Price Waterhouse Chartered Accountants LLP

Independent auditor's report
To the Members of GVK Airport Developers Limited
Report on the audit of the Standalone financial statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of GVK Airport Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and, except for the indeterminate effects of the matter referred to in Basis for Qualified Opinion paragraph below, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Qualified opinion

3. We draw your attention to the following:
   a. Note 36 to the standalone financial statements regarding investigation by various Government agencies on various alleged irregularities relating to conflict of interest, misuse of funds etc. pending completion of which and availability of necessary information, we are unable to comment on the effect there of on the standalone financial statements including prior year comparatives considering allegations by aforesaid agencies over GVK group.
   b. Note 38 to the standalone financial statements regarding non holding of the Annual General Meeting (AGM), in respect of financial year ended March 31, 2020 within the time limit specified under Section 96(1) of the Act and consequent non laying of the financial statements in the AGM as prescribed under Section 129(2) and Section 137 of the Act. The consequential impact of the aforesaid non-compliance on the standalone financial statements is presently not ascertainable.

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

Material Uncertainty Relating to Going Concern

5. We draw your attention to note 39 in the standalone financial statements, which describes the impact of Covid 19 pandemic on the operations of its step down subsidiary, Mumbai International Airport Limited which has a consequential impact on the Company's subsidiary, GVK Airport Holdings Limited. These events or conditions, along with other matters as set forth in aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

6. We draw your attention to Note 37 to the standalone financial statements, regarding foreign currency trade receivables amounting to Rs. 1,615 lakhs, included in note 7 in the standalone financial statements which have remained outstanding for a period exceeding three years and the same is not in compliance with Master Directions 16/2015-16 dated January 01, 2016. The Company has filed an application with the Authorised Dealer/ Reserve Bank of India seeking permission for write off of these receivables. Pending receipt of permission, the amount has been provided for in the financial statements.

   Our opinion is not modified in respect of this matter.

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable, subject to the matters described in the Basis of Qualified Opinion section.

15. As required by Section 143(3) of the Act, we report that:

    a) We have sought and except for the matters mentioned in the Basis for Qualified opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, except for the indeterminate effects of the matters referred to in Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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d) Except for the indeterminate effects of the matters referred to in Basis for Qualified Opinion paragraph above in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) The matters described in the Basis for Qualified opinion Section, Material Uncertainty Related to Going Concern and Emphasis of Matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to maintenance of accounts and matters connected therewith, reference is made to our comment in paragraph 15(b) above.

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

   iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

16. No managerial remuneration is paid or payable during the year, accordingly reporting under Section 197(16) of the Act read with Schedule V is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

N.K. Varadarajan
Partner
Membership Number: 90196
UDIN: 21090196AAAAAP7692

Place: Hyderabad
Date: March 31, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(h) of the Independent Auditors' Report of even date to the members of GVK Airport Developers Limited on the standalone financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of GVK Airport Developers Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Price Waterhouse Chartered Accountants LLP
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Annexure A to Independent Auditors' Report

Referred to in paragraph 15(h) of the Independent Auditors' Report of even date to the members of GVK Airport Developers Limited on the standalone financial statements for the year ended March 31, 2020

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements as at March 31, 2020:

   a) The Company did not have a system in respect of compliance with the Act as the Company did not hold its Annual General Meeting (AGM) within the stipulated time prescribed and consequently, financial statements of the Company could not be laid before the shareholders within the stipulated time resulting in non-compliance with the provisions of Sections 96(1) and 129(2) of the Act, and defaults have been made by the Company in making necessary filings with the Registrar of Companies as required under the provisions of section 92(4) and 137(1) within the stipulated timelines.

   b) Further, pending conclusion of the investigation (Refer paragraph 3(a) of our main audit report), we are unable to comment on the consequential impact, if any, on the internal financial controls system of the company and its operating effectiveness.

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

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Annexure A to Independent Auditors' Report

Referred to in paragraph 15(h) of the Independent Auditors' Report of even date to the members of GVK Airport Developers Limited on the standalone financial statements for the year ended March 31, 2020

Qualified Opinion

10. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements as of March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and except for the possible effects of the material weakness and impact of matters pending investigation as referred to in paragraph 9 above in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at March 31, 2020.

11. We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2020, and these material weaknesses affects our opinion on the standalone financial statements of the Company. (Refer the Basis for Qualified Opinion in our main audit report)

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

N.K. Varadarajan
Partner
Membership Number: 90196
UDIN: 21090196AAAAAP7692

Place: Hyderabad
Date: March 31, 2021

Annexure B to Independent Auditors' Report
Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of GVK Airport Developers Limited on the standalone financial statements as of and for the year ended March 31, 2020 (Subject to the Basis of Qualified opinion section of the Independent Auditors' Report of even date)

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

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 3 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has granted unsecured loan, to a company covered in the register maintained under Section 189 of the Act. There are no firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loan aggregating Rs. 11,000 lakhs as at March 31, 2020, with a maximum amount of Rs. 11,000 lakhs outstanding during the year, which are interest free and no repayment terms have been stipulated, and is therefore in our opinion prejudicial to the Company's interests.

