	81.02	17.03	148.54
Additions on inclusion of subsidiaries/ joint ventures	2,172.75	-	1.84	-	46.08	-	2,220.67
Disposals	(17.71)	-	(0.13)	-	-	-	(17.84)
Exchange differences	82.12	53.42	0.05	-	(1.39)	-	134.20
Borrowing costs	-	-	-	-	-	-	-
Other adjustments	-	(51.98)	-	-	-	-	(51.98)
As at March 31, 2012	3,174.50	934.30	92.37	3,518.17	196.12	17.03	7,932.49
Amortisation							
As at April 1, 2010	-	19.35	17.56	347.81	-	-	384.72
Charge for the year	-	16.36	11.80	141.23	2.44	-	171.83
Amortisation on account of inclusion of subsidiaries/ joint ventures	-	-	-	-	1.99	-	1.99
Disposals	-	(0.02)	-	-	-	-	(0.02)
Exchange differences	-	(0.01)	(0.17)	-	(0.16)	-	(0.17)
Other adjustments	-	-	-	-	-	-	(0.17)
As at March 31, 2011	-	35.68	29.19	489.04	4.27	-	558.18
Charge for the year	-	27.55	14.24	84.64	1.61	1.44	129.48
Amortisation on account of inclusion of subsidiaries/ joint ventures	-	-	0.15	-	7.11	-	7.26
Disposals	-	-	(0.13)	-	-	-	(0.13)
Exchange differences	-	1.02	-	-	0.12	-	1.14
Other adjustments	-	(1.31)	-	-	-	-	(1.31)
As at March 31, 2012	-	62.94	43.45	573.68	13.11	1.44	694.62
Net Block							
As at March 31, 2011	937.34	857.47	51.10	3,028.67	66.14	-	4,940.72
As at March 31, 2012	3,174.50	871.36	48.92	2,944.49	183.01	15.59	7,237.87

- Foreign exchange difference in goodwill on consolidation represents foreign exchange gain of Rs. 82.12 crore (March 31, 2011: Rs. 12.30 crore) on account of effect of translation of goodwill arising out of consolidation of foreign subsidiaries/ joint ventures which are consolidated as non integral foreign operations as per the requirements of Accounting Standard-11
- Foreign exchange differences in gross block includes foreign exchange gain of Rs. 52.08 crore (March 31, 2011: Rs. 12.16 crore, foreign exchange loss) on account of the effect of translation of intangible assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of Accounting Standard-11.
- Foreign exchange differences in accumulated amortisation represents foreign exchange loss of Rs. 1.14 crore (March 31, 2011: Rs. 0.17 crore) on account of the effect of translation of intangible assets held by foreign entities which are consolidated as non integral foreign operations as per the requirements of Accounting Standard-11.
- Amortisation on carriage ways for the year ended March 31, 2012 is net off write back of Rs. 48.15 crore due to change in the method of amortisation. Also refer note 2.1(a).
- Amortisation for the year includes Rs. 4.76 crore (March 31, 2011: Rs. 0.10 crore) relating to certain consolidated entities in the project stage, which are included in capital work in progress in note 31(a) and intangible assets under development in note 31(b).
- Refer note 34(viii)(f) for demerger scheme of GHIAL pursuant to which assets of GHIAL have been transferred to GHRL.
- Additions on inclusion of subsidiaries/ joint ventures in goodwill during the year ended March 31, 2012 includes additional payment of Rs. 10.00 crore and Rs. 47.00 crore made to the sellers of EMCO and SJK respectively on the satisfaction of the conditions specified as per the shareholding agreement with the sellers of these Companies.
- Disposal in goodwill arising on account of dilution of group's holding in GESPL during the year ended March 31, 2012. Refer note 34(viii)(g).

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

		(Rs. in crore)	
Particulars		March 31, 2012	March 31, 2011
NOTE 12	NON-CURRENT INVESTMENTS		
Long term - at cost, unquoted			
A. In Equity shares of Companies - Trade			
	Vemagiri Power Services Limited		
	[5,000 (March 31, 2011 : 5,000) equity shares of Rs. 10 each, fully paid up]	0.01	0.01
	Power Exchange India Limited		
	[2,500,000 (March 31, 2011 : 2,500,000) equity shares of Rs. 10 each, fully paid up]	2.50	2.50
B. In Equity shares of Body Corporates - Trade			
	GMR Holding Overseas Investments Limited		
	[5 (March 31, 2011: 5) equity shares of USD 1 each] (Rs. 234 (March 31, 2011: Rs. 234))	0.00	0.00
	GMR Holding (Malta) Limited		
	[58 (March 31, 2011: 58) equity shares of EUR 1 each] (Rs. 3,924 (March 31, 2011: Rs. 3,924))	0.00	0.00
	PT DSSP Power Sumsel		
	[2 (March 31, 2011: Nil) equity shares with nominal value of Indonesia Rp 1,000,000 per share]	0.01	-
C. In Debentures of Companies - Trade			
	Kakinada Infrastructure Holdings Private Limited		
	[100 (March 31, 2011 : 100) 0.1% cumulative optionally convertible Debentures of Rs. 10,000,000 each]	100.00	100.00
D. In Preference shares of Companies - Other than trade			
	Rushil Constructions (India) Private Limited		
	[4,673,000 (March 31, 2011 : 4,673,000) preference shares of Rs. 100 each, fully paid up]	46.73	46.73
E. In Equity shares of Companies - other than trade			
	Business India Publications Limited		
	[5,000 (March 31, 2011: 5,000) equity shares of Rs. 10 each, fully paid up]	0.06	0.06
	Ujjivan Financial Services Private Limited		
	[50,000 (March 31, 2011: 50,000) equity shares of Re. 1 each, fully paid up]	0.05	0.05
Total (A+B+C+D+E)		149.36	149.35

Notes:

Aggregate amount of non-current unquoted investments - Rs. 149.36 crore (March 31, 2011 : Rs. 149.35 crore)

		(Rs. in crore)			
Particulars		Non-current		Current	
		March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 13	LOANS AND ADVANCES				
Capital advances					
	Unsecured, considered good	1,944.00	2,810.49	-	-
	(A)	1,944.00	2,810.49	-	-
Security deposit					
	Unsecured, considered good	298.25	317.50	5.45	25.38
	(B)	298.25	317.50	5.45	25.38
Advances recoverable in cash or kind					
	Unsecured, considered good	187.65	259.93	435.54	260.85
	Unsecured, considered doubtful	-	-	0.59	0.59
		187.65	259.93	436.13	261.44
	Provision for doubtful advances	-	-	(0.59)	(0.59)
	(C)	187.65	259.93	435.54	260.85

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	Non-current		Current	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 13 LOANS AND ADVANCES (Contd.)				
Other loans and advances				
Unsecured, considered good				
Share application money	-	6.72	-	-
Advance income-tax (net), including paid under protest	89.54	81.89	39.52	98.87
MAT credit entitlement	44.44	37.55	0.62	-
Prepaid expenses	10.96	2.94	319.74	134.72
Loan to others	350.87	490.32	149.43	53.95
Loans to employees	4.96	1.54	8.99	9.10
Deposits / balances with statutory / government authorities	273.79	71.85	28.39	165.82
	774.56	692.81	546.69	462.46
Unsecured, considered doubtful				
Balances with statutory / government authorities	1.27	0.70	-	-
	1.27	0.70	-	-
Provision for doubtful advances	(1.27)	(0.70)	-	-
	(D) 774.56	692.81	546.69	462.46
Total (A+B+C+D)	3,204.46	4,080.73	987.68	748.69
Capital advances includes advances to related parties:				
Oriental Structures Engineers Private Limited (OSEPL)	10.86	101.20	-	-
IL&FS Environmental infrastructure & Services Limited (IEISL)	29.93	-	-	-
Airports Authority of India (AAI)	1.33	-	-	-
Security deposit includes deposits with related parties:				
GMR Family Fund Trust (GFFT)	29.94	-	-	-
GMR Bannerghatta Properties Private Limited (GBPPL)	1.63	17.37	-	-
GMR Hebbal Towers Private Limited (GHTPL)	135.00	135.00	-	-
Corporate Infrastructure Services Limited (CISL)	8.59	13.22	-	-
Raxa Security Services Limited (RSSL)	4.95	-	-	-
Advances recoverable in cash or kind includes advances to related parties:				
AAI	-	-	2.92	1.34
Laqshya Media Private Limited (LMPL)	-	-	0.52	-
Celebi Ground Handling Delhi Private Limited (CELBI GHDPL)	-	-	0.28	0.13
Cambata Aviation Private Limited (CAPL)	-	-	2.99	1.82
Bird World Wide Flight Services India Private Limited (BWWFSIPL)	-	-	1.96	0.87
Track India Private Limited (TIPL)	-	-	0.10	-
CHSAS	-	-	0.21	-
Loan to others includes loans to related parties:				
Welfare Trust of GMR Infra Employees (GWT)	115.00	115.00	-	-
GMR Projects Private Limited (GPPL)	100.00	110.00	10.00	-
U E Development India Private Limited (UEDIPL)	-	13.02	14.93	-
Crossridge Investments Limited (CIL)	59.33	51.91	-	-
GMR Varalakshmi Foundation (GVF)	-	-	12.89	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	Non-current		Current	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 14 TRADE RECEIVABLES AND OTHER ASSETS				
Trade receivables				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	133.65	129.89	503.05	87.44
Unsecured, considered doubtful	2.12	3.65	15.96	0.47
	135.77	133.54	519.01	87.91
Provision for doubtful trade receivables	(2.12)	(3.65)	(15.96)	(0.47)
(A)	133.65	129.89	503.05	87.44
Other receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	1,200.65	490.45
Unsecured, considered doubtful	-	-	0.28	3.17
	-	-	1,200.93	493.62
Provision for doubtful trade receivables	-	-	(0.28)	(3.17)
(B)	-	-	1,200.65	490.45
Total (A+B)	133.65	129.89	1,703.70	577.89

(Rs. in crore)

Particulars	Non-current		Current	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 15 OTHER ASSETS				
Unsecured, considered good unless stated otherwise				
Non-current bank balances [refer note 18]	442.33	138.59	-	-
(A)	442.33	138.59	-	-
Unamortised expenditure				
Ancillary cost of arranging the borrowings	431.74	41.87	35.85	19.86
(B)	431.74	41.87	35.85	19.86
Others				
Interest accrued on fixed deposits	-	-	21.00	23.07
Interest accrued on current investments	-	-	4.68	10.15
Interest accrued on long term investments	-	3.52	-	35.70
Development fund receivable [refer note 34(vii)]	700.49	-	820.63	650.80
Non trade receivable (net of provision of Rs 20.68 crore (March 31, 2011 Rs. Nil))	0.52	32.53	67.92	117.42
Grant receivable from authorities	-	-	0.04	0.04
Unbilled revenue	6.55	6.18	270.21	441.99
(C)	707.56	42.23	1,184.48	1,279.17
Total (A+B+C)	1,581.63	222.69	1,220.33	1,299.03

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 16 CURRENT INVESTMENTS		
Current maturities of long term investments, unquoted		
In Debentures of Body Corporates - Trade		
GMR Holding (Malta) Limited		
19,234,619 (March 31, 2011 : 415,000,000) compulsory convertible debentures of USD 1 each]	99.12	1,874.13
	(i)	1,874.13
Current		
Other than trade, Quoted (valued at lower of cost and fair value)		
A. Investment In Equity shares of Companies		
Karur Vysya Bank Limited		
[229,018 (March 31, 2011 : 156,800) equity shares of Rs. 10 each, fully paid up]	6.99	3.89
Aviva Corporation Limited		
[4,000,000 (March 31, 2011 : 4,000,000) common shares without par value]	3.03	3.82
Southern Andes Energy Inc		
[4,704,219 (March 31, 2011 : 4,704,219) unlimited common shares without par value]	3.91	8.34
ING Vysya Bank Limited		
[Nil (March 31, 2011 : 13,175) equity shares of Rs. 10 each, fully paid up]	-	0.37
Brigade Enterprises Limited		
[Nil (March 31, 2011 : 274,746) equity shares of Rs. 10 each, fully paid up]	-	3.87
Gokaldas Exports Limited		
[Nil (March 31, 2011 : 50,000) equity shares of Rs. 5 each, fully paid up]	-	0.76
Kalyani Steels Limited		
[Nil (March 31, 2011: 25,000) equity shares of Rs. 10 each, fully paid up]	-	0.57
Reliance Communications Limited		
[Nil (March 31, 2011 : 50,000) equity shares of Rs. 5 each, fully paid up]	-	0.79
Siemens Limited		
[Nil (March 31, 2011 : 12,000) equity shares of Rs. 2 each, fully paid up]	-	0.88
Sterilite Industries (India) Limited		
[Nil (March 31, 2011 : 91,104) equity shares of Re. 1 each, fully paid up]	-	1.89
NTPC Limited		
[Nil (March 31, 2011 : 98,000) equity shares of Rs. 10 each, fully paid up]	-	1.97
Tata Consultancy Services Limited		
[Nil (March 31, 2011 : 3,279) equity shares of Re. 1 each, fully paid up]	-	0.27
HEG Limited		
[Nil (March 31, 2011 : 1,484) equity shares of Rs. 10 each, fully paid up]	-	0.05
Hindustan Petroleum Corporation Limited		
[Nil (March 31, 2011 : 8,402) equity shares of Rs. 10 each, fully paid up]	-	0.27
Indian Oil Corporation Limited		
[Nil (March 31, 2011 : 6,206) equity shares of Rs. 10 each, fully paid up]	-	0.19
HDFC Bank Limited		
[Nil (March 31, 2011 : 1,335) equity shares of Rs. 10 each, fully paid up]	-	0.26
Oil India Limited		
[Nil (March 31, 2011 : 2,978) equity shares of Rs. 10 each, fully paid up]	-	0.36
ONGC Limited		
[Nil (March 31, 2011 : 10,412) equity shares of Rs. 5 each, fully paid up]	-	0.30
Zensar Technologies Limited		
[Nil (March 31, 2011 : 20,930) equity shares of Rs. 5 each, fully paid up]	-	0.30
HDFC Limited		
[Nil (March 31, 2011 : 7,030) equity shares of Rs. 2 each, fully paid up]	-	0.38
Aries Agro Limited		
[Nil (March 31, 2011 : 15,381) equity shares of Rs. 10 each, fully paid up]	-	0.20

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 16 CURRENT INVESTMENTS (Contd.)		
Bharth Earth Movers Limited [Nil (March 31, 2011 : 4,767) equity shares of Rs. 10 each, fully paid up]	-	0.28
Indoco Remedies Limited [Nil (March 31, 2011 : 5,255) equity shares of Rs. 10 each, fully paid up]	-	0.23
Deepak Fertilisers and Petrochemicals Corporation Limited [Nil (March 31, 2011 : 13,934) equity shares of Rs. 10 each, fully paid up]	-	0.24
Balmer Lawrie and Company Limited [Nil (March 31, 2011 : 4,915) equity shares of Rs. 10 each, fully paid up]	-	0.33
Zuari Industries Limited [Nil (March 31, 2011 : 2,448) equity shares of Rs. 10 each, fully paid up]	-	0.20
Excel Crop Care Limited [Nil (March 31, 2011 : 12,268) equity shares of Rs. 5 each, fully paid up]	-	0.28
ISMT Limited [Nil (March 31, 2011 : 63,529) equity shares of Rs. 5 each, fully paid up]	-	0.35
Cipla Limited [Nil (March 31, 2011 : 4,768) equity shares of Rs. 2 each, fully paid up]	-	0.15
Larsen and Toubro Limited [Nil (March 31, 2011 : 1,800) equity shares of Rs. 2 each, fully paid up]	-	0.30
Patni Computers Systems Limited [Nil (March 31, 2011 : 3,778) equity shares of Rs. 2 each, fully paid up]	-	0.18
Standard Chartered IDR [Nil (March 31, 2011 : 19,465) equity shares of Re. 0.5 each, fully paid up]	-	0.21
(ii)	13.93	32.48
Other than trade, unquoted		
A. Investment in Mutual Funds		
Axis Liquid Fund Institutional - Growth Scheme [55,550 (March 31, 2011 : 80,573) units of Rs. 1,000 each]	6.60	8.73
ICICI Prudential - Super Institutional Plan - Growth Option [1,828,471 (March 31, 2011 : 34,115,390) units of Rs. 100 each]	28.95	494.16
ICICI Prudential Institutional - Liquid Plan - Super Institutional Growth [18,494,345 (March 31, 2011 : 336,901) units of Rs. 100 each]	290.14	4.88
HDFC Liquid Fund - Premium Plan - Growth [2,897,921 (March 31, 2011 : 192,495) units of Rs. 10 each]	6.22	0.38
Birla Sunlife Infrastructure Fund - Plan - Dividend - Payout [4,720,000 (March 31, 2011 : 4,720,000) units of Rs. 10 each]	4.72	5.90
UTI Liquid Cash Plan Institutional - Growth Option [33,742 (March 31, 2011 : 30,488) units of Rs. 1,000 each]	5.93	4.90
Kotak Liquid Fund Premium Plan Daily Dividend Reinvestment Option [6,791,746 (March 31, 2011 : 503,807) units of Rs. 10 each]	13.60	1.00
Reliance Liquidity Fund - Growth Option [9,963,746 (March 31, 2011 : 4,069,122) units of Rs. 10 each]	16.09	6.00
Reliance Floating Rate Fund, Daily Dividend Plan [287,921 units (March 31, 2011 : 269,740) units of Rs. 10 each]	0.29	0.27
Birla Sun Life Cash Plus - Institutional Premium Growth [1,809,683 (March 31, 2011 : Nil) units of Rs. 100 each]	33.31	-
Birla Sunlife Cash Plus Institutional - Daily Dividend [300,255 (March 31, 2011 : Nil) units of Rs. 100 each]	3.01	-
Birla Sun Life Dynamic Bond - Retail Plan Quarterly Dividend [113,720 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
NOTE 16 CURRENT INVESTMENTS (Contd.)		
ICICI Prudential Flexible Income Plan Regular Dividend Weekly [126,831 units (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
IDFC Super Saverincome Short Term Plan A (Regular) Dividend Monthly [128,423 units (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
Union KBC Liquid Fund Growth [80,162 (March 31, 2011 : Nil) units of Rs. 1,000 each]	8.60	-
Tata Liquid Fund SHIP - Appreciation [43,146 (March 31, 2011 : Nil) units of Rs. 1,000 each]	8.54	-
IDFC Cash Fund Super Institutional Plan -C Growth [191,750 (March 31, 2011 : Nil) units of Rs. 1,000 each]	24.82	-
Birla Sun life Savings Fund Retail-Weekly Dividend [13,274 (March 31, 2011 : Nil) units of Rs. 1,000 each]	0.13	-
DSP Black Rock Short Term Dividend [117,876 units (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
DSP Black Rock Liquidity Fund - Institutional Plan - Growth [106,917 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
Templeton India Low Duration Fund - Quarterly Dividend [125,081 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
Templeton India Short Term Income Plan- Dividend [1,139 units (March 31, 2011 : Nil) units of Rs. 1,000 each]	0.13	-
HDFC Cash Management Fund- Treasury Advantage Plan Dividend Monthly [131,802 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
HDFC Short Term Plan Dividend [125,221 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
Fidelity Short Term Income Fund Dividend [129,085 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
ICICI Prudential Short Term Plan Dividend [109,099 (March 31, 2011 : Nil) units of Rs. 10 each]	0.13	-
DSP Black Rock Liquidity Fund - Institutional Plan - Growth [Nil (March 31, 2011 : 47,762) units of Rs. 1,000 each]	-	6.70
Birla Sun Life Cash Plus - Institutional Premium Growth [Nil (March 31, 2011 : 191,757,199) units of Rs. 10 each]	-	300.75
Birla Sunlife Cash Plus Institutional - Daily Dividend [Nil (March 31, 2011: 6,794,041) units of Rs. 10 each]	-	6.81
IDFC Cash Fund Super Institutional Plan - Growth [NIL (March 31, 2011 : 244,002,021) units of Rs. 10 each]	-	290.81
UTI - Liquid Plus Fund Institutional Plan [NIL (March 31, 2011 : 1,321,674) units of Rs. 1,000 each]	-	212.63
Reliance Liquid Fund Weekly Dividend [Nil (March 31, 2011 : 890,426) units of Rs. 10 each]	-	1.36
SBI Premier Liquid Fund Institutional - Growth [Nil (March 31, 2011 : 10,468,538) units of Rs. 10 each]	-	16.12
Templeton India Treasury Management Account Super Institutional Plan - Growth [Nil (March 31, 2011 : 10,372) units of Rs. 1,000 each]	-	1.51
SBI SFH Ultra Daily Dividend Plan, short term [Nil (March 31, 2011 : 3,648,885) units of Rs. 10 each]	-	0.95
Reliance Money Manager, Daily Dividend Plan [Nil (March 31, 2011 : 56,833) units of Rs. 100 each]	-	1.48
Franklin Templeton India Treasury Management Account-Super Institutional Plan - Growth [Nil (March 31, 2011 : 341,315) units of Rs. 1,000 each]	-	49.71