(b) In respect of the aforesaid loan, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.

(c) In respect of the aforesaid loan, there is no amount which is overdue for more than ninety days.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.

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Annexure B to Independent Auditors' Report
Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of GVK Airport Developers Limited on the standalone financial statements as of and for the year ended March 31, 2020 (Subject to the Basis of Qualified opinion section of the Independent Auditors' Report of even date)

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, except as described below, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.

Pending completion of the investigation by the authorities as described in paragraph 3(a) of the Basis for Qualified opinion paragraph of the main audit report and as disclosed in note 36 to the standalone financial statements, we are unable to comment whether any fraud has been committed by the Company or any fraud was committed by the officers and employees of the Company, on the Company.

xi. No managerial remuneration was paid by the Company during the year under review. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. Due to the possible effects of the matter included in paragraph 3(a) of the Basis for Qualified Opinion, we are unable to comment on whether all transactions entered into with related parties have been disclosed in the notes to the accounts as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures as specified under Section 133 of the Act, or whether such transactions are in compliance with Sections 177 and 188 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. Pending completion of the investigations by authorities as described in paragraph 3(a) in Basis for Qualified Opinion paragraph, we are unable to comment whether the Company has entered into any non-cash transaction with the directors or persons connected with them or whether these transactions are in compliance with Section 192 of the Companies Act, 2013.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

N.K. Varadarajan
Partner
Membership Number: 090196
UDIN: 21090196AAAAAP7692

Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited
Standalone Balance sheet
(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3	9	10
Financial assets			
Investments	4	178,121	178,087
Loans	5	499	429
		178,629	**178,526**
Current assets			
Financial assets			
Investments	6	118	257
Trade receivables	7	11	1,698
Cash and cash equivalents	8	1,445	11
Other bank balances	9	4,183	-
Loans	10	16,561	7,332
Other current assets	11	310	-
		22,628	**9,298**
Total		**201,257**	**187,824**
Equity and Liabilities			
Equity			
Equity share capital	12	30,000	30,000
Other equity			
Equity component of redeemable preference shares		57,866	57,866
Reserves and surplus		(333,028)	(280,396)
		(245,162)	**(192,530)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	11,999	88,378
		11,999	**88,378**
Current liabilities			
Financial liabilities			
Borrowings	14	145,664	174,819
Trade payables	15		
• Total outstanding dues of micro enterprises and small enterprises		-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		2,343	1,493
Other financial liabilities	16	283,709	112,691
Provisions	17	2,601	2,970
Other current liabilities	18	103	3
		434,420	**291,976**
Total		**201,257**	**187,824**
Corporate information	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

N.K. Varadarajan
Partner
Membership number: 90196

Place: Hyderabad
Date: March 31, 2021

For and on behalf of the Board of Directors of
GVK Airport Developers Limited

Issac George
Director
DIN: 00005456

Sanjeev Kumar Singh
Director
DIN: 06820986

VSSR Murthy Eranki
Company Secretary

Mudit Parashar
Chief Financial Officer

GVK Airport Developers Limited

Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited
Standalone Statement of Profit and Loss
(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	19	12	-
Other income	20	750	472
Total revenue		**762**	**472**
Expenses			
Employee benefit expenses	21	13	-
Other expenses	22	4,432	150
Depreciation expense	23	1	1
Finance costs	24	48,948	36,176
Total expenses		**53,394**	**36,327**
Loss before tax		(52,632)	(35,855)
Income tax expense	25		
Current tax		-	-
Tax of earlier years		-	(1,059)
Total tax expense		-	**(1,059)**
Loss for the year		**(52,632)**	**(34,796)**
Other Comprehensive Income (OCI)			
Items that may be reclassified to Statement of Profit or Loss		-	-
Items that will not be reclassified to Statement of Profit or Loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**(52,632)**	**(34,796)**
Loss per equity share:	26		
Basic and diluted loss per share		(17.54)	(11.60)
Nominal value per equity share		10.00	10.00
Corporate information	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

N.K. Varadarajan
Partner
Membership number: 90196

Place: Hyderabad
Date: March 31, 2021

For and on behalf of the Board of Directors of
GVK Airport Developers Limited

Issac George
Director
DIN: 00005456

Sanjeev Kumar Singh
Director
DIN: 06820986

VSSR Murthy Eranki
Company Secretary

Mudit Parashar
Chief Financial Officer

Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited

GVK Airport Developers Limited
Standalone Cash flow statement
(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

			Year ended March 31, 2020	Year ended March 31, 2019
1	**Cash flows from operating activities**			
	Loss before tax		(52,632)	(35,855)
	Adjustments for:			
	Interest expense		48,948	36,176
	Interest income		(425)	(45)
	Provision for doubtful debts		1,615	-
	Depreciation expense		1	1
	Unrealised foreign exchange (gain)/loss		-	(36)
	Income from mutual funds		-	(28)
	Operating profit/(loss) before working capital changes		**(2,493)**	**213**
	Movements in working capital:			
	(Increase)/decrease in trade receivables		72	1,096
	(Increase)/ decrease in loans and advances		-	32
	(Increase)/ decrease in other current assets		(310)	31
	(Decrease)/Increase in trade payables		850	(102)
	(Decrease)/ Increase in other current Liabilities		100	-
	Cash Generated from/ (used in) Operations		**(1,781)**	**1,270**
	Income taxes paid (net of refunds)		(369)	1,960
	Net cash generated from/(used in) operating activities	(A)	**(2,150)**	**3,230**
2	**Cash flows from investing activities**			
	Loans (given) to related parties		(11,175)	(1,541)
	Deposits with banks		(4,183)	
	Loans recovered from related parties		1,842	33,749
	Purchase of property, plant and equipment		-	(10)
	Payment for purchase of investments		-	(20)
	Investments in mutual funds		(1,861)	(1,435)
	Proceeds from sale of mutual funds		2,000	1,440
	Interest received on bank deposits		425	45
	Net cash generated from investing activities	(B)	**(12,952)**	**32,228**
3	**Cash flows from financing activities**			
	Proceeds from long term borrowings		131,500	-
	(Repayment) of long term borrowings		(74,184)	-
	Proceeds of loans taken from subsidiary		13,283	6,423
	(Repayment) of loans taken from subsidiary		(9,481)	(5,539)
	Proceeds from short term borrowings		-	10,355
	(Repayment) of short term borrowings		(32,957)	(42,435)
	Interest paid		(11,625)	(8,311)
	Net cash generated from / (used in) financing activities	(C)	**16,536**	**(39,507)**
Net increase/(decrease) in cash and cash equivalents		(A+B+C)	**1,434**	**(4,049)**
Cash and cash equivalents at the beginning of the year			**11**	**4,060**
Cash and cash equivalents at the end of the year			**1,445**	**11**
Components of cash and cash equivalents				
Balance with banks:				
In Current accounts			192	11
Deposits with maturity of less than three months			1,253	-
Cash and bank balances as per balance sheet			**1,445**	**11**
Corporate information		1		
Summary of significant accounting policies		2		

The accompanying notes are an integral part of the financial statements.

Notes:

During the year interest of Rs. 9,833 lakhs (March 31, 2019: Rs. 9,735 lakhs) accrued on loans from financial institutions has been converted into principal. This has been considered as non-cash item for the purpose of cash flow statement.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

N.K. Varadarajan
Partner
Membership number: 90196

Place: Hyderabad
Date: March 31, 2021

For and on behalf of the Board of Directors of
GVK Airport Developers Limited

Issac George
Director
DIN: 00005456

Sanjeev Kumar Singh
Director
DIN: 06820986

VSSR Murthy Eranki
Company Secretary

Mudit Parashar
Chief Financial Officer

GVK Airport Developers Limited

Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited
Standalone Statement of Changes in Equity
(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

a) Equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares	Amount
As at April 01, 2018	300,000,000	30,000
Issued during the year	-	-
At March 31, 2019	**300,000,000**	**30,000**
Issued during the year	-	-
At March 31, 2020	**300,000,000**	**30,000**

b) Other Equity

	Equity component of redeemable preference shares (See note 12(a))	Reserves and Surplus	Total
		Deficit in the statement of profit and loss	
As at April 01, 2018	57,866	(245,600)	(187,734)
Loss for the year	-	(34,796)	(34,796)
As at March 31, 2019	**57,866**	**(280,396)**	**(222,530)**
Loss for the year	-	(52,632)	(52,632)
As at March 31, 2020	**57,866**	**(333,028)**	**(275,162)**

Corporate information 1
Summary of significant accounting policies 2

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

N.K. Varadarajan
Partner
Membership number: 90196

Place: Hyderabad
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For and on behalf of the Board of Directors of
GVK Airport Developers Limited

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Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited

GVK Airport Developers Limited

Notes to standalone financial statements

(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

1. Corporate information

GVK Airport Developers Limited ('the Company' or 'GVKADL') is a public company domiciled in India and incorporated under the Companies Act, 1956 . The company is engaged in the business of development, construction and operations of domestic and international airports. The registered office of the company is located at 'Paigah House', 156-159 Sardar Patel Road, Secunderabad, Telangana- 500003, India

2. Statement of significant accounting policies

2.1 Basis of preparation

i. Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act., 2013 (the Act), read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities are measured at fair value

iii. New standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing from April 01, 2019.