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 16 CURRENT INVESTMENTS (Contd.)		
Religare Liquid Fund -Super institutional -Growth [Nil (March 31, 2011 : 41,264) units of Rs. 1,000 each]	-	5.60
B. Investment in Non-Government Securities		
9% Shriram Transport Company Limited [42,284 (March 31, 2011 : 42,284) units of Rs. 1,000 each]	4.23	4.23
8.40% ONGC Videsh Limited [Nil (March 31, 2011 : 100) units of Rs. 1,000,000 each]	-	9.72
8.90% Power Grid Corporation Limited [Nil (March 31, 2011: 40) units of Rs. 1,250,000 each]	-	4.94
7.70% 2013 Hindustan Petroleum Corporation Limited [Nil (March 31, 2011 : 200) units of Rs.1,000,000 each]	-	19.38
8.70% 2011 Power Finance Corporation Limited [Nil (March 31, 2011 : 250) units of Rs. 1,000,000 each]	-	24.52
8.84% 2015 Power Grid Corporation Limited [Nil (March 31, 2011 : 80) units of Rs. 1,250,000 each]	-	9.85
C. Investments in Venture Capital Funds:		
Faering Capital India Evolving Fund [24,000 (March 31, 2011 : 15,000) Units of Rs. 1,000 each]	2.19	1.50
D. Investment in Certificate of Deposits		
Punjab National Bank Limited [Nil (March 31, 2011 : 10,000) units of Rs. 100,000 each]	-	95.89
Union Bank of India Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	23.45
Corporation Bank Limited [Nil (March 31, 2011 : 5,000) units of Rs. 100,000 each]	-	48.85
Bank of India Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	24.02
HDFC Bank Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	24.51
State Bank of Travancore Limited [Nil (March 31, 2011: 2,500) units of Rs. 100,000 each]	-	24.24
State Bank of Bikaner and Jaipur Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	24.33
Andhra Bank Limited [Nil (March 31, 2011 : 5,000) units of Rs. 100,000 each]	-	48.80
IDBI Bank Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	24.33
State Bank of Mysore Limited [Nil (March 31, 2011 : 2,500) units of Rs. 100,000 each]	-	23.49
	(iii)	458.80
Other than Trade, Unquoted		
A. Investment In Equity shares of Companies		
Sri Rayalaseema Paper Mills Limited [323,210 (March 31, 2011: 323,210) equity shares of Rs. 10 each, fully paid up]	0.39	0.39
	(iv)	0.39
Less: Provision for diminution in the value of current maturities of long term investments	(v)	(938.91)
Total - (vi) = (i)+(ii)+(iii)+(iv)-(v)	572.24	2,824.79

Notes:

- (a) Aggregate market value of current quoted investments - Rs. 15.47 crore (March 31, 2011 : Rs. 33.06 crore)
(b) Aggregate amount of current unquoted investments - Rs. 558.31 crore (March 31, 2011 : Rs. 2,792.31 crore)
(c) Aggregate provision for diminution in the value of current investment - Rs. 11.76 crore (March 31, 2011 : Rs. 1.46 crore)

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 17 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)		
Raw materials	78.50	36.26
Work-in-progress	3.82	0.25
Traded goods/ finished goods	125.52	97.55
Stores, spares and components	51.61	50.52
	259.45	184.58

(Rs. in crore)

Particulars	Non-current		Current	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
NOTE 18 CASH AND BANK BALANCES				
Cash and cash equivalents				
Cheques/ drafts on hand	-	-	18.68	31.76
Cash on hand	-	-	14.43	4.99
Balances with banks:				
- On current accounts*	-	-	1,635.94	1,101.76
- Deposits with less than three months maturity	-	-	1,516.45	969.06
	-	-	3,185.50	2,107.57
Other bank balances				
- Deposits with maturity for more than 12 months	22.31	9.78	23.22	169.40
- Deposits with maturity for more than 3 months but less than 12 months	-	-	546.46	721.56
- Restricted deposits **	420.02	128.81	500.96	236.09
	442.33	138.59	1,070.64	1,127.05
Amount disclosed under non-current assets [refer note 15]	442.33	138.59	-	-
	-	-	4,256.14	3,234.62

* Includes share application money pending refund Rs. 0.05 crore (March 31, 2011: Rs. 0.05 crore)

** Restricted deposits includes margin money deposit and deposits with banks that are pledged by the Group with the Government and other authorities and with the lenders against long term and short term borrowings availed by the Group.

Refer note 5 and note 8 as regards restriction on balances with banks arising in connections with the borrowings made by the Group.

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 19 SALES / INCOME FROM OPERATIONS		
Sale of products		
Power segment:		
Income from sale of electrical energy	2,042.65	1,893.20
Income from mining activities	199.25	75.31
	2,241.90	1,968.51
Traded goods		
Power segment:		
Income from sale of electrical energy	133.09	257.55
	133.09	257.55
Airports segment:		
Non - aeronautical		
Fuel trading	1,370.37	715.82
Duty free items	281.17	122.30
	1,651.54	838.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

		(Rs. in crore)	
Particulars	March 31, 2012	March 31, 2011	
NOTE 19 SALES / INCOME FROM OPERATIONS (Contd.)			
Sale of services			
Airports segment:			
Aeronautical	1,014.02	881.61	
Non - aeronautical	1,367.03	940.31	
Cargo operations	265.24	282.43	
Income from commercial property development	83.46	79.05	
	2,729.75	2,183.40	
Roads segment:			
Annuity income from expressways	248.55	248.33	
Toll income from expressways	157.09	141.92	
	405.64	390.25	
EPC segment:			
Construction revenue	970.89	515.26	
	970.89	515.26	
Others segment:			
Income from hospitality services	87.31	68.95	
Income from management and other services	99.99	110.10	
	187.30	179.05	
Sales / Income from operations	8,320.11	6,332.14	

		(Rs. in crore)	
Particulars	March 31, 2012	March 31, 2011	
NOTE 20 OTHER OPERATING REVENUE			
Interest income on			
Bank deposits	59.46	26.70	
Long-term investments	-	41.06	
Current investments	16.39	9.44	
Others	0.06	-	
Dividend income on current investments	0.64	0.90	
Net gain on sale of current investments	76.37	55.02	
	152.92	133.12	

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 21 OTHER INCOME		
Interest income on		
Bank deposits	61.38	67.30
Current investments	4.31	21.50
Others	52.74	65.24
Provisions no longer required, written back	3.34	55.91
Net gain on sale of investments		
Long-term investments (note 34(viii)(q))	37.11	-
Current investments	49.11	49.14
Lease income	0.89	0.79
Miscellaneous income (net of expenses directly attributable to such income of Rs. Nil (March 31, 2011: Rs. Nil))	34.54	51.42
	243.42	311.30

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 22 COST OF MATERIALS CONSUMED		
Inventory at the beginning of the year	36.26	56.50
Add: Purchases	341.27	62.69
	377.53	119.19
Less: Inventory at the end of the year	78.50	36.26
	299.03	82.93

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 23 PURCHASE OF TRADED GOODS		
Purchase of electrical energy	92.98	219.53
Purchase of fuel	1,111.70	654.31
Purchase of duty free items	123.31	84.47
	1,327.99	958.31

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 24 (INCREASE) / DECREASE IN STOCK IN TRADE		
Stock as at April 1,	97.55	11.92
Less: Stock as at March 31,	125.52	97.55
	(27.97)	(85.63)

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 25 EMPLOYEE BENEFITS EXPENSES		
Salaries, wages and bonus	610.21	370.31
Contribution to provident and other fund	22.07	12.62
Gratuity expense	2.72	1.65
Other employment benefits	3.21	2.59
Staff welfare expenses	49.62	34.72
	687.83	421.89

(Rs. in crore)		
Particulars	March 31, 2012	March 31, 2011
NOTE 26 OTHER EXPENSES		
Consumption of stores and spares	48.62	26.74
Electricity and water charges	166.65	147.09
Prompt payment rebate	24.24	40.22
Open access charges paid	31.44	25.77
Airport service charges/ operator fees	52.08	39.29
Cargo handling charges	12.62	8.93
Freight	16.42	1.22
Rent [includes land lease rentals of Rs. 6.56 crore (March 31, 2011: Rs. 5.82 crore)]	84.11	63.88
Rates and taxes	42.67	36.44
Insurance	36.58	30.76
Repairs and maintenance		
Plant and machinery	129.70	91.97
Buildings	36.38	32.27
Others	70.39	64.10
Manpower charges	18.15	37.19
Advertising and sales promotion	67.40	35.56
Travelling and conveyance	56.20	43.88
Communication costs	11.47	11.72
Printing and stationery	8.54	7.74
Legal and professional fees	178.00	128.29
Directors' sitting fees	8.61	1.40
Adjustments to the carrying amount of current investments	11.76	2.16
Provision / write off of doubtful advances and trade receivables	53.43	14.13
Foreign exchange fluctuations expenses (net)	59.18	17.15
Donation	12.02	12.10
Loss on sale of fixed assets (net) / fixed assets written off	1.87	3.13
Office maintenance	80.26	82.77
Security expenses	47.05	37.85
Logo fees	14.63	7.41
Miscellaneous expenses	47.39	61.40
	1,427.86	1,112.56

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 27 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of tangible assets	811.09	617.87
Amortisation of intangible assets	124.72	171.13
	935.81	789.00

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 28 FINANCE COSTS		
Interest	1,555.14	1,179.61
Bank charges	24.75	37.12
Amortisation of ancillary borrowing costs	43.47	9.48
Mark to market loss / (gain) on derivative instruments	0.94	(2.00)
Exchange difference to the extent considered as an adjustment to borrowing costs (net)	28.83	5.85
	1,653.13	1,230.06

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 29 EXCEPTIONAL ITEMS		
Provision for diminution in the value of investment (refer note 34(viii)(i))	-	938.91
Amounts written off in earlier years written back (refer note 34(viii)(j))	-	(140.33)
Interest on loans against development fund (refer note 34(vii))	162.12	-
	162.12	798.58

Particulars	March 31, 2012	March 31, 2011
NOTE 30 EARNINGS PER SHARE (EPS)		
Nominal value of equity shares (Re. per share)	1.00	1.00
Weighted average number of equity shares used in computing earnings per share	3,892,432,532	3,880,098,989
(Loss) after minority interest and share of profit / (loss) of associates (Rs. in crore)	(603.34)	(929.64)
EPS - Basic and Diluted (Rs.)	(1.55)	(2.40)

Notes:

- During the year Rs. 0.00 crore (Rs. 2,250) (March 31, 2011: 0.00 crore (Rs. 2,250)) was receivable towards equity shares and for the computation of weighted average number of equity shares outstanding at the end of the year, these have been considered as partly paid-up shares.
- The Group does not have any dilutive securities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 31(a) CAPITAL WORK IN PROGRESS		
Capital expenditure incurred on tangible assets	12,563.00	12,197.93
Salaries, allowances and benefits to employees	490.50	409.65
Contribution to provident and other funds	16.49	11.88
Staff welfare expenses	21.60	10.46
Rent	112.28	74.87
Repairs and maintenance		
Buildings	3.07	0.43
Others	48.17	24.55
Rates and taxes	26.94	16.22
Insurance	56.72	22.13
Legal and professional fees	869.81	638.29
Travelling and conveyance	217.07	171.35
Communication costs	11.44	7.74
Depreciation of tangible assets	20.85	12.95
Amortisation of intangible assets	4.41	3.10
Interest costs	2,342.83	1,532.43
Amortisation of ancillary borrowing costs	32.81	133.28
Bank charges	379.12	332.71
Printing and stationery	2.28	0.04
Exchange differences (net)	149.71	(23.28)
Miscellaneous expenses	180.82	125.66
	(i) 17,549.92	15,702.39
Less: Other Income		
Interest income on bank deposits	30.37	12.00
Net gain on sale of current investments	99.71	82.76
Miscellaneous income (net of expenses directly attributable to such income Nil (March 31, 2011: Nil))	2.70	2.00
	(ii) 132.78	96.76
Total - (iii) = (i) - (ii)	17,417.14	15,605.63
Less: Apportioned over the cost of tangible assets	1,881.24	10,078.28
	(iv) 1,881.24	10,078.28
Total - (v) = (iii) - (iv)	15,535.90	5,527.35

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 31(b) INTANGIBLE ASSETS UNDER DEVELOPMENT		
Capital expenditure incurred on intangible assets	2,875.50	790.36
Salaries, allowances and benefits to employees	70.37	30.53
Contribution to provident and other funds	3.64	0.70
Staff welfare expenses	4.03	0.45
Rent	7.61	5.99
Repairs and maintenance		
Others	6.22	2.55
Rates and taxes	2.17	1.90
Insurance	6.59	4.22
Legal and professional fees	98.68	39.57
Travelling and conveyance	16.46	7.65
Communication costs	1.66	0.90
Depreciation of tangible assets	1.63	0.31
Amortisation of intangible assets	0.35	0.06
Interest costs	142.33	11.51
Amortisation of ancillary borrowing costs	42.25	23.36
Bank charges	14.27	6.89
Printing and stationery	0.09	0.04
Miscellaneous expenses	60.05	49.63
	(i)	3,353.90
Less: Other Income		
Interest income on bank deposits	0.19	0.04
Net gain on sale of current investments	4.12	0.11
Miscellaneous income (net of expenses directly attributable to such income Nil (March 31, 2011: Nil))	0.03	-
	(ii)	4.34
Total - (iii) = (i) - (ii)		3,349.56
Less: Government grant received (refer note 31(b)(i) and 31(b)(ii) below)	189.44	-
	(iv)	189.44
Total - (v) = (iii) - (iv)		3,160.12

Note 31(b)(i) - GOSEHHPL is entitled to a grant of Rs. 340.19 crore as cash support by way of an outright grant for meeting the project cost from NHA subject to the satisfaction of the conditions as per Article 25 of the Concession Agreement. The grant is to be deposited in escrow account and is to be utilised towards the project cost. As at March 31, 2012, GOSEHHPL has received a grant of Rs. 82.74 crore against the aforesaid sanction and the same has been deducted from the cost of Intangible assets under development.

Note 31(b)(ii) - GCORRPL is entitled to a grant of Rs. 300.00 crore as project support fund by way of a grant, which is to be disbursed on quarterly basis based on the progress of the project and the expenditure incurred by the concessionaire on the civil works as per the disbursement methodology of the project fund as specified in clause 30.2.1 of the concession agreement entered into by GCORRPL with the Government of Tamilnadu (GoTN). During the year ended March 31, 2011, GCORRPL had received project support fund of Rs. 28.44 crore from GoTN as per the concession agreement and the Group's share amounting to Rs. 25.53 crore was disclosed under "Capital reserve - government grant". During the year ended March 31, 2012, GCORRPL has received government grant of Rs. 78.26 crore and the government grant received (including the grant received during the previous year) amount into Rs. 106.70 crore as at March 31, 2012 has been adjusted against "Intangible assets under development".