- Ind AS 116, Leases
- Uncertainty over income tax treatments - Appendix C to Ind AS 12, Income taxes
- Amendment to Ind AS 12, Income taxes
- Amendment to Ind AS 23, Borrowing costs.

Applications of above standards/amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

(b) Foreign currency translation

The financial statements are presented in Indian rupees lakhs, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in foreseeable future is considered as part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

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Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.)

(c) Fair value measurement

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed credit risks.

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

Sale of services

Manpower and consultancy services:

Revenues for manpower services are recognised as and when services are rendered on time and material basis.

Interest income

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

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

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(e) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not recognised if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Borrowing costs

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

(i) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of cash inflows from other assets or group of assets (cash generating units). Non financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provisions are not recognised for future operating losses.

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

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GVK Airport Developers Limited

(l) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset except that investment in equity shares of subsidiaries are accounted at cost.

Subsequent measurement

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

a) Debt instruments at amortised cost.

b) Debt instruments at fair value through Other comprehensive income (FVTOCI).

c) Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL).

d) Equity instruments measured at fair value through other comprehensive income (FVOCI).

Debt instruments at amoritsed cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, other receivables and loans.

Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

Derecognition

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

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

c) Loan commitments which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the Balance Sheet ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Loans and borrowings

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities at fair value through profit or loss

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

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

Derecognition

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

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(m) Cash and cash equivalents

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

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

(n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(o) Property, plant and equipment

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, 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.

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

Vehicles	- 10 years
Data processing equipment	- 3 years

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

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

(p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

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Notes to standalone financial statements
(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

3 . Property, plant and equipment

Description of Assets	Data processing equipment	Vehicles	Total
At Cost			
At March 31, 2018	1	-	1
Additions	-	10	10
Deletions	-	-	-
At March 31, 2019	**1**	**10**	**11**
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	**1**	**10**	**11**
Accumulated depreciation			
At March 31, 2019	-	-	-
Charge for the year	-	1	1
Deletions	-	-	-
At March 31, 2019	-	1	1
Charge for the year	-	1	1
Deletions	-	-	-
At March 31, 2020	-	2	2
Net Block			
At March 31, 2019	1	9	10
At March 31, 2020	1	8	9

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Notes to standalone financial statements
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4 . Non current investments

	As at March 31, 2020	As at March 31, 2019
a) Unquoted, in fully paid equity shares (at cost)		
In subsidiaries		
250,000,000 (March 31, 2019: 250,000,000) equity shares of Rs. 10 each in GVK Airport Holdings Limited #	25,000	25,000
50,000 (March 31, 2019: 50,000) equity shares of Rs. 10 each in Bangalore Airport & Infrastructure Developers Limited #	5	5
165,000 (March 31, 2019: 165,000) equity shares of $ 1/- each in GVK Airports International Pte Limited, Singapore	77	77
	25,082	**25,082**
b) Unquoted, in fully paid preference shares		
In subsidiaries		
631 (March 31, 2019: 631) 9% preference shares of Rs. 10 each in Bangalore Airport & Infrastructure Developers Limited	11,999	11,999
	11,999	**11,999**
c) Loan given to subsidiary classified as equity (at cost)		
Unsecured, considered good:		
GVK Airport Holdings Limited	141,040	141,006
	141,040	**141,006**
Total	**178,121**	**178,087**
Aggregate amount of quoted investments and market value there of	-	-
Aggregate amount of unquoted investments	178,121	178,087

The company has pledge the above shares with the Hancock lenders and borrowing by the company (Refer note no 13 &14)

5 . Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Loans to related parties	499	429
Total	**499**	**429**

Loans are interest free and are receivable on demand.

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6. Current investments

	As at March 31, 2020	As at March 31, 2019
Investments in mutual funds:		
Quoted		
Nil (March 2019 : 629) units of Rs. 10 each of Franklin India liquid Fund - Super Instituional Plan - Direct Growth	-	18
529,601 (March 31, 2019: 200,406) units of Rs. 10 each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Direct	118	53
Nil (March 31, 2019: 840,885) units of Rs. 10 each of Franklin India Low Duration Fund - Direct - Growth	-	186
Total	**118**	**257**
Aggregate carrying and market value of quoted investments	118	257

7. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Others	11	11
	11	11
Unsecured, considered doubtful:		
Receivables from related parties*	1,615	1,687
Less: Provision for bad and doubtful debts (Refer note 37)	(1,615)	-
	-	1,687
Total	**11**	**1,698**

* Includes Rs. 1,615 lakhs (March 31, 2019: Rs. 1,687 lakhs) dues from companies in which the directors of the Company are directors

Movement in provision for bad and doubtful debts		
Opening balance	-	-
Addition during the year	1,615	-
Closing balance	**1,615**	**-**

8. Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Balance with banks:		
In current accounts	192	11
Deposits with maturity of less than three months	1,253	-
Total	**1,445**	**11**

9. Other bank balances

	As at March 31, 2020	As at March 31, 2019
Deposits with maturity of less than three months*	4,183	-
Total	**4,183**	**-**

Includes Rs. 4,183 lakhs (March 31, 2019: Nil), restricted cash balance towards amount required to be retained in specified fixed deposit account for permitted purposes as per the terms of debenture trust deed.

10. Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Loans to related parties	16,561	7,332
Total	**16,561**	**7,332**

Loans are interest free and are receivable on demand.

11. Other current assets

	As at March 31, 2020	As at March 31, 2019
Balances with Government authorities	310	-
Total	**310**	

(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

12. A. Share capital

	As at March 31, 2020	As at March 31, 2019
a. Authorised Share Capital		
1,000,000,000 (March 31, 2019: 1,000,000,000) equity shares Rs. 10 each	100,000	100,000
1,500,000 (March 31, 2019: 1,500,000) 0.001% Non-cumulative redeemable preference shares of Rs.10,000 each	150,000	150,000
Total	**250,000**	**250,000**

	As at March 31, 2020	As at March 31, 2019
b. Issued, subscribed and fully paid-up share capital		
300,000,000 (March 31, 2019: 300,000,000) equity shares Rs. 10 each fully paid up	30,000	30,000
Total	**30,000**	**30,000**

b. Reconciliation of number of shares outstanding and amount at the beginning and at the end of the year

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	300,000,000	30,000	300,000,000	30,000
Issued during the year	-	-	-	-
Balance at the end of the year	**300,000,000**	**30,000**	**300,000,000**	**30,000**

c. Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividends 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 will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote and upon a poll each share is entitle to one vote.

d. Shares of the Company held by holding company

	As at March 31, 2020	As at March 31, 2019
GVK Power and Infrastructure Limited	30,000	30,000

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
GVK Power & Infrastructure Limited	300,000,000	100.00%	300,000,000	100.00%

(B) Reserves and surplus

	As at March 31, 2020	As at March 31, 2019
Retained earnings	(333,028)	(280,396)
Total	**(333,028)**	**(280,396)**

Retained earnings:		
Opening balance	(280,396)	(245,600)
Add: Loss for the year	(52,632)	(34,796)
Closing balance	**(333,028)**	**(280,396)**

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13 . Non Current borrowings

	As at March 31, 2020	As at March 31, 2019
Secured:		
Debentures:		
13,150 (March 31, 2019: Nil) 18.1% Freely transferable, redeemable and non-convertible Debentures of Rs. 1,000,000 each (Refer note "d" below)	131,500	-
Term loans:		
From financial institutions (Refer note "c" below)	41,793	104,900
Unsecured, Preference shares:		
1,000,000 (March 31, 2019: 1,000,000) 0.001% Non-cummulative redeemable preference shares (NCRPS) of Rs.10,000 each fully paid up (Refer note "a" below)	87,414	76,379
5,217 (March 31, 2019: 5,217) 9% Compulsory convertible preference shares of Rs. 10,000 each (Refer note "b" below)	11,999	11,999
Total	**272,706**	**193,278**
Less: Current maturities of long term debt	(260,707)	(104,900)
Total	**11,999**	**88,378**

a. Non Cumulative redeemable preference shares (NCRPS)

NCRPS have a par value of Rs.10,000 per share. The Company declares and pays dividends 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. Preference shares are re-payable after a period of ten years with an option of an early redemption any time after one year from the date of allotment or such period as may be mutually agreed by giving a month's notice. These NCRPS are repayable on March 31, 2021. The loan carries an effective interest rate of 13.68% per annum. Accordingly entire amount has been classified as current maturities of long term borrowings.

Description	As at March 31, 2020	As at March 31, 2019
Face value of NCRPS	100,000	100,000
Equity component of redeemable preference shares	(57,866)	(57,866)
Liability component of NCRPS	**42,134**	**42,134**
Interest accrued upto previous year	34,245	24,135
Interest expense for the year	11,035	10,110
Liability as at year end	**87,414**	**76,379**

b. Compulsorily convertible preference shares (CCPS) - Held by ICICI Bank Limited

The CCPS have a par value of Rs. 10 per share. The Company declares and pays dividends in Indian rupees. CCPS carry a dividend rate of 9% p.a. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Preference shares are convertible into equity shares at the end of March 31, 2021 at the price to be determined at a future date based on the average valution in the manner provided in binding term sheet agreement between the company and the preference shareholder.