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 32(a) CONTINGENT LIABILITIES		
Corporate guarantees	251.93	5,395.96
Bank guarantees outstanding	855.38	1,983.54
Claims against the Group not acknowledged as debts	294.28	349.66
Matters relating to income tax under dispute	86.73	1.26
Matters relating to indirect taxes duty under dispute	99.81	141.44
Arrears of cumulative dividends on preference share capital issued by subsidiary	1.62	-

b. Others in addition to 32(a) above:

- a) During the year ended March 31, 2010, GVPGL was granted a refund of customs duty of Rs. 69.09 crore which was paid earlier towards the import of plant and machinery. Considering that the cost of plant and machinery included the customs duty, the refund was adjusted to the cost of the asset and related depreciation expense of Rs. 11.19 crore, charged from the date of capitalisation till the date of grant of such refund, was credited to the statement of profit and loss during the year ended March 31, 2010. GVPGL received a refund of Rs. 59.11 crore.
 - a. During the year ended March 31, 2011, GVPGL had received an intimation from the Office of the Joint Director General of Foreign Trade ('DGFT') for cancellation of duty drawback refund Order received in 2009-10 to the extent of Rs 9.99 crore, in view of which, GVPGL had restored the capitalisation of customs duty and adjusted the cost of the asset and the related depreciation expense of Rs. 2.39 crore, chargeable from the date of capitalisation till the date of cancellation of such refund, was adjusted with the depreciation for the year ended March 31, 2011.
 - b. During the year ended March 31, 2012, GVPGL has received a further intimation from DGFT for cancellation of duty drawback refund Order of Rs. 59.11 crore received in 2009-10, thereby seeking refund of the amount GVPGL received earlier. Based on an expert's opinion, the management of the Group is confident that the duty drawback refund granted earlier was appropriate and that the cancellation of the duty drawback refund is not tenable as the intimation cannot be applied retrospectively. Accordingly, no adjustment has been made with regard to the refund of 59.11 crore already received by GVPGL in these consolidated financial statements of the Group.
 - c. GVPGL has filed a writ petition with the Hon'ble High Court of Delhi in November 2011 as regards the aforesaid matter, which is pending settlement as at March 31, 2012.
- b) During the year ended March 31, 2011, GPCL had received a refund of customs duty of Rs. 29.57 crore which was paid earlier towards the import of the plant and machinery, which was passed on to Tamil Nadu Electricity Board ("TNEB") as a pass through as per the terms of the PPA. During the year ended March 31, 2012, GPCL has received intimation for cancellation of the duty draw back refund received earlier. The Group does not foresee any liability in respect of the same demand as the liability, if any, is to be recovered from TNEB, the ultimate beneficiary of the refund received earlier. However pending settlement of the matter, the same has been considered as a contingent liability in these consolidated financial statements of the Group.
- c) During the year ended March 31, 2012, GVPGL has received a demand of Rs. 48.21 crore for the period September 2006 to November 2011 from the Chief Electrical Inspectorate, State Government of Andhra Pradesh (GoAP), whereby GoAP has imposed electricity duty on generation and sale of electrical energy calculated at the rate of six paise for each electricity unit generated by GVPGL since commencement of commercial operations. Based on an internal assessment and an expert opinion, the management of the Group is confident that the provisions of Electricity Duty Act and Rules, 1939 ('Electricity Rules') in respect of payment of electricity duty are not applicable to GVPGL. Accordingly electricity duty liability of Rs 52.02 crore for the period September 2006 to March 2012 has been considered as a contingent liability in these consolidated financial statements of the Group.
- d) During the year ended March 31, 2012, GEL has received an intimation from the Chief Electrical Inspectorate, GoAP, whereby GoAP has demanded electricity duty on generation and sale of electrical energy amounting to Rs. 11.06 crore calculated at the rate of six paise for each electricity unit generated by the Company for the period from June 2010 to December 2011. GEL has filed a writ petition with Hon'ble High Court of judicature of Andhra Pradesh at Hyderabad against the intimation by GoAP and it has granted a stay order on deposit of amount demanded.
Based on an internal assessment and legal opinion obtained by GEL, the management of the Group is confident that the provisions of Electricity Rules in respect of payment of electricity duty are not applicable to GEL and accordingly, electricity duty liability of Rs.12.36 crore for the period June 2010 to March 31, 2012 has been considered as a contingent liability in these consolidated financial statements of the Group.
- e) During the year ended March 31, 2012, Municipal Corporation of Delhi ('MCD') has demanded property tax of Rs 59.24 crore on the land and properties at Delhi Airport. DIAL has filed a writ petition in the Delhi High Court challenging the applicability of the DMC (Amendment) Act, 1957 on the land and properties at the Delhi Airport and has deposited an amount of Rs 13.68 crore under protest. Based on the legal opinion obtained, the management of the Group is confident of success in the writ petition and hence amount of Rs 59.24 crore has been considered as a contingent liability in these consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 32(a) | CONTINGENT LIABILITIES (Contd.)

- f) The Supreme Court of India has passed an order dated September 15, 2011, stating that notification dated July 26, 2004, issued by the Central Government under the Contract Labour (Regulation and Abolition) Act, 1970 abolishing employment of contract labour in respect of the trolley retrieval at the IGI Airport, New Delhi is also applicable to DIAL. The Supreme Court had directed DIAL to pay a compensation of Rs 0.05 crore to each of 136 trolley retrievers, who were employed on contract labour by the AAI till 2003. Based on the legal opinion obtained, the management of the Group is of the view that, among other things, the aforesaid notification is not applicable to DIAL. Further, the management of the Group is of the opinion that if the liability (if any) falls on DIAL, the same is recoverable from the AAI. Therefore, no adjustment has been made to these consolidated financial statements of the Group. Since the Supreme Court of India has directed DIAL to pay compensation and pending confirmation from the AAI for payment of aforesaid liability as at March 31, 2012, this has been disclosed as contingent liability in these consolidated financial statements of the Group.
- g) In case of DIAL, with effect from June 1, 2007, the Airports Authority of India has claimed service tax on the annual fee payable to them considering the same as rental from immovable property. DIAL has disputed the grounds of the levy under provisions of the OMDA. As the matter is under dispute and pending with the Hon'ble High Court of Delhi, the impact of the same, if any, has not been considered in these consolidated financial statements of the Group.
- h) GAHL has issued non-cumulative compulsorily convertible non-participatory preference shares (CCPS) to Investor I and Investors II, pursuant to which, GIL and GAHL have provided the Investor I and Investors II various conversion and exit options at an agreed internal rate of return as per the terms of the Restructuring Options Agreement and Investment Agreement [refer note 34(vi)(c)].
- i) During the year ended March 31, 2011, GEL has issued fully paid up CCCPS, convertible upon the occurrence of QIPO of GEL at an agreed IRR. In case of non occurrence of QIPO within 3 years of the closing date, as defined in the terms of agreement between the parties, Investors have the right to require GIL to purchase the CCCPS or if converted, the equity shares in GEL at an agreed upon IRR [refer note 34(vi)(b)].
- j) As per the terms of the agreement dated June 28, 2010 entered into with Maldives Airport Company Limited ('MACL') and Republic of Maldives, GMIAL was granted an exclusive right to collect retain and appropriate Airport Development Charges ('ADC') amounting to USD 27 (including insurance charge of USD 2) per international passenger from January 1, 2012. Maldivian civil court in its judgment dated December 8, 2011 disallowed the levy of ADC. Pursuant to the judgment of Maldivian civil court, GMIAL issued a letter dated December 26, 2011 to MACL and Ministry of Finance & Treasury (MoFT), Malé, seeking relief and proposed to adjust the short fall due to non collection of ADC against future Variable annual concession fees payable as per the terms of the concession agreement. MACL and MoFT, vide letter dated January 5, 2012, accorded its consent and authorized GMIAL to set off / adjust the actual loss suffered by GMIAL against variable annual concession fees.

However subsequent to the year end, MACL and MoFT retracted its earlier letter dated January 5, 2012 and communicated their disagreement to any setoff / adjustment against the variable fees.

GMIAL, basis consent received earlier from MACL and MoFT paid the variable concession fees for the period January 1, 2012 to March 31, 2012 after adjusting ADC amounting to USD 0.82 crore. MACL vide letter dated May 13, 2012 requested GMIAL to refund the adjusted amount without any further delay.

Based on an internal assessment and a legal opinion obtained by GMIAL, the management of the Group is confident that GMIAL is entitled to set off / adjust ADC from the Variable fees. Pending resolution of dispute through the dispute resolution mechanism as stated in the aforementioned agreement, ADC amounting to USD 0.82 crore deducted from Variable fees has been considered as a contingent liability in these consolidated financial statements of the Group.

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
NOTE 33 CAPITAL AND OTHER COMMITMENTS		
a. Capital commitments:		
Estimated value of contracts remaining to be executed on capital account, not provided for (net of advances)	19,577.68	16,625.10

b. Other Commitments:

- The Group has entered into various concession agreements, as detailed below, in the roads sector whereby the Group is committed to comply with certain key terms and conditions of the respective concession agreements entered into with NHAI and the State Government of Tamilnadu ('GoTN') pertaining to construction of roads / highways in accordance with the timelines and milestones as defined in the respective concession agreements, achievement of date of commencement of commercial operations ('COD') as per the respective concession agreements, construction, management, operation and maintenance of roads / highways in accordance with the respective concession agreements, performance of the obligations under the respective financing agreements, non transfer or change in ownership without the prior approval of NHAI / GoTN and transfer of the roads / highways projects on termination of relevant agreements or in case of defaults as defined in the respective concession agreements.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 33 | CAPITAL AND OTHER COMMITMENTS (Contd.)

Name of the Entity	Name of the Concessionaires	Project Status	Period of concession agreement as per Concession Agreements
GTAEPL	NHAI	Operational	17.50 years from COD i.e. May 09, 2002.
GTTEPL	NHAI	Operational	17.50 years from COD i.e. May 09, 2002.
GJEPL	NHAI	Operational	20 years from the Appointed date, defined as 180 days from the date of signing of Concession Agreement i.e. February 20, 2006.
GUEPL	NHAI	Operational	20 years from the Appointed date, defined as 180 days from the date of signing of Concession Agreement i.e. April 19, 2006
GPEPL	NHAI	Operational	20 years from the Appointed date, defined as 180 days from the date of signing of Concession Agreement i.e. March 31, 2006
GACEPL	NHAI	Operational	20 years from the Appointed date, defined as 180 days from the date of signing of Concession Agreement i.e. November 16, 2005
GOSEHHPL	NHAI	Under construction	19 years from the Appointed date, defined as the date of achievement of financial closure.
GCORRPL	GoTN	Under construction	20 years from the appointed date, defined as the date of achievement of financial closure.
GHVEPL	NHAI	Under construction	25 years from the appointed date, defined as the date of achievement of financial closure.
GKUAEL	NHAI	Under construction	26 years from the Appointed date, defined as the date of achievement of financial closure.

2. The Group has entered into various agreements, as detailed below, for development, rehabilitation, expansion, modernisation, operation and maintenance of various airports in and outside India. Pursuant to these agreements, the Group is committed to comply with various terms of the respective agreements which pertains to payment of fees, development / expansion of Airport in accordance with the timelines and milestones as defined in the respective agreements, achievement of COD as per the respective agreements, development, management, operation and maintenance of airports in accordance with the respective agreements, performance of various obligations under the respective financing agreements, non transfer or change in ownership without the prior approval of respective airports Concessionaires, compliance with the applicable laws and permits as defined in the respective agreements, transfer of the airport on termination of agreement or in case of defaults as defined in the respective agreements etc.

Name of the Entity	Name of the Concessionaires	Name of the project	Period of agreement	Fees payable
DIAL	AAI	Indira Gandhi International Airport, Delhi	30 years starting from May 3, 2006 which can be extended by another 30 years on satisfaction of certain terms and conditions of Operation, Management and Development Agreement ('OMDA').	45.99% of all its gross revenue (as defined in OMDA)
GHIAL	Ministry of Civil Aviation, Government of India	Rajiv Gandhi International Airport, Hyderabad	30 years starting from March 23, 2008 which can be extended by another 30 years on satisfaction of certain terms and conditions of the Concession agreement.	4% of all its gross revenue (as defined in Concession agreement).
GMIAL	Maldives Airport Company Limited and the Republic of Maldives	Ibrahim Nasir International Airport, Maldives	25 years starting from handover date i.e; November 25, 2010 which can be extended by another 10 years on satisfaction of certain terms and conditions as agreed between GMIAL and the Concessionaires.	<ul style="list-style-type: none"> Fixed annual fee amounting to USD 0.15 crore per year. Variable annual fees equal to specified percentage of gross revenues for the period from November 25, 2010 till end of the concession period. Fuel concession fees equal to specified percentage of gross fuel sales for the period from November 25, 2010 till end of the concession period.
ISG	Under secretariat for Defense Industries (Administration)	Sabiha Gokcen International Airport, Turkey	21 year and 300 days, starting from May 1, 2008	Euro 217.60 crore payable in annual installments starting from January 1, 2011 over the period of the agreement.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 33 | CAPITAL AND OTHER COMMITMENTS (Contd.)

3. Entities in power sectors have entered into Power Purchase Agreement ('PPA'), as detailed below, with customers, pursuant to which these entities have committed to make available minimum Plant Load Factor ('PLF') over the period of tariff year, as defined in the PPA. The PPA's contain provision for disincentives and penalties in case of certain defaults.

Name of the Entity	Customers	Total Capacity (MW)	Contracted capacity (MW)	Period of PPA	Minimum PLF of the Contracted capacity (MW)
GVPGL	Andhra Pradesh Power Distribution Companies	387.625	370.00	23 years from COD (i.e. September 16, 2006)	80.00%
GPCL	Tamil Nadu Electricity Board	200.00	196.00	15 years from COD (i.e. February 15, 1999)	68.49%
EMCO	Maharashtra State Electricity Distribution Company Limited	600.00	200.00	25 years starting from March 17, 2014	80.00%
GKEL	Bihar State Electricity Board	1400.00	260.00	25 years from the date of commencement of supply of power	80.00%
GCHEPL	Chattisgarh State Power Trading Company Limited	1370.00	411.00	20 years from the date of commencement of supply of power	35% of the installed capacity i.e 1370 MW.

4. GGSPGL has entered into a PPA for 25 years from COD i.e. March 4, 2012, with Gujarat Urja Vikas Nigam Limited (GUVNL) wherein it has committed to sell and GUVNL has committed to purchase all available capacity of the project limited to the installed capacity of 25 MW.
5. GKEL has entered into a PPA for 25 years, from the date of commercial operation of the 4th unit, with Grid Corporation of Orissa Limited (GRIDCO) wherein it has committed to sell and GRIDCO has committed to purchase aggregate contracted capacity of 25% of total installed capacity. In addition, GRIDCO has the right to receive power generated by GKEL beyond 80% PLF and the entire infirm power (electricity generated prior to commercial operation of the unit of the generating station) generated.
6. GEL has entered into an Agreement for Sale of Power for 25 years, from the COD of GKEL Project, with PTC India Limited (PTC) wherein it has committed to sell and PTC has committed to purchase 323 MW (gross) of the power generated from GKEL Project at a predetermined price for sale to Haryana Power Generation Corporation Limited (HPGCL).
7. GEL and GVPGL have entered into Gas Sales and Purchase Agreements (GSPA) wherein they have committed to purchase and suppliers have committed to sell 80% of the Adjusted Monthly Contract Quantity, as defined under GSPA, of natural gas in each Contract month and 90% of the Adjusted Annual Contract Quantity, as defined under GSPA, of natural gas in each contract year at a price which is linked to the average price of Brent Crude Oil as per the terms agreed between the parties.
8. GEL and GVPGL have entered into Gas Transportation Agreements with gas transporters wherein gas transporters have committed to transport natural gas from Gadimoga to plant, in the State of Andhra Pradesh. The transportation charges shall be the maximum rate that the transporter is permitted by Law to charge for the transportation services from time to time.
9. GPCL has entered into a fuel supply agreement with seller wherein GPCL has committed to purchase from or through the seller and the seller has committed to supply fuel required for the operation of the project to enable GPCL to fulfill its obligations under the PPA. In each tariff year (other than the final tariff year of the term), the aggregate quantity of fuel to be purchased hereunder by GPCL from or through the seller shall not exceed 370,000 MT per annum for each tariff year (or the relevant pro rata portion of such quantity in the case of a tariff year is less than twelve months period) including fuel obtained by GPCL through the seller from sources outside India.
10. GVPGL has entered into Long Term Assured Part Supply and Maintenance Agreement with sub-contractors wherein GVPGL has committed to pay fixed quarterly charges in addition to variable quarterly charges, which are based on the actual fired hours of the plant. Further, GVPGL has committed to pay incentives on attainment of certain parameters by the sub-contractors.
11. As per the terms of Airport operator agreement, DIAL is required to pay every year 3% of previous year's gross revenue as operator fee to Airport operator for an exclusive period of seven years from the date of the agreement i.e. May 2006. Further, DIAL is also liable to pay (Euro 1.5 million) approximately amounting to Rs. 10.80 crore during financial year 2013-14.
12. DIAL has entered into a tripartite Master Service Agreement ('MSA') with WAISL and Wipro Limited by which DIAL is committed to pay annually to WAISL if the receivable of WAISL falls short of subsistence level (as defined in the said MSA). Also in case of delay in payment of dues from customers to WAISL, DIAL would fund the deficit on a temporary basis till the time WAISL collects the dues from aforementioned customers. As at March 31, 2012, DIAL has funded Rs. 17.31 crore (March 31, 2011: Rs Nil) towards shortfall in collection from customers.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 33 | CAPITAL AND OTHER COMMITMENTS (Contd.)