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c. Term loans - Details of terms of repayment, interest and security

The above term loans carries an interest rate of 13.35% payable on quarterly basis and principal is repayable at the end of July 05, 2022. These loans have been classified as current maturities of long term borrowings due to non- payment of interest on the due dates.

Security details:

1) First ranking security interest by way of the pledge, over 100% equity shares of the Company held by GVK Power and Infrastructure Limited (GVK PIL). Provided that the pledge of 16% of shares currently pledged for the benefit of Hancock Lenders shall be pledged immediately upon release of the same in accordance with interim solution undertaking and obtaining no objection certificate.

2) First ranking security interest by way of a pledge, over 68% equity shares of GVK Airport Holdings Limited (GVK AHL), held by the Company.

3) First ranking security interest by way of a pledge, over 100% equity shares of Bangalore Airport and Infrastructure Developers Limited (BAIDL) held by the Company.

4) First ranking security interest by way of a pledge, over 100% of Compulsory Convertible instruments issued by Bangalore Airport Infrastructure Developers Limited held by the Company.

5) First ranking security interest by way of a Pledge of 59,200 Preference shares held by GVK PIL. Provided that, these will be pledged on release of the same by Axis bank Limited.

6) First ranking security interest by way of a pledge over 940,800 preference shares of the Company, held by Sutara Roads and Infrastructure Private Limited. Provided that 239,800 of the preference shares will be pledged upon release of the same by Axis bank Limited.

7) A charge over

(a) The proceeds of any sale or transfer or other disposal of shares held by GVK PIL in the Company including pursuant to any enforcement of pledge created over the shares of the Company.

(b) a designated account of GVK PIL in which the amounts specified in (a) are to be deposited, and all amounts deposited in such account from time to time.

8) A charge over all the assets of the Company excluding the

(a) GVK Airport Developers Limited Hancock Lenders Designated account and the amounts deposited therein from time to time and any amounts to be deposited by the Company into GVK PIL Hancock Lenders Designated account.

(b) The equity shares of GVK AHL required to be pledged for the benefits of the banks along with all rights including dividend relating to the equity shares of GVK AHL.

(c) The Company's existing loan with Hancock Lenders - Portion and all rights and receivables of rights and receivables of the Company in relation thereto including:

(i) A designated account of the Company in which amounts corresponding to 68% (Percentage shall be revised from time to time to correspond to the percentage of equity capital of GVK AHL pledged for the benefit of the continuing airport lenders) of all dividends and distributions of any kind and any other sums received by the Company in its capacity as a shareholder of GVK AHL (including proceeds of any buy back, reduction of share capital or any other corporate reorganisation) and over all amounts deposited in such account from time to time.

(ii) Existing Company's Airport Lenders portion and all rights and receivables of the Company in relation to thereto.

9) A charge by GVK AHL over

(a) A designated account of GVKAHL in which amount amounts corresponding to 68% of all dividends and distributions of any kind and any other sums received by GVKAHL in its capacity of a shareholder in Mumbai International Airport Limited (Including proceeds of buy back, Reduction of share capital or any corporate reorganisation).

(b) And also overall amounts deposited in such account from time to time.

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10) A charge over all assets of BAIDL (excluding the BAIDL Hancock Lenders Designated Account and the amounts deposited there in from time to time.)

11) Corporate Guarantee by GVK PIL.

12) Second Rank mortgage over the land owned by GVK Perambalur SEZ Private Limited.

d. Debentures

During the year the Company has issued 13,150 redeemable debentures of Rs. 1,000,000 each which carry interest rate of 18.1% per annum payable on quarterly intervals and 2% upfront interest on the face value of Debentures. The debentures are redeemable after 36 months from the pay in date i.e. June 30, 2019 or earlier of early redemption date, mandatory redemption date (24 months from the date of allotment), cash collateralised debenture redemption date or the final redemption date (36 months), as the case may be.

In addition to the above, other securities are as follows:
Combined debt (HDFC bank loan, Yes bank loan & Debentures) shall be secured by

i) First ranking exclusive pledge over the pledged shares (100% of Company's shares, 100% investment held by Company in BAIDL, 68% investment held by Company in GVKAHL, 100% NCRPS shares of the Company) created in favour of the security trustee (for the benefit of , inter alia, the secured parties), in terms of the pledge agreement.

ii) First ranking exclusive charge over the BAIDL hypothecated assets, the GVKPIL hypothecated assets, the GVKAHL hypothecated assets and the Company hypothecated assets in favor of the security trustee (for the benefit of , inter alia, the secured parties), in terms of the deed of hypothecation.