13. GTAEPL and GTTEPL have entered into maintenance agreement with a sub-contractor for a period of 17.5 years from date of agreement, i.e. May 09, 2002 wherein GTAEPL and GTTEPL have committed to pay fixed monthly charges. These fixed monthly charges are subject to escalation of 1.50% every year.
14. BIB and the Government of Republic of Indonesia entered into Coal Sale agreement dated March 28, 2011 for the period January 1, 2011 to December 31, 2015 pursuant to which BIB is required to pay to Indonesian Government an amount equivalent to 13.5% of proceeds from sale of BIB's coal. Further, based on Indonesian Government regulation No. 45/2003, all Companies holding mining rights have an obligation to pay an exploitation fee equivalent to certain percentage, ranging from 3% - 5% of sales, net of selling expenses.
15. GCRPL (as the buyer) and PTGEMS (as the seller) have entered into a Coal Sales Agreement for Sale and Purchase of Coal, whereby GCRPL and PTGEMS have committed to, respectively, take delivery and to deliver, minimum 90% of the Annual Tonnage as specified in the Agreement for each Delivery Year, based on the agreed pricing mechanism. GCRPL is also committed to use the coal for the Agreed Use, provided that it shall not sell any Coal to any person domiciled or incorporated in Indonesia.
16. GESPL has entered into Vested and Unvested Gas Sales Agreements wherein GESPL has committed to purchase from the seller and the seller has committed to supply gas based on the pricing formula as defined in the agreements required for the operation of the project. Under the contract, GESPL also has certain minimum take or pay obligations. Gas to be supplied under the Vested agreement would help GESPL to fulfil its obligation under the Vesting Contract entered into with the Market Support Services Licensee of Energy Market Authority of Singapore (EMA) to supply an allocated quantity of electricity at a pre-determined price.
17. The Group has entered into agreements with the lenders of certain subsidiary entities wherein it has committed to hold at all times at least 51% of the equity share capital of these subsidiary entities and not to sell, transfer, assign, dispose, pledge or create any security interest except pledge of shares to the respective lenders as covered in the respective agreements with the lenders.
18. The Group has provided commitment to fund the cost overruns over and above the estimated project cost or cash deficiency, if any, to the lenders of its project stage subsidiaries, to the extent as defined in the agreements executed with the respective lenders.
19. Refer note 37(b) for commitments relating to lease arrangements.
20. Refer note 34(ii) as regards negative grant payable to concessionaries of road entities.
21. Refer note 34(vi), for commitments arising out of convertible preference shares.
22. Shares of the certain subsidiaries/ joint ventures have been pledged as security towards loan facilities sanctioned to the Group.

NOTE | 34 | OTHERS

i) Foreign currency transactions

The Ministry of Corporate Affairs, Government of India vide its Notification No GSR 225 (E) dated March 31, 2009 announced Companies Accounting Standards (Amendment) Rules 2009 prescribing changes to Accounting Standard-11 on 'The Effects of Changes in Foreign Exchange Rates'.

The Group has, pursuant to the adoption of principles of Companies Accounting Standard (Amendment) Rules 2009, exercised the option of recognising the exchange differences arising in reporting of foreign currency monetary items at rates different from those at which they were recorded earlier, in the original cost of such depreciable assets in so far such exchange differences arose on foreign currency monetary items relating to the acquisition of depreciable assets. Accordingly,

- a. Exchange loss amounting to Rs. 312.11 crore (March 31, 2011: exchange gain of Rs. 23.67 crore) has been adjusted to the cost of depreciable assets in these consolidated financial statements of the Group.
- b. An amount of Rs. 4.88 crore (March 31, 2011: Rs. 6.85 crore), net of amortisation, being the exchange loss on long term monetary asset has been accumulated in the 'Foreign currency monetary item translation difference account' and is being amortised in the statement of profit and loss over the balance period of such long term monetary asset but not beyond March 31, 2020. The unamortised balance as at March 31, 2012 amounts to a debit balance of Rs. 2.50 crore (March 31, 2011: Rs. 7.38 crore).

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

(ii) Negative grant

In accordance with the terms of the concession agreements entered into with NHAI by GACEPL, GJEPL and GUEPL dated November 16, 2005, February 20, 2006 and April 19, 2006 respectively, the companies have an obligation to pay an amount of Rs. 507.96 crore by way of Negative Grant to NHAI and pursuant to which an amount of Rs. 297.58 crore has been paid as at March 31, 2012 (March 31, 2011 : Rs. 280.10 crore) and the balance amount of Rs. 210.38 crore (March 31, 2011 : Rs. 227.86 crore) has been disclosed as negative grant in these consolidated financial statements of the Group (refer note 5).

(Rs. in crore)

Name of the subsidiary	Date of Concession Agreement	Total negative grant	Repayment details	Payable as at March 31, 2012	Payable as at March 31, 2011
GACEPL	November 16, 2005	174.75	Unequal yearly installments over next 6 years	83.88	101.36
GJEPL	February 20, 2006	82.70	Not Applicable	-	-
GUEPL	April 19, 2006	250.51	Unequal yearly installments over next 7 years	126.50	126.50
Total		507.96		210.38	227.86

(iii) Utilisation fees

Pursuant to the implementation agreement between Undersecretariat for Defense Industries (Administration) and consortium consisting of Limak Insaat Sanayi Ve Ticaret A.S., the Company and MAHB, utilisation fee of Euro 193.20 crore was payable in annual installments over the final 17 years of the 20 year concession period, starting from 2011. The concession period has been extended by a total of 665 days through February 2030 for an additional concession fee totaling approximately Euro 24.40 crore, which is accounted as below:

- Utilization fees is charged as per units of usage method, based on revenue projections with a corresponding credit to utilisation fees liability.
- Prepaid utilisation fees as at March 31, 2012 amounts to Rs. 139.62 crore (March 31, 2011: Rs. 31.03 crore), which has been included in current prepaid expenses in note 13.

(iv) Trade receivables

- In case of GPCL, claims/ counterclaims arising out of the PPA and Land Lease Agreement (LLA) in respect of the dues recoverable from TNEB on account of sale of energy including reimbursement towards interest on working capital, MAT, rebate, start / stop charges and payment of land lease rentals to TNEB respectively were pending settlement / reconciliation with TNEB. In this regard, GPCL had approached Tamil Nadu Electricity Regulatory Commission (TNERC) to resolve the aforementioned claims/ counterclaims. A favourable order was received from TNERC on April 16, 2010 and in pursuance of the order, GPCL had filed its claim on April 30, 2010 amounting to Rs. 481.68 crore and recognised Rs. 79.55 crore as income.

TNEB filed a petition against TNERC order in Appellate Tribunal for Electricity (APTEL). In terms of an interim Order on November 19, 2010 from APTEL, TNEB deposited Rs. 537.00 crore (March 31, 2011: Rs. 280.00 crore) including interest on delayed payment of claim amount. APTEL vide its Order dated February 28, 2012, upheld the claim of GPCL and further directed GPCL to verify and pay counter claims of TNEB in respect of the benefits earned, if any, by GPCL with regard to delayed payment towards fuel supply that are not in terms of Fuel Supply Agreement (FSA). GPCL has appealed to the Hon'ble Supreme Court in Civil Appeals seeking certain interim relief with respect to the benefits pointed out by APTEL on credit period of Fuel Supplies in terms of FSA.

In accordance with the Group's accounting policy, pending acceptance of claims by TNEB and considering adjudication of petition is pending before the Hon'ble Supreme Court, the Group has not recognised the balance claim of Rs. 402.13 crore.

In accordance with the above, the amount received towards claim as aforementioned and claim towards Land Lease Rentals after the date of order is being disclosed as advance from customer in these consolidated financial statements of the Group pending adjudication of petition before the Hon'ble Supreme Court. Further GPCL has been legally advised that in view of appeal filed by TNEB against the order of APTEL in Hon'ble Supreme Court, the entire matter is now sub-judice and has not attained the finality.

- The Government of Karnataka vide its Order No. EN 540 NCE 2008 dated January 1, 2009 (the Order) invoked Section 11 of the Electricity Act, 2003 (Electricity Act) and directed GEL to supply power to the State Grid during the period January 01, 2009 to May 31, 2009 at a specified rate. The period was subsequently extended up to June 5, 2009 vide Order No. EN 325 NCE 2009 dated September 22, 2009. GEL had an existing contract with a buyer till January 31, 2009 at a selling rate higher than such specified rate and, as such, filed a petition before the Hon'ble High Court of Karnataka challenging the Order. Revenue recognition in respect of power supplied during January 2009 has been made in the books as per the original contracted rate, based on a legal opinion. The differential revenue, so recognised in the books, amounts to Rs. 44.04 crore.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

Based on the interim directions of the Hon'ble High Court of Karnataka in the month of March 2009, Karnataka Electricity Regulatory Commission ('KERC') has recommended a higher band of tariff than the specified rate in the Order. However, revenue recognition for the four months ended June 5, 2009 has been made, on a prudent basis, as per the rate specified in the Order.

The Hon'ble High Court of Karnataka, in its Order dated March 26, 2010, has dismissed the petition of GEL challenging the Order invoking section 11(1) of the Electricity Act, 2003 with a direction that if the Order has any adverse financial impact on GEL, then a remedy is provided to GEL to approach the appropriate commission under the Electricity Act empowered to offset the adverse financial impact in such a manner as it considers appropriate. GEL has filed a Special Leave Petition before the Hon'ble Supreme Court of India to appeal against the said Order of the Hon'ble High Court of Karnataka, and has sought ex-parte ad-interim Order staying the operation of the said Order and to direct Electricity Supply Companies (ESCOMs) to pay minimum rate prescribed by KERC. Additionally, during the year ended March 31, 2012, GEL has filed a petition before KERC to decide on the adverse financial impact suffered by GEL because of invoking of powers u/s 11 (1), in reply to which the Government of Karnataka undertakings ('respondents') have filed their reply on April 26, 2012 contesting GEL's claim of Rs. 166.75 crore and have made a counter claim of Rs. 223.53 crore against GEL on account of adverse impact suffered by the respondents.

In view of the SLP filed with Hon'ble Supreme Court, legal opinion obtained and the petition with KERC, the management of the Group is confident that there will not be any adverse financial impact to GEL with regard to these transactions and no adjustment has been made in these consolidated financial statements of the Group pending final resolution of the matter.

- c. As at March 31, 2012, the power segment companies have receivables (including unbilled revenue) from Tamil Nadu Electricity Board ('TNEB') and TANGEDCO Limited ('TANGEDCO') aggregating to Rs. 850.76 crore (March 31, 2011: Rs. 278.40 crore). Based on an internal assessment and various discussions that the Group had with TNEB and TANGEDCO, the management of the Group is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.
- d. As at March 31, 2012, GVPGL has a total receivable of Rs 10.98 crore (March 31, 2011: Rs. 8.93 crore including unbilled revenue of Rs. 0.27 crore) towards MAT reimbursement claim recognised by GVPGL. MAT reimbursement claim is not acknowledged by the customer of GVPGL. GVPGL based on its internal assessment, is confident of recovery of such receivables and accordingly, no adjustment has been made in these consolidated financial statements of the Group.
- e. As at March 31, 2012, GHIAL and DIAL have receivables (including unbilled revenue) from Air India Limited ('Air India') aggregating to Rs. 187.48 crore (March 31, 2011: Rs. 87.55 crore). Considering the delays in realisation of the dues from Air India and the uncertainty over the timing of the ultimate collection involved, GHIAL and DIAL as a measure of prudence, have decided to recognise revenue from Air India from October 1, 2011 only when such uncertainty is removed as required by Para 9.2 of Accounting Standard - 9, 'Revenue Recognition'. However, based on internal assessment and various discussions the Group has had with Air India and other Governmental Authorities, the management of the Group is confident of recovery of such receivables as at March 31, 2012 and hence no adjustments has been made in these consolidated financial statements of the Group.
- f. As at March 31, 2012, GHIAL and DIAL have receivables from Kingfisher Airlines Limited ('KAL') aggregating to Rs. 24.09 crore (March 31, 2011: Rs. 36.93 crore). Due to financial difficulties, during the current year, KAL has scaled down its operations significantly. The Group has taken necessary steps to recover the amounts from KAL and is of the view that the receivables are fully recoverable and hence no adjustment has been made in these consolidated financial statements of the Group.

(v) Passenger Service Fee (PSF)

- a. In case of DIAL and GHIAL the PSF charged from the departing passengers has two components, viz., Facilitation Component (FC) and Security Component (SC). Ministry of Civil Aviation ('MoCA') had issued a Standard Operating Procedure ('SOP') for accounting / auditing of PSF (SC) according to which, amounts collected towards PSF (SC) are held by the airport infrastructure companies in fiduciary capacity on behalf of the Government of India and are deposited in an escrow account utilised for meeting the security related expenses of the airports. It is also stipulated in the escrow account agreement that MoCA will have supervening powers to direct the escrow bank on the issues regarding operations as well as withdrawal from the escrow account.

The PSF (SC) accounts are required to be maintained separately in accordance with the procedures laid down in Standard operating procedures and are subject to audit by the Comptroller & Auditor General of India (C&AG).

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

Following are the details of PSF (SC) account balances, which have been audited by one of the joint auditors of DIAL and GHIAL for the year ended March 31, 2011.

(Rs. in crore)

Description	Year ended March 31, 2012 (Unaudited)		Year ended March 31, 2011 (Audited)	
PSF (SC) (net of collection charges)	293.82		253.88	
Interest and other income	7.14	300.96	2.49	256.37
Less: Expenses		307.21		245.32
Net Income (expenses)		(6.25)		11.05
Add: Surplus brought forward		198.65		187.60
Secured loan from Corporation bank		197.95		190.00
Total		390.35		388.65
Fixed assets (net) (including capital work in progress)		362.03		376.49
Receivables including trade receivables		86.94		49.86
Other assets*		101.11		97.91
Cash and bank balance in escrow account (including term deposits)		10.36		12.88
		560.44		537.14
Less: Other liabilities		170.09		148.49
Total		390.35		388.65

*Includes an amount of Rs. 33.31 crore and Rs. 33.23 crore (March 31, 2011: Rs. 33.31 crore and Rs. 33.23 crore) paid under protest for Assessment year 2007-08 and 2008-09 respectively, related to taxability of PSF (SC).

(vi) Preference shares issued by subsidiaries

- During the year ended March 31, 2010, GEL issued 0.0001% 200,000,000 non-cumulative redeemable preference shares of Rs. 10 each fully paid up amounting to Rs. 200.00 crore along with a securities premium of Rs. 100.00 crore to ICICI. GEL shall redeem 5% of the subscription amount outstanding under each tranche on the completion of 13th, 24th, 36th and 48th month from the date on which the subscription money was remitted and remaining outstanding amount shall be redeemed on December 31, 2014. The applicable yield shall be 14% per annum for tranches subscribed prior to December 31, 2010 and for tranches subscribed on or after January 1, 2011 onwards, the applicable yield shall be 14% or ICICI Bank Benchmark Advance Rate plus the applicable liquidity premia plus 0.25% per annum, whichever is higher. The 5% of the subscription amount outstanding has been redeemed on the completion of 13th month and 24th month during the year ended March 31, 2011 and March 31, 2012 respectively.
- During the year ended March 31, 2011, GEL had issued following fully paid up compulsorily convertible cumulative preference shares ('CCCPS'):

Investor Company	No. of preference shares	Amount (Rs. in crore)
Claymore Investments (Mauritius) Pte Limited	9,300,000	930.00
IDFC Private Equity Fund III	2,500,000	250.00
Infrastructure Development Finance Company Limited	500,000	50.00
IDFC Investment Advisors Limited	500,000	50.00
Ascent Capital Advisors India Private Limited	500,000	50.00
Argonaut Ventures	650,000	65.00
Total		1,395.00

CCCPS are convertible upon the occurrence of qualifying initial public offering (QIPO) of GEL at an agreed internal rate of return (IRR). In case of non occurrence of QIPO within 3 years of the closing date, as defined in the terms of agreement between the parties, Investors have the right to require the Company to purchase the CCCPS or if converted, the equity shares in GEL at an agreed upon IRR.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

- c. During the year ended March 31, 2011, GAHL has issued 2,298,940 non-cumulative compulsory convertible non-participatory preference shares (CCPS1) bearing 0.0001% dividend on the face value of Rs. 1,000 each fully paid up amounting to Rs. 229.89 crore at a premium of Rs. 2,885.27 each totaling to Rs. 663.31 crore to Macquaire SBI Infrastructure Investments 1 Limited, ("Investor I") for funding and consolidation of airport related investments by the Group. Further, during the current year GAHL issued 1,432,528 non-cumulative compulsory convertible non-participatory preference shares (CCPS 2) bearing 0.0001% dividend on the face value of Rs. 1,000 each fully paid up amounting to Rs. 143.25 crore at a premium of Rs. 3,080.90 each totaling to Rs. 441.35 crore to Standard Chartered Private Equity (Mauritius) III Limited, JM Financial - Old Lane India Corporate Opportunities Fund I Limited, JM Financial Trustee Company Private Limited, JM Financial Products Limited and Build India Capital Advisors LLP ("Investors II"). GIL and GAHL have provided Investor I and Investors II various conversion and exit options at an agreed internal rate of return as per the terms of the Restructuring Options Agreements and Investment agreements executed between GIL, GAHL, Investor I and Investors II.

(vii) Development Fee (DF) Order

a. Airport Economic Regulatory Authority (AERA) DF Order No. 28/2011-12 and AERA tariff Order No. 03/2012-13 on determination of Aeronautical Tariff; issued on November 14, 2011 and April 24, 2012 respectively

- (i) MoCA vide its Order dated February 9, 2009, granted an ad-hoc approval for levy of Development Fees ('DF') to DIAL from the embarking passengers at Delhi airport to meet the estimated funding gap (on NPV basis as at March 1, 2009 i.e. permissibility of collection of interest on securitization of DF receipts, from passengers) and advised DIAL to furnish the final project cost for final determination of DF. In response to certain petitions filed before it, the Hon'ble High Court of Delhi had stayed collection of DF by DIAL effective June 1, 2011 until the application for stay was dealt with by the AERA Appellate Tribunal. After a detailed consultative process, AERA issued an Order no.28/2011-12 on November 14, 2011 duly taking into account the project cost, overall funding gap and permitted DIAL to collect an additional DF of Rs. 1,230.27 crore in stage 1 and Rs. 701.00 crore in stage 2 on NPV basis (in addition to Rs 1,484.08 crore already collected from airlines) in two stages. The first stage of collection is effective from December 1, 2011 for an estimated period of 18 months.

The management of the Group had accrued additional DF aggregating to Rs. 1,238.35 crore on December 1, 2011 in addition to Rs. 1,827.00 crore accrued earlier. DIAL had not accrued DF amounting to Rs. 350.00 crore earmarked for construction of ATC tower, construction of which is under progress as at March 31, 2012.

- (ii) While calculating such additional DF amount:

- a) AERA, for the purpose of determining the eligible DF amount, has disallowed certain project costs amounting Rs. 204.14 crore, mainly on account of fair value of certain portion of projects being lower than cost and construction of excess gross floor area. DIAL is of the view that the aforesaid project costs amounting to Rs. 204.14 crore were capitalised in accordance with the provisions of the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 and therefore do not require any adjustment in these consolidated financial statements of the Group;
- b) In accordance with earlier SOP approved and issued by AAI dated February 19, 2009 read with MoCA Order dated February 9, 2009 DIAL was adjusting collection charges against DF receipts. However, AERA vide its subsequent Order no. 28/2011-12 has observed that in terms of section 22A of Airport Authority of India Act 1994 (amended from time to time) ('AAI Act') as well as section 13(1)(b) of AERA Act 2008, the function of AERA is limited only to determining the rate / amount of DF and manner of collection and administration cost incurred thereupon is an issue, which had already been prescribed by way of rules by Central Government. In view of the fact that DF rules notified by MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from DF receipts, DIAL has reduced DF collection charges aggregating to Rs. 10.47 crore from the DF grant, which was earlier adjusted against the DF receivable.
- c) The DF amount collected from airlines so far as considered by AERA for determination of additional DF has not been computed based on the principle of NPV as allowed earlier by MoCA in its Order dated February 9, 2009. In its DF Order, issued on November 14, 2011, AERA had stated that treatment of interest paid on debts raised by DIAL on securitization of DF and liability would be considered at the stage of tariff determination. Further, based on submissions made by DIAL and other stakeholders, AERA in its Order No. 03/2012-13 issued on April 24, 2012 considered the aforesaid interest amount aggregating to Rs. 350.50 crore for the period from March 1, 2009 till November 30, 2011 as an operating cost for the purpose of tariff determination and not to be adjusted against the DF receipts.

In view of the aforesaid Order and the fact that DIAL has used DF loans obtained against DF receivables for the construction of the airport, DIAL has capitalised a portion of interest aggregating to Rs. 188.38 crore till the date of commencement of operations of the domestic and international terminals at the airport and interest aggregating to Rs. 162.12 crore subsequent to such commencement of operations is charged to the statement of profit and loss.

Interest so paid aggregating to Rs. 162.12 crore during the year ended March 31, 2012 has been disclosed as an exceptional item in these consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

- b. The Central Government has framed Airport Authority of India (Major Airports) Development Fee Rules, 2011 (collectively referred as 'DF Rules') vide its notification dated August 2, 2011. The said rules prescribe the guidelines for operation and administration of DF being collected at major airports in India. As per DF Rules and Section 22A of the AAI Act, AAI may levy on / collect from the embarking passengers at an airport, the DF at the rates as may be prescribed by the relevant authority i.e. AERA. Further such DF amount shall be credited to AAI escrow account and will be regulated and utilised in accordance with DF SOP dated November 30, 2011 issued by the AAI. In view of AAI's rights under the DF rules, DIAL has been appointed by the AAI to collect DF on behalf of AAI at Delhi Airport and deposit the same to the designated AAI DF escrow account. In view of the provisions of the DF Rules and DF SOP, the management of the Group believes that DIAL's responsibility is restricted only to the billing on behalf of AAI. Accordingly, billing to Airlines is not recorded in these consolidated financial statements of the Group. The Group accounts the DF on receipt of the same from AAI escrow account based on the Group's application for release of the DF amounts for repayment of DF loan in accordance with the drawdown schedule.

The Statement showing amounts billed to the Airlines, payable to AAI and balance in the Escrow bank account in the name of AAI to the extent not reflected in the Group's accounts as at March 31, 2012 are as follows: (Rs. in crore)

Particulars	DF as per MoCA Order dated February 9, 2009		DF as per AERA Order No. 28/2011-12		Total	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Receivable from Airlines towards DF	97.06	-	108.33	-	205.39	-
Payable to AAI towards DF	-	97.06	-	123.60	-	220.66
Bank balances (AAI Escrow)	-	-	15.27	-	15.27	-
Total	97.06	97.06	123.60	123.60	220.66	220.66

(viii) Others

- a. DIAL has received advance development costs of Rs 620.13 crore (March 31, 2011: Rs 620.13 crore) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, DIAL will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instruction and specifications in the agreement. Further, DIAL has no right to escalate the development cost and in case, any portion of the advance development cost is not utilized by DIAL towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2012, DIAL has incurred development expenditure of Rs 230.10 crore (March 31, 2011: Rs 156.60 crore) which has been adjusted against the aforesaid advance and balance amount is disclosed in long term and current liabilities in these consolidated financial statements of the Group.
- b. DIAL had entered into contracts with various vendors in connection with construction of Terminal 3 and its related assets. Terminal 3 was completed and capitalised during the year ended March 31, 2011. In view of the significant size of the contracts and other complexities, DIAL is in the process of reconciling the balances with the aforesaid vendors and as such, has capitalised the said cost on the basis of its best estimate. The management of the Group believes that differences, if any, arising out of such reconciliation, will not be material to these consolidated financial statements of the Group.
- c. In case of DIAL, with effect from June 1, 2007, the Airports Authority of India has claimed service tax on the annual fee payable to them considering the same as rental from immovable property. DIAL has disputed the grounds of the levy under provisions of the OMDA. As the matter is under dispute and pending with the Hon'ble High Court of Delhi, the impact of same, if any, has not been considered in these consolidated financial statements of the Group.
- d. During the year March 31, 2012, with a view to restructure the holdings in Indian and International airport business, the Company has transferred 612,500,000 equity shares and 238,139,998 equity shares of DIAL and GHIAL respectively held by it to GAHL, a subsidiary of the Company, at cost. GAHL is 97.15% subsidiary of the Company.
- e. During the year ended March 31, 2011, pursuant to a restructuring, to facilitate expansion of the energy business both in India as well as globally, the Company has transferred its entire shareholding in GEL to GREEL, a subsidiary of the Company, at cost.
- f. In accordance with the scheme of arrangement under section 391 to 394 of the Companies Act, 1956, as approved by the Hon'ble high court of Andhra Pradesh vide Order dated June 22, 2010, the hotel division of GHIAL, has been transferred to and vested with the GHRL, a subsidiary of GHIAL, with effect from appointed date April 01, 2009. The said Order has been filed with Registrar of Companies, Andhra Pradesh on September 25, 2010. The standalone financial statements of GHIAL and GHRL have given effect to the scheme during the year ended March 31, 2011. However the scheme did not have any impact on these consolidated financial statements of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

- g. DIAL has incurred a net loss of Rs. 1,085.40 crore during the year ended March 31, 2012 and has accumulated loss as at March 31, 2012 of Rs. 1,453.21 crore resulting in substantial erosion of net worth as at the year end. AERA vide its powers conferred under section 13(1) (a) of AERA Act, 2008 passed an Aeronautical tariff hike Order No.03/2012-13 issued on April 24, 2012. The aforesaid Order increased the Aeronautical tariffs to be levied at Delhi airport for the fourth and fifth tariff year (i.e. 2012-13 and 2013-2014) of the first five year control period (i.e. 2009-10 to 2013-14) which is effective from May 15, 2012 and April 1, 2013 respectively. AERA has also approved the rates of UDF in terms of the provisions of section 13 (1) (b) of the AERA Act, 2008 read with Rule 89 of the Aircraft Rules 1937.

DIAL has met all its obligations as on March 31, 2012 and based on the Order received and DIAL's business plan, the management of the Group is confident that DIAL will be able to meet its financial obligations as they arise.

- h. As at March 31, 2012, GHRL has accumulated losses of Rs. 61.18 crore (March 31, 2011: Rs. 43.93 crore). The accumulated losses for the year ending March 31, 2012 are more than fifty percent of the net-worth of GHRL. Also, GHRL has incurred cash loss during the year ended March 31, 2012. The management of the Group expects that there will be significant increase in the operations of GHRL that will lead to improved cash flows and long term sustainability. GHIAL has undertaken to provide such financial support as necessary, to enable GHRL to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these consolidated financial statements of the Group do not include any adjustments relating to the recoverability and classification of carrying amounts of assets or the amounts and classification of liabilities that may be necessary if GHRL is unable to continue as a going concern.
- i. The Company, through its step-down subsidiary, GEGL had entered into necessary arrangements to acquire 50% economic stake in InterGen. N.V. and had subscribed Rs. 1,874.13 crore (USD 41.52 crore) in Compulsory Convertible Debentures (CCD), issued for this purpose, by GHML, a step down subsidiary of GHPL. GHML had funded the investment in InterGen N.V. through the combination of external borrowings and the balance was funded through CCDs as above. The carrying value of the investment in the CCDs along with the interest accrued thereon as at year ended March 31, 2011 was Rs. 1,909.83 crore (USD 42.31 crore).

During the year ended March 31, 2011, GIML, a subsidiary of the Company, and which, through its step-down subsidiary, held 50% economic stake in InterGen N.V. as stated above, entered into an agreement to sell the investment in InterGen N.V. for USD 123.20 crore to Overseas International Inc. Limited, an associate of China Huaneng Group.

In April 2011, the transaction was consummated for the aforesaid consideration after obtaining the necessary regulatory approvals. On consummation of the transaction, GHML has repaid the loans from the banks in full and CCDs issued to GEGL in part and the Group has recorded a loss of Rs. 938.91 crore, which was disclosed as an exceptional item in these consolidated financial statements of the Group for the year ended March 31, 2011.

- j. The Group had acquired GESPL during May 2009. GESPL had impaired and charged to statement of profit and loss during 2007, an amount of SGD 4.24 crore (Rs. 140.33 crore) paid as advance to EPC vendors under an EPC contract for its 765 MW gas based power plant as it was unable to secure the supply and transportation of gas. Subsequent to its acquisition, the Group has revived the project. GESPL has been able to secure the supply and transportation of gas and renegotiated with the EPC vendors whereby, the EPC vendors have agreed during August 2010 to give credit for the advance paid by GESPL. The advance paid has been restored with reversal of impairment loss accounted earlier and was disclosed as an exceptional item in the consolidated financial statements of the Group for the year ended March 31, 2011.
- k. The Group has an investment of Rs. 307.86 crore (representing loans of Rs. 91.27 crore and investments in equity and preference shares of Rs. 216.59 crore) (March 31, 2011: Rs. 276.31 crore (representing loans of Rs. 59.72 crore and investments in equity and preference shares of Rs. 216.59 crore)) as at March 31, 2012. GACEPL has been incurring losses since the commencement of commercial operations. The management of the Group believes that these losses are primarily attributable to a loss of revenue arising as a result of diversion of partial traffic on parallel roads. Based on an internal assessment and a legal opinion, the management of the Group is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly, the management of the Group is of the view that the carrying value of net assets of Rs. 227.79 crore (after providing for losses till date of Rs. 80.07 crore) as regards investment in GACEPL as at March 31, 2012 is appropriate.
- l. The cost of investment in HEGL as at March 31, 2012 amounting to Rs. 343.14 crore (including an unsecured loan of Rs. 175.20 crore) substantially exceeds the net worth / market value of shares in HEGL. The management of the Group is of the view that such shortfall in the net worth/decline in market value of shares in HEGL is purely temporary in nature and the mines owned by HEGL have significant reserves and value potential which reflect intrinsic value in excess of carrying value of investments and loan in HEGL and accordingly, the management of the Group is of the view that the carrying value of net assets of Rs. 269.28 crore after providing for losses till December 31, 2011, (considering that HEGL along with the subsidiaries and joint ventures is consolidated on a three months lag) as regards investment in HEGL as at March 31, 2012 is appropriate.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 34 | OTHERS (Contd.)

- m. The consolidated financial statements of PTDSU and its subsidiaries (PTDSI and PTBSL) have accumulated deficit of USD 0.35 crore (March 31, 2012: USD 0.28 crore). PTBSL, a coal property Company remains in the exploration phase and is consistently in the need of capital injection for its exploration costs. The management of the Group has committed to provide funding through stockholder loan in the form of Mandatory Convertible Bond until PTBSL commences commercial operation. The management of the Group is not aware of any material uncertainties that may cast significant doubt upon these entities ability to continue as a going concern and hence these consolidated financial statements of the Group do not include any adjustments relating to the recoverability and classification of carrying amounts of assets or the amounts and classification of liabilities.
- n. The Group is engaged in the business of generation and sale of energy from its two gas based power plants of 220MW and 387.63MW situated at Kakinada and Vemagiri respectively. Further, the Group has investments in gas based power plants which are under construction stage. In view of lower supplies/ availability of natural gas to the power generating companies in India, the Group is facing shortage of natural gas supply and delays in securing gas linkages. The Group is actively pursuing/making representations with various government authorities to secure the natural gas linkage /supply as the natural gas supplies from KG D6 basin have dropped significantly from September 2011 onwards. The Group is closely monitoring the macro situation and is evaluating various approaches/alternatives to deal with the situation and the management of the Group is confident that the Government of India would take necessary steps/initiatives in this regard to improve the situation.
- o. The Company has given an interest free loan of Rs. 115.00 crore (March 31, 2011: Rs. 115.00 crore) to GWT. Based on the confirmation received from GWT, the trust has utilised the proceeds of the loan received from the Company in the following manner:

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Equity shares of GIL	101.55	98.05
Equity shares of GAHL	11.28	11.28
Investment in mutual funds	2.17	5.67
Total	115.00	115.00

- p. KSPL, a subsidiary of the Company, has acquired land for development of Special Economic Zone and initiated various rehabilitation and resettlement initiatives thereafter for relocating the inhabitants residing on the land acquired. The amount of expenditure incurred by KSPL towards rehabilitation and resettlement initiatives amounting to Rs. 55.94 crore (March 31, 2011: 42.22 crore) has been treated as part of the land acquisition cost and is classified under capital work-in-progress. Considering that the negotiations with the beneficiaries towards obtaining possession of land necessitating the rehabilitation is in progress, no provision has been made towards the potential cost that is likely to be incurred by KSPL towards rehabilitation and settlement.
- q. During the year ended March 31, 2012, the Group has completed the sale of 30% shares in GESPL to PETRONAS Power Sdn Bhd, a subsidiary of Petronas International Corporation Limited and has recognised a profit of Rs. 37.11 crore arising on such sale of shares, which has been disclosed under other income. GESPL is developing a 800MW combined cycle gas turbine power plant in Jurong, Island, Singapore and has achieved financial closure during the current year.
- r. The Company and its subsidiary have made an investment of Rs. 376.47 crore (including loans of Rs. 70.74 crore and investment in equity shares of Rs. 305.73 crore) in its joint venture ISG as at March 31, 2012. The Group's share of ISG's accumulated losses / negative reserves as at March 31, 2012 amounts to Rs. 306.09 crore. This has resulted in substantial erosion of net worth as at March 31, 2012. Based on ISG's business plan, the management of the Group is confident that ISG will be able to meet its financial obligations as they arise.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 35 | DERIVATIVE INSTRUMENTS:

(i) Interest rate swaps (IRS) outstanding as at the balance sheet date:

- a. In case of DIAL, as per the conditions precedent to disbursement of External Commercial Borrowing (ECB) loan, the DIAL has entered into an IRS agreements from floating rate of interest to fixed rate of interest against its foreign currency loan of USD 35.00 crore. Since the critical terms of the IRS and the principal terms of the loan are same, based on the internal assessment carried out by the management of the Group, the net impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.