(b) The cash collateralised debentures shall be secured by first ranking exclusive charge over the cash collateralisation account assets in favor of the debenture trustee (for the benefit of the Debenture holders holding the cash collateralisation Debentures) in terms of the deed of hypothecation - cash collateralisation.

(c) The security over the existing pledged shares pursuant to paragraph d(a)(i) above and the security created pursuant to paragraphs d(a)(ii) and (b) above will be created on or prior to pay in date.

(d) The security created pursuant to paragraph (b) above will be created prior to the earlier of (i) Occurrence of a liquidity event, and (ii) voluntary redemption pursuant to terms and conditions as defined in the debenture trust deed and will be effective from the first cash collateralisation date.

(e) The security over the subsequent pledged shares pursuant to para d(a)(i) above will be created (i) over the encumbered Company Redeemable Preference shares (RPS), immediately upon release of encumbrance over the encumbered company RPS; and (ii) over the encumbered company shares, immediately upon release of encumbrance over encumbered company shares.

(f) Company pledged shares (i) comprise at least 84% of the paid up share capital of the Company on a fully diluted basis (without taking into account the Company's compulsorily convertible preference shares (CCPS)) and the Company RPS on the pay in date, and (ii) will comprise 100% of the paid up share capital of the Company on a fully diluted basis (without taking into account the Company's CCPS) and the Company RPS with effect from the date of creation of security over the encumbered Company shares in favour of the Security trustee, in each case, subject to any reduction pursuant to issuance of Swap shares or pursuant to the occurrence of a liquidity event which is a permitted disposal or permitted share issue.

(g) BAIDL pledged shares comprise at least 100% of the paid up share capital of BAIDL on a fully diluted basis on the pay in date.

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(h) GVKAHL pledged shares comprise and will comprise atleast 68% of the paid up share capital of GVKAHL on a fully diluted basis on and from the pay in date, subject to any reduction pursuant to an increase in the number of the GVKAHL shares - Hancock pursuant to a Ratchet determination, provided that the GVKAHL pledged shares shall - (A) at all times prior to a release pursuant to a Ratchet determination, be equivalent to an economic interest of not less than 34.34% of the MIAL shares; and (B) at all times on and after a release pursuant to a Ratchet Determination, be equivalent to an economic interest of not less than 31.815% of the MIAL Shares, in each case, subject to any reduction pursuant to the occurrence of a liquidity event which is a permitted disposal or permitted share issue.

(i) Coporate guarantee from GVKPIL (Holding Company)

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14 . Current borrowings

	As at March 31, 2020	As at March 31, 2019
Secured:		
Rupee loan from banks	42,930	70,849
Unsecured		
Cash credit from banks	-	5,038
Loans and advances from related parties repayable on demand	102,734	98,932
Total	**145,664**	**174,819**

A. Cash credit from banks were unsecured and carried an effective interest rate ranging from 7% p.a to 8% p.a. and were repayable on demand.

B. Rupee loans from banks currently carries an effective interest of 14% per annum and secured by
i. First Pari passu charge on Loans and advances of GVK Power and Infrastructure Ltd (GVKPIL) to the Company and/or charge on loans and advances provided by the Company to GVK Airport Holdings limited (GVK AHL) and/or charge on loans and advances provided by the Company to Bangalore Airport & Infrastructure limited (BAIDL) such that Yes bank Limited has a total cover of 1.5x on the facility.

ii. Yes bank Limited to have charge on proportionate proceeds of Liquidity event of the Company, GVK AHL, and BAIDL.

iii. First pari passu charge on shares of the Company and BAIDL along with other lenders or any other future lender representing atleast 61% of paid up capital of GVK AHL and BAIDL such that Yes Bank Limited share on pledge does not exceed 30% of the paid up share capital of the company.

iv. First pari passu charge shares of GVK AHL and BAIDL along with HDFC bank or any other lenders representing atleast 61% paid up share capital of of the GVK AHL and BAIDL such that Yes Bank Limited share on Pledge does not exceed 30% of the paid up share capital of the company.

v. Second Pari passu charge on land of 2685 acres located at Eraiyar and Periyar villages in Veppanthattai Taluk, Thirumandurai Pennakonam North & Pennakonam south villages in kunnam Taluk, Perambalur District currently second charged to HDFC and first charged to Syndicate bank owned by GVK Perambalur SEZ Private Limited.

vi. Corporate guarantee by GVK PIL.

C. Loans and advances from related parties are interest free and are repayable on demand.

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15 . Trade payables

	As at March 31, 2020	As at March 31, 2019
- Outstanding dues to micro enterprises and small enterprises (Refer note 28)	-	-
- Outstanding dues to creditors other than micro enterprises and small enterprises	2,343	1,493
Total	**2,343**	**1,493**

*Includes payables to related parties amounting to Rs. 1,318 lakhs (March 31, 2019: Rs. 1,380 lakhs).