Particulars of Derivatives	Purpose
Interest rate swap outstanding as at balance sheet date: USD 35.00 crore	Hedge of variable interest outflow on ECB. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 month's LIBOR:
	ECB Amount (USD) Interest Rate
	10.00 crore 4.99%
	7.50 crore 2.76%
	2.50 crore 1.98%
	15.00 crore 1.96%

- b. GAPL has entered into an IRS contract with Axis Bank Limited from floating rate of interest to fixed rate of interest against its foreign currency loan amounting to USD 1.77 crore covering the period from October 12, 2010 to October 06, 2017. Based on the internal assessment carried out by the management of the Group, the net impact of the marked to market valuation of the IRS, net of gain/loss on the underlying loan is not expected to be material and accordingly no adjustment has been made in these consolidated financial statements of the Group.
- c. In case of GHIAL, as per the conditions precedent to disbursement of foreign currency loan, of USD 12.50 crore, GHIAL has entered into swap agreement from floating rate of interest to fixed rate of interest covering the period of the foreign currency loan from September 10, 2007 to April 01, 2024. Since the critical terms of the IRS and the underlying foreign currency loan are the same, based on the internal assessment carried out by the management of the Group, the impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan, is considered to be immaterial and accordingly no adjustment has been made in these consolidated financial statements of the Group.
- d. ISG has entered into an IRS agreement with Royal Bank of Scotland for swapping floating rate of interest to fixed rate of interest for its loan of Euro 33.60 crore covering the period June 30, 2008 to June 29, 2018. The net impact of the mark to market loss on valuation of the IRS amounting to Euro 0.88 crore (equivalent 40% share in Rs. 23.83 crore) had been provided, during the year ended March 31, 2010 in the consolidated financial statements of the Group. Based on the internal assessment carried out by the management of the Group during the year ended March 31, 2012, the impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan, is considered to be immaterial and accordingly no adjustment has been made in these consolidated financial statements of the Group in this regard.
- e. GIML had entered into swap agreement with ICICI Bank UK PLC for swapping floating rate of interest to fixed rate of interest for its GBP denominated loan equivalent of USD 7.65 crore covering the period August 17, 2009 to August 11, 2011.
The net impact of the mark to market loss on valuation of the IRS as at March 31, 2010 amounting to USD 0.04 crore (Rs. 2.10 crore) provided in the consolidated financial statements of the Group was reversed in the previous year based on internal assessment / external valuation carried out by the management of the Group. During the year ended March 31, 2012, the agreement has expired and appropriate adjustment has been made in these consolidated financial statements of the Group towards closure of the IRS.
- f. GMIAL has entered into IRS agreement with Axis Bank Limited for swapping floating rate of interest to fixed rate of interest against the loan of USD 9.00 crore covering the period December 31, 2011 to December 31, 2015.
Since the critical terms of the IRS and the underlying foreign currency loan are the same, based on the internal assessment carried out by the management of the Group, the impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan, is considered to be immaterial and accordingly no adjustment has been made in these consolidated financial statements of the Group.
- g. GESPL has entered into an IRS agreement with consortium of four banks comprising of Standard Chartered Bank, West LB, CIMB Group, and National Australia Bank for swapping floating rate of interest to fixed rate of interest against the loan of SGD 49.77 crore covering the period July 15, 2011 to June 30, 2028.
Based on the internal assessment carried out by the management of the Group during the year ended March 31, 2012, the impact of the mark to market valuation of the IRS, net of gain / loss on the underlying loan, is considered to be immaterial and accordingly no adjustment has been made in these consolidated financial statements of the Group in this regard.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 35 | DERIVATIVE INSTRUMENTS (Contd.)

(ii) Un-hedged foreign currency exposure for monetary items is as follows:

Currency	Cash and balance with banks	Fixed assets non - current investments and current investments	Trade receivables, Inventory, Long term and Short term advances and other non-current and current assets	Trade payables, other long term and current liabilities and Long term and short term provisions	Long-term borrowings, short term borrowings and current maturities of long term borrowings
Australian Dollar (in crore)	-	-	-	-	-
	-	-	-	(0.01)	-
Canadian Dollar (in crore)	0.63	5.22	1.53	0.85	1.98
	(0.93)	(6.31)	(1.98)	(1.40)	(0.03)
Swiss Franc (in crore)	-	-	0.00	0.00	-
	(0.00)	-	-	(0.03)	-
Chinese Yuan (in crore)	0.08	-	0.00	-	-
	(0.02)	-	(0.01)	-	-
Danish Krone (in crore)	-	-	-	0.00	-
	-	-	-	-	-
Euro (in crore)	1.54	13.86	3.86	3.97	15.75
	(1.38)	(14.55)	(2.14)	(2.90)	(15.45)
Great British Pound (in crore)	0.06	0.16	0.20	0.13	4.78
	(0.02)	(0.21)	(0.32)	(0.25)	(4.64)
Indonesian Rupiah (in crore)	56,473.53	21,720.99	21,189.22	10,643.01	646.40
	(100.48)	(19.57)	-	-	-
Malaysian Ringgit (in crore)	-	-	-	0.01	-
	-	-	-	-	-
Nepalese Rupee (in crore)	2.87	90.85	2.61	2.05	-
	(5.77)	(96.36)	(0.86)	(1.51)	-
Singapore Dollar (in crore)	8.43	47.01	5.64	0.72	41.32
	(0.24)	(11.30)	(0.22)	(0.16)	-
Turkish Lira (in crore)	0.09	-	-	-	-
	(0.24)	-	-	-	-
United States Dollar (in crore)	22.16	16.99	13.41	25.77	166.49
	(9.50)	(37.78)	(4.91)	(14.23)	(74.40)
Amount (Rs. in crore)	1,958.10	4,274.00	1,402.87	1,746.00	11,816.61
	(578.25)	(3,379.39)	(475.89)	(913.61)	(4,672.39)

Note: Previous year figures are mentioned in brackets.

Forward contract outstanding as at balance sheet date:

GEL	USD 0.75 crore - Rs. 38.65 crore (USD 0.1 crore - Rs. 4.51 crore)	Hedge of payables with respect to fuel purchase
GKEL	CNY 72.88 crore - Rs. 503.36 crore (CNY 279.55 crore - Rs. 1,930.72 crore) USD 24.20 Million - Rs. 124.70 crore (USD Nil- Rs. Nil)	Forward contract against payment for offshore supplies and discounted letter of credit
GIML	GBP 2.50 crore (Rs. 203.64 crore) (USD Nil- Rs. Nil)	Forward cover for hedging of loan availed
EMCO	USD 0.10 crore - Rs. 5.15 crore (USD Nil- Rs. Nil)	Forward contract for hedging of highly probable future cash outflows
GAPL	USD 0.13 crore - Rs. 6.70 crore (USD Nil- Rs. Nil)	Forward contract for hedging the supplier credit

Note: Previous year figures are mentioned in brackets.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 36 | EMPLOYEE BENEFITS

a) Defined contribution plan

Contribution to provident and other funds under included in Capital work in progress (note 31(a)), Intangible assets under development (note 31(b)) and employee benefits expenses (note 25) are as under: (Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Contribution to provident fund	15.98	9.48
Contribution to superannuation fund	9.99	6.59
	25.97	16.07

b) Defined benefit plan

Certain entities in the Group are covered by a funded defined benefit gratuity plan. As per the scheme, an employee who has completed five years or more of service gets gratuity equivalent to 15 days salary (last drawn salary) for each completed year of service.

Contribution to provident funds under included in capital work in progress (note 31(a)) and employee benefits expenses (note 25) are as under: (Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Contribution to provident fund	4.27	4.60
	4.27	4.60

Provident Fund

DIAL contributed Rs. 4.27 crore (March 31, 2011: Rs. 4.60 crore) towards provident fund during the year ended March 31, 2012. The Guidance on Implementing AS 15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. Based on the actuarial valuation and on the assumptions provided below there is a shortfall of Rs. 0.66 crore (March 31, 2011: Rs. 0.49 crore) as at March 31, 2012.

The details of the fund and plan asset position are as follows: (Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Plan assets at year end, at fair value	48.86	37.07
Present value of benefit obligation at year end	49.52	37.56
Net (liability) recognized in the balance sheet	(0.66)	(0.49)

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	March 31, 2012	March 31, 2011
Discount Rate	8.50%	8.00%
Fund Rate	8.60%	8.60%
EPFO Rate	8.60%	8.60%
Withdrawal Rate	5.00%	5.00%
Mortality	LIC (1994-96) ultimate	LIC (1994-96) ultimate

Gratuity Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity benefit.

Statement of profit and loss

Net employee benefit expense

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Current service cost	4.42	3.98
Interest cost on benefit obligation	1.08	0.70
Expected return on plan assets	(1.43)	(0.86)
Net actuarial (gain) / loss recognised	2.26	(0.46)
Past service cost	-	0.14
Net benefit expense	6.33	3.50

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 36 | EMPLOYEE BENEFITS (Contd.)

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Actual return on plan assets	1.81	0.95

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Defined benefit obligation	21.08	13.48
Fair value of plan assets	16.36	12.91
Plan asset / (liability)	(4.72)	(0.57)

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Opening defined benefit obligation	13.48	8.48
New acquisitions	-	0.76
Interest cost	1.08	0.70
Current service cost	4.42	3.98
Past service cost	-	0.14
Benefits paid	(0.54)	(0.21)
Actuarial (gains) / losses on obligation	2.64	(0.37)
Closing defined benefit obligation	21.08	13.48

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Opening fair value of plan assets	12.91	8.38
New acquisitions	-	0.54
Expected return on plan assets	1.43	0.86
Contributions by employer	2.18	3.25
Benefits paid	(0.54)	(0.21)
Actuarial gains / (losses) on plan assets	0.38	0.09
Closing fair value of plan assets	16.36	12.91

The Group expects to contribute Rs. 3.21 crore (March 31, 2011: Rs. 1.14 crore) towards gratuity fund in next year.

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

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
	%	%
Investments with insurer managed funds	100	100

The principal assumptions used in determining gratuity obligation:

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
	%	%
Discount rate	8.50	8.00
Expected rate of return on assets	9.40	8.00
Expected rate of salary increase	6.00	6.00
Employee turnover	5.00	5.00
Mortality Rate	Refer note 3 below	Refer note 3 below

Notes :

- The long term estimate of the expected rate of return on fund assets has been arrived at based on the the prevailing yields on these assets. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.
- The estimates of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- As per Life Insurance Corporation of India (94-96) Ultimate Mortality Table.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 36 | EMPLOYEE BENEFITS (Contd.)

Amounts for the current and previous four years are as follows:

(Rs. in crore)

Particulars	Gratuity				
	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Defined benefit obligation	21.08	13.48	8.48	4.25	2.87
Plan assets	16.36	12.91	8.38	5.58	3.30
Surplus / (deficit)	(4.72)	(0.57)	(0.10)	1.33	0.43
Experience adjustments on plan liabilities	2.64	(0.37)	(0.46)	(0.51)	(0.54)
Experience adjustments on plan assets	0.38	0.09	0.07	0.02	(0.08)

NOTE | 37 | LEASES

a. Finance lease

The Group has entered into finance lease arrangements in respect of certain assets for periods of 3 to 5 years. The lease has a primary period, which is non-cancellable. The agreements provide for revision of lease rental in the event of changes in taxes, if any, leviable on the lease rentals. There are no exceptional/restrictive covenants in the lease agreements.

(Rs. in crore)

Particulars	As at March 31, 2012		As at March 31, 2011	
	Minimum lease payment	Present value of minimum lease	Minimum lease payment	Present value of minimum lease
(i) Payable not later than 1 year	0.88	0.79	1.03	0.98
(ii) Payable later than 1 year and not later than 5 years	0.95	0.76	1.29	0.90
(iii) Payable later than 5 years	-	-	-	-
Total - (i)+(ii)+(iii) = (iv)	1.83	1.55	2.32	1.88
Less: Future finance charges (v)	0.28	-	0.44	-
Present value of minimum lease payments [(iv) - (v)]	1.55	-	1.88	-

Lease payment made during the year Rs. 1.03 crore (March 31, 2011: Rs. 1.68 crore).

b. Operating leases

The Group has entered into certain cancellable operating lease agreements mainly for office premises and hiring equipments and certain non-cancellable operating lease agreements towards office premises and hiring office equipments. The lease rentals charged during the year (included in note 31(a), note 31(b) and note 25) and the maximum obligation on the long term non-cancellable operating lease payable as per the agreements are as follows:

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Payment		
Lease rentals under cancellable leases and non-cancellable leases	118.66	85.58
Receipt		
Lease rentals under cancellable leases	0.89	0.79
Obligations on non-cancellable leases:		
Not later than one year	26.50	18.12
Later than one year and not later than five years	111.32	63.83
Later than five years	99.14	87.14

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 38 | DEFERRED TAX

Deferred tax liability / asset comprises mainly of the following:

(Rs. in crore)

Sl. No.	Particulars	March 31, 2012		March 31, 2011	
		Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
	Deferred tax liability :				
1	Depreciation	-	811.71	-	516.82
2	Carry forward losses	85.51	-	37.00	-
3	Carry forward depreciation	580.11	-	348.98	-
4	Intangibles (Airport concession rights)	84.32	-	76.93	-
5	Others	24.11	-	43.73	-
	Sub - total (A)	774.05	811.71	506.64	516.82
	Deferred tax liability (net)		37.66		10.18
	Deferred tax asset:				
1	Depreciation	-	334.43	-	302.67
2	Carry forward losses	20.06	-	20.15	-
3	Carry forward depreciation	442.01	-	441.28	-
4	Others	8.25	-	2.84	-
	Sub - total (B)	470.32	334.43	464.27	302.67
	Deferred tax asset (net)	135.89		161.60	
	Total (A+B)	1,244.37	1,146.14	970.91	819.49
	Deferred tax asset / (Deferred tax liability) (net)	98.23		151.42	
	Change for the year		53.19		(70.95)
	Foreign currency translation reserve		0.03		(2.85)
	Deferred tax asset / (liability) on account of acquisition during the year		1.84		-
	Charge / (credit) during the year		55.06		(73.80)

- i. In case of GPCL, GTAEP and GTTEPL, as the timing differences are originating and reversing within the tax holiday period under the provisions of section 80-IA of the IT Act, deferred tax has not been recognised by these Companies.
- ii. GHIAL is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations in 2007-08, under Section 80-IA of the IT Act with regard to income from airport operations. Considering that GHIAL had brought forward losses of Rs. 57.60 crore (March 31, 2011: Rs. 59.83 crore), unabsorbed depreciation of Rs. 740.31 (March 31, 2011: Rs. 748.55 crore), and other items of Rs. 14.77 crore (March 31, 2011: Nil) as at March 31, 2012 under IT Act, the management of the Group, based on the projected future taxable income, expects to avail such tax holiday from the assessment year 2018-19.
GHIAL has continued recognition of deferred tax asset (net) amounting to Rs. 83.80 crore (March 31, 2011: 102.89 crore) on carry forward business loss, unabsorbed depreciation and other items available for set-off from future taxable income before commencement of the expected tax holiday period. The management of the Group, based on an internal assessment and legal opinion, believes that there is virtual certainty, with convincing evidence, of availability of such future taxable income as it is entitled to levy regulated charges at the airport as per the Concession agreement read along with Order Nos. 13 and 14/2010-11 and Direction 5/2010-11 of AERA which ensure a reasonable rate of return to the airport operator, considering the fair rate of return on regulatory assets base, operations and maintenance expenses, depreciation and taxes.
Based on an independent expert's opinion, the aforementioned net deferred tax asset has been recognised in respect of all the timing differences which have originated up to March 31, 2012 and are expected to reverse either before commencement of the expected tax holiday period or after the expiry of such tax holiday period.
- iii. In case of PT BSL, deferred tax asset has not been recognised on unabsorbed losses on the grounds of prudence in view of the management's assessment of future profitability.
- iv. GVPGL is entitled to claim tax holiday for any 10 consecutive years out of 15 years, from the year of commencement of commercial operations in 2006-07, under Section 80IA of the IT Act, with regard to income from generation of power. Considering that GVPGL had unabsorbed depreciation of Rs. 543.35 crore as at April 1, 2011 under IT Act, the management of the Group, based on the projected future taxable income and tax planning strategies, expects to avail such tax holiday from the assessment year 2015-16.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 38 | DEFERRED TAX (Contd.)

During the year ended March 31, 2010, based on an expert opinion, GVPGL had recognised deferred tax asset amounting to Rs. 147.00 crore on carry forward business loss and unabsorbed depreciation available for set-off from future taxable income before commencement of the expected tax holiday period. The management of the Group believes that there is virtual certainty, with convincing evidence, of availability of such future taxable income in view of the power pricing mechanism in the PPA entered into with the Andhra Pradesh Power Distribution Companies for supply of 370 MW out of the total capacity of 387.625 MW, as amended, for a period of 23 years set to expire in 2029 and the agreement entered into by GVPGL with Reliance Industries Limited, Niko(Neco) Limited and BP Exploration (Alpha) Limited for the supply of natural gas for a period till March 31, 2014 pursuant to allocation of natural gas from KG D-6 being made available to GVPGL under firm allocation basis by the Ministry of Petroleum and Natural Gas, Government of India, vide their letter dated November 18, 2009.

The management of the Group has recognised deferred tax asset/ liability in respect of all the timing differences which have originated up to March 31, 2012 and are expected to reverse either before commencement of the expected tax holiday period or after the expiry of such tax holiday period, and are confident that the deferred tax asset will be realised before March 31, 2014 basis the future projections for the next two years.

NOTE | 39 | PROVISIONS

(Rs. in crore)

Particulars	As at April 1, 2011	Provision made during the year	Amount written back during the year	Amount used during the year	As at March 31, 2012
Provision for operations and maintenance	24.95 (20.09)	24.62 (18.00)	4.08 (3.83)	0.70 (9.31)	44.79 (24.95)
Provision for voluntary retirement compensation	138.21 (170.88)	37.94 (-)	- (-)	48.22 (32.67)	127.93 (138.21)

Note: Previous year figures are mentioned in brackets.

DIAL has provided Rs. 288.82 crore (March 31, 2011: Rs 250.88 crore) towards reimbursement of voluntary retirement compensation payable to AAI on expiry of the initial operational support period as per the terms and conditions of OMDA. It has been recognised and amortised over the initial and extended period of OMDA.

NOTE | 40 | INFORMATION ON JOINT VENTURES AS PER ACCOUNTING STANDARD - 27

Name of the joint venture	Country of incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2012	March 31, 2011
ISG	Turkey	40.00%	40.00%
SGH	Turkey	29.00%	29.00%
CJV	Turkey	50.00%	50.00%
LGM	Turkey	40.00%	40.00%
RCMEPL	India	17.03%	17.03%
TVS GMR***	India	29.99%	30.87%
MGATL***	India	30.60%	31.50%
MGAECL***	India	30.60%	31.50%
TFS***	India	21.13%	21.41%
DAFF***	India	13.73%	13.92%
TIM***	India	26.36%	26.71%
DASPL***	India	26.41%	26.77%
DFSP***	India	21.13%	21.41%
DSSHPL***	India	21.13%	21.41%
DDFS***	India	26.36%	26.71%
APFT****	India	-	25.20%

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 40 | INFORMATION ON JOINT VENTURES AS PER ACCOUNTING STANDARD - 27 (Contd.)

Name of the joint venture	Country of incorporation	Percentage of effective ownership (directly or indirectly) as on	
		March 31, 2012	March 31, 2011
WAISL***	India	13.73%	13.92%
CDCTM***	India	13.73%	13.92%
DCSCPL***	India	13.73%	13.92%
DAPSL***	India	26.36%	26.71%
NML	South Africa	27.34%	27.34%
TMR	South Africa	27.34%	27.34%
Laqshya*	India	29.99%	-
PTGEMS*	Indonesia	29.40%	-
RCI**	Indonesia	29.11%	-
BIB**	Indonesia	28.84%	-
KIM**	Indonesia	29.40%	-
KCP**	Indonesia	29.40%	-
BBU**	Indonesia	29.40%	-
BHBA**	Indonesia	29.40%	-
BNP**	Indonesia	29.40%	-
TBBU**	Indonesia	29.34%	-
TKS**	Indonesia	20.58%	-
MAL**	Indonesia	29.40%	-
NIP**	Indonesia	29.40%	-

* Joint venture agreements executed during the year.

** Became joint ventures consequent to PTGEMS becoming joint venture during the year.

*** Dilution due to change in the holding structure of the joint ventures during the year.

**** Became subsidiary during the year consequent to infusion of share capital.

The Group's aggregate share of each of the assets, liabilities, income and expenses, etc. (after elimination of the effect of transactions between the Group and the joint ventures) related to its interests in the joint ventures, as included in these consolidated financial statements of the Group are as follows:

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Non-current assets		
Fixed assets	1,468.72	1,167.12
Capital work-in-progress and Intangible assets under development	78.53	105.53
Deferred tax asset (net)	3.56	0.92
Long term loans and advances	33.59	39.01
Trade receivables	0.97	-
Other non-current assets	3.61	2.24
Current assets		
Current investments	1.86	2.70
Inventories	70.46	47.10
Trade receivables	111.20	69.98
Cash and other bank balances	491.07	178.18
Short term loans and advances	284.26	83.54
Other current assets	2.28	2.16

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 40 | INFORMATION ON JOINT VENTURES AS PER ACCOUNTING STANDARD - 27 (Contd.)

Particulars	(Rs. in crore)	
	March 31, 2012	March 31, 2011
Non-current liabilities		
Long term borrowings	1,428.62	1,191.66
Trade payables	-	1.12
Deferred tax liabilities (net)	5.54	2.02
Other long term liabilities	130.95	101.36
Long term provisions	4.24	2.04
Current liabilities		
Short term borrowings	120.74	186.92
Trade payables	166.69	73.28
Other current liabilities	129.42	101.36
Short term provisions	25.51	3.82
Income		
Sales and operating income	1,105.74	862.28
Other income	14.18	2.82
Expenses		
Sub-contracting expenses	42.41	6.43
Raw material consumed	16.24	10.17
Purchase of traded goods	504.05	455.81
(Increase) or Decrease in stock in trade	(3.58)	(33.37)
Employee benefits expenses	93.72	78.58
Other expenses	204.86	140.04
Finance costs	154.53	119.61
Depreciation and amortisation expenses	191.51	141.37
Provision for tax	15.04	(9.38)
Other Matters		
Capital commitments	23.01	70.80
Contingent liabilities	-	-
Claims against the joint ventures not acknowledged as debts	-	0.21
Reserves as at April 1,	(7.00)	37.16
Add: Group's share of loss for the year	(98.86)	(44.16)
Reserves as at March 31,	(105.86)	(7.00)

NOTE | 41 | SEGMENT REPORTING

- The segment reporting of the Group has been prepared in accordance with AS 17 on Segment Reporting notified pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended).
- For the purpose of reporting, business segments are primary segments and the geographical segment is a secondary segment.
- The business segments of the Group comprise of the following:

Segment	Description of activity
Airports	Development and operation of airports
Power	Generation of power and provision of related services and exploration and mining activities
Roads	Development and operation of roadways
EPC	Handling of engineering, procurement and construction solution in the infrastructure sector
Others	Urban Infrastructure and other residual activities

- Geographical segment is categorised as 'India' and 'Outside India' and is based on the domicile of the customers.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 41 | SEGMENT REPORTING (Contd.)

e) Various business segments comprise of the following companies:

Power Segment	
GEL	CPL
GPCL	FCH
GVPGL	WIL
GBHPL	FCK
BHPL	MMPL
GMEL	GMAEL
GKEL	GBEPL
HHPPL	GUPEPL
GEML	GHOEL
GLEL	GGSPPL
GUKPL	KTCPL
GETL	MTCPL
GCSPL	GINELL
GCEPL	GINPCL
GBHHPL	GREEL
GLHPPL	ATSCL
GKEPL	MTSCL
RCMEPL	GEPML
GCHEPL	GESPL
GECL	GSSPL
GENBV	GISPL
PTDSU	GPIL
PTDSI	EDWPCPL
PTBSL	GCRPL
GREL	PTGEMS
SJK	RCI
PT	BIB
EMCO	KIM
HEGL	KCP
HEC	BBU
HMES	BHBA
HESW	BNP
HMEB	TBBU
HCM	TKS
NML	MAL
TMR	NIP
Roads Segment	
GTTEPL	GMRHL
GTAEPL	GHVEPL
GACEPL	GCORRPL
GJEPL	GOSEHHHPL
GPEPL	GHPPL
GUEPL	GKUAEPL

Airport Segment	
GHIAL	DAPL
GFIAL	DASPL
HMACPL	TFS
HASSL	DFSPL
GHARML	DSSHPL
HAPL	DDFS
GHASL	DAFF
GHMSL	CDCTM
MGAECL	DCSCPL
TVS GMR	DAPSL
HDFRL	TIM
MGATL	GAHL
GAHSCL	ISG
APFT	SGH
Laqshya	GMIAL
DIAL	GAGL
GMRPL	
Others Segment	
GHRL	GEGL
WAISL	LGM
GAPL	GIOL
GKSEZ	GIL - Others Segment
APPL	PUPPL
AKPPL	SPPL
AMPPL	SRPPL
BPPL	GSPHPL
BOPPL	GCAPL
CPPL	DSPL
DPPL	KSPL
EPPL	PRPPL
GPL	RPPL
LPPPL	GBPSPL
HPPL	GIML
IPPL	GICL
KPPL	GIOSL
LAPPL	GIUL
NPPL	GMRIML
PAPPL	GIGL
PPPL	
EPC Segment	
GADL	CJV
GADLIL	GIL - EPC Segment
GADLML	

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

f. The details of segment information is given below
Business segment

Particulars	Power		Roads		Airports		EPC		Others		Inter Segment		Unallocated		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue																
Revenue from customers	2,374.99	2,226.06	405.64	390.25	4,381.29	3,021.52	970.89	515.26	187.30	179.05	-	-	-	-	8,320.11	6,332.14
Other operating revenue	-	-	-	-	-	-	-	-	152.92	133.12	-	-	-	-	152.92	133.12
Inter segment revenue	-	-	-	-	24.09	25.11	263.67	0.32	236.80	160.20	(524.56)	(185.63)	-	-	-	-
Total revenue (a)	2,374.99	2,226.06	405.64	390.25	4,405.38	3,046.63	1,234.56	515.58	577.02	472.37	(524.56)	(185.63)	-	-	8,473.03	6,465.26
Other income (excluding interest income) (b)	56.23	221.75	5.85	16.62	40.55	52.07	1.43	3.60	23.85	7.87	(2.92)	(4.32)	-	-	124.99	297.59
Expenditure																
Revenue share paid/ payable to concessionaire grantors	-	-	-	-	830.97	651.26	-	-	-	-	-	-	-	-	830.97	651.26
Consumption of fuel	1,434.45	1,265.73	-	-	-	-	-	-	16.13	9.34	(4.13)	(2.97)	-	-	1,446.45	1,272.10
Cost of materials consumed	-	-	-	-	9.02	5.02	334.62	68.51	11.37	9.40	(55.98)	-	-	-	299.03	82.93
Purchase / decrease in stocks in trade	92.98	219.53	-	-	1,207.04	653.15	-	-	-	-	-	-	-	-	1,300.02	872.68
Sub-contracting expenses	212.81	158.99	24.13	26.10	0.90	-	640.61	302.08	-	15.81	(155.81)	(6.63)	-	-	722.64	496.35
Employee benefits expenses	55.83	35.17	9.96	12.52	452.77	280.77	90.07	49.89	110.88	48.31	(31.68)	(4.77)	-	-	687.83	421.89
Other expenses	388.84	200.58	22.36	31.60	934.02	800.26	143.69	33.89	112.13	1,011.40	(173.18)	(26.26)	-	-	1,427.86	2,051.47
Utilisation fees	-	-	-	-	98.71	71.92	-	-	-	-	-	-	-	-	98.71	71.92
Depreciation/ amortisation	150.20	145.78	85.57	142.13	658.81	464.68	6.91	4.29	40.76	38.44	(6.44)	(6.32)	-	-	935.81	789.00
Total expenditure (c)	2,335.11	2,025.78	142.02	212.35	4,192.24	2,927.06	1,215.90	458.66	291.27	1,132.70	(427.22)	(46.95)	-	-	7,749.32	6,709.60
Segment Results (a)-(b)-(c)	96.11	422.03	269.47	194.52	253.69	171.64	20.09	60.52	309.60	(652.46)	(100.26)	(143.00)	-	-	848.70	53.25
Unallocated income/(expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	(1.815.25)	(1.230.06)	(1.815.25)	(1,230.06)
Interest income	-	-	-	-	-	-	-	-	118.43	154.04	-	-	118.43	154.04	118.43	154.04
Interest expenses(net)	-	-	-	-	-	-	-	-	(1,696.82)	(1,076.02)	(1,696.82)	(1,076.02)	(1,696.82)	(1,076.02)	(1,696.82)	(1,076.02)
Profit/(loss) before tax	96.11	422.03	269.47	194.52	253.69	171.64	20.09	60.52	309.60	(652.46)	(100.26)	(143.00)	210.72	23.90	210.72	23.90
Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit/(loss) for the year	96.11	422.03	269.47	194.52	253.69	171.64	20.09	60.52	309.60	(652.46)	(100.26)	(143.00)	(1,907.54)	(1,099.92)	(1,058.84)	(1,046.67)
Other information																
Segment assets	25,975.25	13,344.92	6,928.57	5,493.39	18,908.12	17,805.31	1,223.11	495.25	10,710.69	12,788.11	(8,275.54)	(9,233.64)	-	-	55,470.20	40,693.34
Unallocated segment assets	-	-	-	-	-	-	-	-	-	-	-	-	758.00	644.30	758.00	644.30
Total Assets	25,975.25	13,344.92	6,928.57	5,493.39	18,908.12	17,805.31	1,223.11	495.25	10,710.69	12,788.11	(8,275.54)	(9,233.64)	758.00	644.30	56,228.20	41,337.64
Segment Liabilities	5,509.27	2,981.60	1,065.21	903.17	2,756.06	2,494.08	967.55	366.00	412.00	271.31	(3,757.91)	(1,549.39)	-	-	6,952.18	5,466.77
Unallocated segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	37,966.39	24,387.90	37,966.39	24,387.90
Total Liabilities	5,509.27	2,981.60	1,065.21	903.17	2,756.06	2,494.08	967.55	366.00	412.00	271.31	(3,757.91)	(1,549.39)	37,966.39	24,387.90	44,918.57	29,854.67
Capital expenditure	11,780.52	5,358.40	1,809.20	1,146.95	(194.22)	1,077.40	27.19	54.56	75.15	1,057.72	(6.44)	(6.32)	-	-	13,497.84	8,695.03
Depreciation and amortisation expenses	150.20	145.78	85.57	142.13	658.81	464.68	6.91	4.29	40.76	38.44	(6.44)	(6.32)	-	-	935.81	789.00
Other non cash expenses	37.10	3.03	-	-	22.35	13.05	-	-	6.68	939.12	-	-	-	-	66.13	955.20

Also refer note 29 for exceptional items

The Group has two geographical segments: India and outside India

Geographical segments	Revenue		Assets		Capital expenditure	
	2012	2011	2012	2011	2012	2011
India	6,304.70	5,283.89	46,478.40	36,750.23	9,200.21	7,417.70
Outside India	2,168.33	1,181.37	9,749.80	4,587.41	4,297.63	1,277.33
Total	8,473.03	6,465.26	56,228.20	41,337.64	13,497.84	8,695.03

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 42 | DISCLOSURE IN TERMS OF ACCOUNTING STANDARD-7 - CONSTRUCTION CONTRACTS

(Rs. in crore)

Sl. No.	Particulars	March 31, 2012	March 31, 2011
1	Contract revenue recognised during the year	970.89	515.26
2	Aggregate cost incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	1,347.17	1,242.06
3	Amount of customer advances outstanding for contracts in progress	167.63	169.84
4	Retention money due from customers for contracts in progress	79.54	29.29
5	Gross amount due from customers for contract works as an asset	87.55	68.25
6	Gross amount due to customers for contract works as a liability	144.96	-

NOTE | 43 | ACQUISITIONS DURING THE YEAR

a. The Group has the acquired following subsidiaries / joint venture during the year ended March 31, 2012:

o GAGL	o KCP
o Laqshya	o BBU
o PTGEMS	o BHBA
o GIOL	o BNP
o PRPPL	o TBBU
o RCI	o TKS
o BIB	o MAL
o KIM	o NIP
o RPPL	

b. The Group had acquired following subsidiaries / joint ventures during the year ended March 31, 2011:

o HEGL	o KSPL
o GADL	o LAPPL
o ATSCl	o PAPPL
o MTSCl	o DPPL
o GAHSCL	o WIL
o HEC	o CPL
o HMES	o FCH
o HESW	o GADLIL
o HMEB	o GADLML
o HMMPL	
o HCM	

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 43 | ACQUISITIONS DURING THE YEAR (Contd.)

- c. The effect of the acquisition of subsidiaries / joint ventures on the financial position for the respective years at the reporting date and the results for the reporting period.

(Rs. in crore)

Particulars	March 31, 2012	March 31, 2011
Reserves and surplus	4.13	(43.57)
Capital reserve on consolidation	-	2.46
Long term borrowings	14.68	472.60
Short term borrowings	3.54	267.03
Other long term liabilities	1.23	78.23
Long term provisions	18.95	2.40
Short term provisions	0.00	1.54
Trade payables	24.90	54.48
Other current liabilities	18.17	57.42
Goodwill on consolidation	2,142.15	86.37
Tangible assets	42.72	188.44
Intangible assets	48.97	0.22
Capital work-in-progress	51.33	636.82
Non-current investments	0.22	0.34
Deferred tax asset (net)	2.34	0.51
Current investments	-	21.84
Long term loans and advances	17.57	235.20
Other non-current assets	-	6.97
Inventories	16.58	15.18
Trade receivables - current	45.11	24.91
Cash and cash equivalents	339.73	85.78
Short term loans and advances	6.39	22.52
Other current assets	44.73	14.66
Sales and operating income	69.67	95.26
Other income	4.12	13.89
Other expenses	60.56	108.86
Employee benefits expenses	5.39	16.95
Finance costs	2.37	8.04
Depreciation of tangible assets	1.36	2.39
Profit / (loss) before tax	4.11	(27.09)
Provision for taxation	(0.02)	(0.98)
Profit / (loss) after tax	4.13	(26.11)

NOTE | 44 | EMPLOYEE STOCK OPTIONS:

HEGL, an overseas subsidiary of the Group has provided various share-based payment schemes to its employees as well as non-employees. During the period ended December 31, 2011, the following Stock option scheme was in operation:

Particulars	February 10, 2009	December 16, 2009
Date of grant	February 10, 2009	December 16, 2009
Number of options granted	3,500,000	5,545,000
Method of Settlement (Equity/Cash)	Equity	Equity
Vesting Period	5 Years	5 Years
Exercise Period	5 Years	5 Years
Vesting Conditions	Terminates after 90 days from cessation of employment	Terminates after 90 days from cessation of employment

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 44 | EMPLOYEE STOCK OPTIONS (Contd.)

The details of activity under stock options have been summarised below:

(Rs. in crore)

Particulars	December 31, 2011		December 31, 2010	
	Number of options	Weighted Average Exercise Price (CAD)	Number of options	Weighted Average Exercise Price (CAD)
Outstanding at the beginning of the period	4,250,000	0.14	6,461,250	0.13
Granted during the period	-	-	-	-
Forfeited during the period	650,000	0.14	2,211,250	0.95
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	3,600,000	0.14	4,250,000	0.14
Exercisable at the end of the period	3,600,000	0.14	4,250,000	0.14

Weighted average fair value of options granted on the date of grant is CAD 0.06.

The details of exercise price for stock options outstanding at the end of the period ended December 31, 2011

Exercise price per share	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (CAD)
0.20	640,000 (765,000)	2 years and 2 Months	0.12 (0.12)
0.12	2,960,000 (3,485,000)	2 years and 11 Months	0.05 (0.05)

Previous year numbers are in bracket.

Stock options granted

The weighted average fair value of stock options granted during the period was CAD Nil (December 31, 2010 : CAD Nil). The BlackScholes valuation model has been used for computing the weighted average fair value considering the following inputs:

(Rs. in crore)

Particulars	December 31, 2011	December 31, 2010
Weighted average share price (in CAD)	0.07	0.06
Exercise price (in CAD)	0.14	0.13
Expected volatility (%)	133%	71%
Expected life	2.00	1.50
Expected dividends	-	-
Average risk-free interest rate (%)	0.97%	3.60%
Expected dividend rate	-	-

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the HEGL life; HEGL expects the volatility of its share price to reduce as it matures. To allow for the effects of early exercise, it was assumed that the employees will exercise the options one and half year after the vesting date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS

a. Names of the related parties and description of relationship:

S. No.	Relationship	Name of the parties
(i)	Holding company	GMR Holdings Private Limited (GHPL)
(ii)	Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures	AAI
		Bharat Petroleum Corporation Limited (BPCL)
		BWWFSIPL
		CAPL
		Cargo Service Center India Private Limited (CSCIPL)
		CELBI GHDPL
		CHSAS
		DIL
		FAG
		GoAP
		IDFS Trading Private Limited (IDFSTPL)
		IL & FS Financials Services limited (IL&FS)
		IEISL
		IL&FS Urban Infrastructure Services Ltd (IUISL)
		IL & FS Renewable Energy Limited (ILFS Renw)
		India Development Funds (IDF)
		Indian Oil Corporation Limited (IOCL)
		Infrastructure Development Finance Company Limited (IDFC)
		L MPL
		LGM Guvenik (LGMG)
		Limak Insaat San.Ve Tic. A.S. (LISVT)
		Limak Yatirim (LY)
		Malaysia Airports (Mauritius) Private Limited (MAMPL)
		MAHB
		Malaysian Aerospace Engineering Sdn. Bhd. (MAE)
		Malaysian Airline System Bhd. (MAS)
		Menzies Aviation Cargo (Hyderabad) Limited (MACHL)
		Menzies Aviation India Private Limited (MAIPL)
		Menzies Aviation PLC (UK) (MAPUK)
		Menzies Aviation Bobba (Bangalore) Private Limited (MABBPL)
		Menzies Bobba Ground Handling Services Private Limited (MBGHSPL)
		OSEPL
		Oriental Tollways Private Limited (OTPL)
		Rushil Construction (India) Private Limited (RCIPL)
		Somerset India Fund (SIF)
		SSP Catering India Private Limited (SSPCIPL)
		Tenega Parking Services (India) Private Limited (TPSIPL)
		Times Innovative Media Limited (TIML)
		Track India Private Limited (TIPL)
		TVS Communications Solutions Limited (TVSCSL)
TVS Logistics Services Limited (TVSLSL)		
Travel Foods Services (Delhi) Private Limited (TFSDPL)		
UEDIPL		
Wipro Limited (WL)		
Yalorvin Limited (YL)		
NAPC Limited (NAPC)		
Kakinada Infrastructure Holdings Private Limited (KIHPL)		
Veda Infra-Holdings (India) Private Limited (VIHIPL)		

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

a. Names of the related parties and description of relationship:

S. No.	Relationship	Name of the parties
		India Infrastructure Fund (IIF)
		Tottenham Finance Limited (TFL)
		Odean Limited (OL)
		Greenwich Investments Limited (Greenwich)
		Brindaban Man Pradhang
		Nepal Electricity Authority (NEA)
		M/S G. S. Atwal & Co.
		Mehment Senk Aipsoy (MSA)
		Classic Number Trading 87 (Pty) Limited (CNTL)
		Riverside Park Trading 164 (Pty) Limited (RPTL)
		Lanco Group Limited (LGL)
		Reliance Infrastructure Limited (RIL)
		Navabharat Power Private Limited (NPPL)
		Sterlite Energy Limited (SEL)
		Arcelormittal India Limited (AIL)
		Petronas International Corporation Limited (PICL)
		PT Dian Swastatika Sentosa Tbk (PT Dian)
		Homeland Energy Management Limited
		African spirit trading 307 (proprietary) limited
(iii)	Enterprises where key management personnel and their relatives exercise significant influence (where transactions have taken place)	GMR Varalakshmi Foundation (GVF)
		Rajam Enterprises Private Limited (REPL)
		CISL
		GMR Enterprises Private Limited (GEPL)
		GREPL
		GWT
		GFFT
(iv)	Fellow subsidiary (where transactions have taken place)	GBPPL
		RSSL
		GMR Sports Private Limited (GSPL)
		CIL
		Delhi Golf Link Properties Private Limited (DGLPPL)
		GMR Holdings (Overseas) Limited (GHOL)
		GHTPL
		GPPL
		GHML
(v)	Key management personnel and their relatives	Mr. G.M.Rao (Chairman)
		Mrs. G.Varalakshmi
		Mr. G.B.S.Raju (Director)
		Mr. Kiran Kumar Grandhi (Director)
		Mr. Srinivas Bommidala (Director) (Resigned as Managing Director w.e.f. October 1, 2011)
		Mr. B. V. N. Rao (Managing Director) (Managing Director w.e.f. October 1, 2011)
		Mr. O Bangaru Raju (Director)

Notes:

- The Company has provided securities by way of pledge of investments for loans taken by certain companies.
- Certain Key management Personnel have extended personal guarantees as security towards borrowings of the Group and other body corporates. Similarly, GHPL has pledged certain shares held in the Company as security towards the borrowings of the Group.
- Remuneration to key managerial personal does not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the Company as a whole

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Investment in equity shares		
- Enterprises where key management personnel and their relatives exercise significant influence		
GEPL	-	0.01
Allotment of equity shares in subsidiaries		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
IOCL	-	8.56
BPCL	-	8.56
TIML	4.99	0.01
CELBI GHDP	2.08	-
BWWFSIPL	2.08	-
CAPL	2.08	-
LMPL	4.99	-
MAMPL	-	125.00
YL	-	13.20
AAI	-	325.00
IDFSTPL	-	6.80
MAE	8.95	7.92
MAHB	-	31.20
DIL	-	0.24
TFSDPL	-	0.96
SIF	-	0.94
FAG	-	125.00
ILFS Renw	30.48	-
CSCIPL	-	6.70
OSEPL	-	59.80
OTPL	-	52.90
Preference shares issued		
Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
RCIPL	-	8.32
Refund of share application money received		
Holding company		
GHPL	-	14.10
Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
YL	-	0.02
TIML	0.57	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Share application money received		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
ILFS Renw	-	15.48
TFSDPL	-	0.29
TIML	-	6.36
TVSLSL	0.50	-
DIL	1.27	-
CELBI GHDPL	-	2.08
BWWFSIPL	-	0.50
OSEPL	-	59.80
OTPL	-	52.90
MAE	8.95	7.92
Loans/ advances repaid by		
- Fellow subsidiary		
GHML	26.12	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GREPL	-	15.10
GVF	-	27.75
GEPL	-	15.00
Loans/ advances (including capital advances) given to		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
OSEPL	-	101.20
IEISL	29.93	-
AAI	1.33	1.33
- Enterprises where key management personnel and their relatives exercise significant influence		
GREPL	-	6.32
GVF	12.89	-
GEPL	-	15.00
GWT	-	115.00
- Fellow subsidiary		
GPPL	-	110.00
CIL	-	11.29
RSSL	-	0.65
GHML	26.12	-
Loans taken		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
IL&FS	34.55	-
DIL	0.56	-
TFSDPL	-	1.59
- Fellow subsidiary		
GPPL	95.00	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Loans repaid to		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
TFSDPL	-	1.60
MAIPL	0.10	0.10
Investment in cumulative convertible debentures (CCDs)		
- Fellow subsidiary		
GHML	0.22	725.68
Redemption of investments in CCDs		
- Fellow subsidiary		
GHML	875.52	-
Purchase of fixed assets		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
BPCL	0.42	24.37
WL	1.64	0.03
MBGHSPPL	-	0.01
- Fellow subsidiary		
RSSL	0.06	-
GPPL	4.19	8.17
Sub-ordinate debt		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
UEDIPPL	-	26.00
Assets acquired on lease		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	-	0.19
Deposits given		
- Fellow subsidiary		
GBPPL	-	8.22
DGLPPL	-	1.00
GHTPL	-	135.00
RSSL	4.95	0.15
- Enterprises where key management personnel and their relatives exercise significant influence		
CISL	-	13.22
GFFT	28.57	-
Deposit refund received		
- Fellow subsidiary		
DGLPPL	1.00	-
GBPPL	19.59	-
- Key management personnel		
Mr. B. V. N. Rao	0.01	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Equity dividend declared by subsidiaries		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
MACHL	2.50	2.00
Preference dividend declared by subsidiaries		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
MACHL	2.15	2.15
Revenue		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
LGMG	0.43	0.61
LMPL	0.66	-
TIML	0.43	-
MAHB	-	0.01
Income from management and other services		
- Fellow subsidiary		
GHOL	-	14.13
GSPL	0.49	-
Income from operations		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	2.70	2.41
Fees received for services rendered		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	0.11	0.06
GFFT	0.08	-
- Fellow subsidiary		
GSPL	0.21	0.76
Fee paid for services received		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
WL	8.06	8.53
MAE	-	2.78
TVSCSL	5.01	-
TVSLSL	0.30	-
AAI	0.28	0.17
CELBI GHDPL	0.82	0.13
BWWFSIPL	2.27	0.99
CAPL	5.24	2.36
- Enterprises where key management personnel and their relatives exercise significant influence		
GEPL	0.01	0.01

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Interest income		
- Enterprises where key management personnel and their relatives exercise significant influence		
GREPL	-	0.26
GEPL	-	0.15
- Fellow Subsidiary		
GHML	0.10	41.06
GPPL [Amounting to Rs. 0.60 crore (March 31, 2011: Rs. 32,877)]	0.60	0.00
Airport operator fees		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
FAG	38.29	35.91
Intangible assets under development - Success fees		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
MAHB	-	13.45
Intangible assets under development - Reversal of success fees		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
MAHB	13.45	-
Sub-contracting expenses		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
UEDIPL	14.95	14.77
Advances paid towards sub-contracting expenses		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
UEDIPL	1.91	13.02
Revenue share paid/payable to concessionaire grantors		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	704.08	598.81
Rent paid		
- Fellow subsidiary		
GBPPL	12.51	15.51
DGLPPL	0.22	2.37
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	5.77	-
Managerial remuneration to		
- Key management personnel and their relatives		
Mr. G. M. Rao	7.53	3.48
Mr. Srinivas Bommidala	4.17	1.55
Mr. B. V. N. Rao	2.31	2.52
Mr. Kiran Kumar Grandhi	3.15	3.50
Mr. O. B. Raju	0.83	0.80

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Logo fee paid / payable to		
- Holding company		
GHPL	14.63	7.41
Technical and consultancy fee		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
CHSAS	-	0.75
AAI	0.04	0.35
FAG	10.80	17.09
LY	0.98	1.35
TPSIPL [Amounting to Rs. Nil (March 31, 2011: 2,490)]	-	0.00
DIL	0.08	0.04
MAHB	2.98	-
TIML	1.32	-
MAPUK	4.77	4.52
- Fellow subsidiary		
RSSL	1.19	3.39
GPPL	1.72	1.24
Other expenses - others		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	0.09	0.24
TPSIPL [Amounting to Rs. 0.40 crore (March 31, 2011: Rs. 5,496)]	0.40	0.00
LISVT [Amounting to Rs. 0.03 crore (March 31, 2011: Rs. 24,244)]	0.03	0.00
MAHB	0.58	-
BPCL	0.02	0.19
WL	-	0.03
DIL	0.32	0.80
CSCIPL	0.26	-
IOCL [Amounting to Rs. 15,600 (March 31, 2011: Nil)]	0.00	-
LMPL	0.40	-
LGMG	15.04	14.70
- Fellow subsidiary		
GSPL	-	1.02
RSSL	45.02	26.84
- Enterprises where key management personnel and their relatives exercise significant influence		
GREPL	0.75	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Reimbursement of expenses incurred on behalf of the Group		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
TIML	-	0.94
MAS	0.16	1.21
MAE	0.18	0.76
CELBI GHDPL [Amounting to Rs. 0.01 crore (March 31, 2011: Rs. 13,735)]	0.01	0.00
TIPL	-	0.05
TFSDPL	-	0.45
CHSAS	0.55	0.32
CSCIPL	1.52	0.17
LMPL	0.08	-
SSPCIPL	-	0.23
YL	0.76	0.96
IDFSTPL [Amounting to Rs. 0.01 crore (March 31, 2011: Rs. 5,440)]	0.01	0.00
CELBI GHDPL	0.03	0.06
TPSIPL [Amounting to Nil (March 31, 2011: Rs. 2,490)]	-	0.00
- Fellow subsidiary		
GSPL [Amounting to Nil (March 31, 2011: Rs. 15,575)]	-	0.00
RSSL	0.01	0.20
GBPPL [Amounting to Nil (March 31, 2011: Rs. 40,000)]	-	0.00
- Holding company		
GHPL [Amounting to Nil (March 31, 2011: Rs. 17,100)]	-	0.00
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	0.09	-
GVF	0.87	-
Expenses incurred by the Group on behalf of		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
YL [Amounting to Nil (March 31, 2011: Rs. 48,821)]	-	0.00
AAI	1.72	2.01
CELBI GHDPL	0.28	0.16
TIML [Amounting to Rs. 0.06 crore (March 31, 2011: Rs. 27,994)]	0.06	0.00
TIPL [Amounting to Nil (March 31, 2011: Rs. 24,768)]	-	0.00
CHSAS	-	0.07
- Fellow subsidiary		
GBPPL [Amounting to Nil (March 31, 2011: Rs. 40,428)]	-	0.00
GSPL	0.01	0.46
RSSL	0.01	-
Donations		
- Enterprises where key management personnel and their relatives exercise significant influence		
GVF	6.35	5.99
Voluntary retirement compensation scheme		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	37.94	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
Personnel expenses		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
DIL	0.07	0.07
Rent received		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
CELBI GHDPL	0.12	0.05
Purchase of aircraft turbo fuel (net of return)		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
IOCL	-	5.22
BPCL	-	2.42
Ground handling commission paid		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
CELBI GHDPL	0.06	0.01
BWWFSIPL	0.13	0.07
CAPL	0.28	0.17
Construction cost paid to		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
OSEPL	378.79	118.19
IEISL	42.86	-
IL&FS	0.70	-
IUISL	0.14	-
- Fellow subsidiary		
GPPL	-	54.92
Interest paid		
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	0.68	1.88
TFSDPL	-	0.02
UEDIPL	0.26	0.26
BPCL	0.29	-
- Fellow subsidiary		
GPPL	0.06	-
Balance payable/ (receivable)		
- Holding company		
GHPL	3.46	6.46

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
- Shareholders' having substantial interest / associate enterprises/ joint venture enterprises/ enterprises exercising significant influence over the subsidiaries and joint ventures		
AAI	158.10	141.62
FAG	28.85	18.39
MAE	1.92	3.15
LGMG	0.97	0.53
MAHB	0.23	1.99
MAS	3.20	0.79
IOCL [Amounting to Rs. 14,020 (March 31, 2011: Nil)]	0.00	-
BPCL	0.66	-
UEDIPL	37.41	28.76
DIL	0.73	0.52
TFSDPL	-	0.03
SSPCSPL	-	0.45
TIML	1.88	7.38
TIPL	(0.10)	-
IEISL	(15.53)	-
IUISL	0.01	-
CSCIPL	1.62	0.01
WL	3.52	1.03
LMPL	14.06	-
OSEPL	24.25	(45.57)
MAIPL	1.20	1.30
MAPUK	0.95	2.05
GoAP	315.05	315.05
ILFS Renw	-	15.48
CHSAS	(0.19)	(0.21)
TPSIPL [Amounting to Rs. 0.10 crore (March 31, 2011: Rs. 1,943)]	0.10	0.00
CELBI GHDPL	(0.28)	(0.13)
BWWFSIPL	(1.96)	(0.87)
CAPL	(2.99)	(1.82)
YL	0.77	0.96
IDFSTPL [Amounting to Rs. 0.10 crore (March 31, 2011: Rs. 10,902)]	0.10	0.00
LY	0.46	4.17
LISVT [Amounting to Rs. Nil (March 31, 2011: Rs. 25,048)]	-	0.00
TVSLSL	0.48	-
IL&FS	0.52	-
- Enterprises where key management personnel and their relatives exercise significant influence		
GFFT	(27.94)	-
GVF	(13.07)	0.20
REPL (Refer note (i) below)	-	61.00
CISL	(8.59)	(13.22)
GWT	(115.00)	(115.00)

Notes to the Consolidated Financial Statements for the year ended March 31, 2012

NOTE | 45 | RELATED PARTY TRANSACTIONS (Contd.)

b. Summary of transactions with the above related parties is as follows:

(Rs. in crore)

Nature of Transaction	March 31, 2012	March 31, 2011
- Fellow subsidiary		
GPPL	5.90	(108.15)
CIL	(59.33)	(51.91)
DGLPPL	-	(0.90)
GSPL	0.04	0.02
RSSL	(0.34)	4.78
GHTPL	(135.00)	(135.00)
GBPPL	(1.50)	(16.35)
GHOL	-	(14.57)
GHML	(99.16)	(1,874.13)
- Key management personnel and their relatives		
Mr. G. M. Rao	1.86	-
Mr. Srinivas Bommidala	0.96	-
Mr. B. V. N. Rao	-	0.01

(i) Refer note 5 on assignment of supplier's credit during the year.

(ii) The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.

(iii) Refer note 34 (viii) (i) on impairment in the value of CCD's subscribed by the Group.

NOTE | 46 |

Till the year ended March 31, 2011, the Group was using pre-revised Schedule VI to the companies Act, 1956, for preparation and presentation of its consolidated financial statements. During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Group. The Group has reclassified previous year figures to conform to this year's classification.

NOTE | 47 |

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

As per our report of even date

For S. R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

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

per Sunil Bhumralkar
Partner
Membership No.: 35141

G. M. Rao
Executive Chairman

B. V. N. Rao
Managing Director

Subba Rao Amarthaluru
Group CFO

C. P. Sounderarajan
Company Secretary

Place: Bengaluru
Date : May 29, 2012

Place: Bengaluru
Date : May 29, 2012