16 . Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term borrowings (Refer note 13)	260,707	104,900
Interest accrued but not due on borrowings	23,002	6,167
Interest Accrued and due-Others	-	1,624
Total	**283,709**	**112,691**

17 . Provisions

	As at March 31, 2020	As at March 31, 2019
Provision for income tax		
Opening balance (net of advance tax and TDS receivable)	2,970	2,069
Less: Taxes paid/ TDS Credit (net of refunds/ write back)	(369)	901
Total	**2,601**	**2,970**

18 . Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	103	3
Total	**103**	**3**

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Net debt reconciliation:
This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at March 31, 2020	As at March 31, 2019
Current borrowings	(145,664)	(174,819)
Non-current borrowings including current maturities	(272,706)	(193,278)
Interest accrued on current borrowings	(547)	(2,513)
Interest accrued on non-current borrowings	(22,455)	(5,278)
Cash and cash equivalents	1,445	11
Net debt	**(439,927)**	**(375,877)**

Net debt movement schedule:

Description	Cash and cash equivalents	Current borrowings	Non-current borrowings including current maturities	Total
Opening balance - April 01, 2018	4,060	(204,680)	(174,319)	(374,939)
Proceeds	-	(16,778)	-	(16,778)
Repayments	-	47,974	-	47,974
Interest expense	-	(11,475)	(24,237)	(35,712)
Interest paid	-	7,627	-	7,627
Cash generated from/(used in) operations	(4,049)	-	-	(4,049)
Closing balance - March 31, 2019	11	(177,332)	(198,556)	(375,877)
Proceeds	-	(13,283)	(131,500)	(144,783)
Repayments	-	42,496	74,126	116,622
Interest expense	-	(7,034)	(41,914)	(48,948)
Interest paid	-	8,942	2,683	11,625
Cash generated from/(used in) operations	1,434	-	-	1,434
Closing balance	1,445	(146,211)	(295,161)	(439,927)
		-	-	

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19 . Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of services		
– Manpower and consultancy services	12	-
Total	**12**	**-**

20 . Other income

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income		
- on bank deposits	425	45
- on Income tax refund	325	211
Income from mutual funds	-	28
Foreign exchange gain (net)	-	36
Others	-	152
Total	**750**	**472**

21 . Employee benefit expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	11	-
Contribution to provident and other funds	1	-
Retirement and other employee benefit expense	1	
Total	**13**	**-**

22 . Other expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Legal and professional fees	2,726	59
Rates and taxes	64	2
Auditor's remuneration	19	19
Travelling and conveyance	6	3
Business development expenses	-	6
Office Maintenance	1	-
Provision for bad and doubtful debts	1,615	-
Miscellaneous expenses	1	2
Project bidding expenses written off	-	59
Total	**4,432**	**150**

Payment to auditor

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory audit fee	19	19
Total	**19**	**19**

23 . Depreciation expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property, plant and equipment	1	-
Total	**1**	**-**

24 . Finance costs

	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on term loans	17,340	24,185
Interest expense on working capital loans	58	1,881
Interest expense on debentures	20,514	-
Interest unwinded on non-convertible redeemable preference shares	11,036	10,110
Total	**48,948**	**36,176**

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25. Income tax expense:

The major components of income tax expenses for the year ended March 31, 2020 and for the year ended March 31, 2019 are as follows:

	Year ended March 31, 2020	Year ended March 31, 2019
a. Income tax expense		
Current tax	-	-
Provision for income tax written back for earlier years	-	(1,059)
Total	**-**	**(1,059)**

(b) Reconciliation of effective tax rate:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss before tax (A)	(52,632)	(35,855)
Enacted tax rates in India (B)	25.17%	27.55%
Computed expected tax expenses (C = A*B)	(13,246)	(9,879)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Losses on which no deferred tax asset has been recognised	13,246	9,879
Current tax expense	-	-

(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	224,480	171,848
Enacted tax rates in India	25.17%	27.55%
Potential tax benefit	56,497	47,348

(d) Changes in tax rates

During the year there has been a decline in tax rate from 25% in the previous year to 22% in the current year. There has been no impact of the same on the financial statements.

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26 . Earnings per equity share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss for the year	(52,632)	(34,796)
Weighted average number of equity shares	300,000,000	300,000,000
Loss per share		
- Basic and diluted	(17.54)	(11.60)

* In view of losses, impact of potential equity shares (CCPS) is considered to be anti-dilutive, hence both basic and diluted earnings per share are the same.

27 . Commitments and Contingencies

A. Capital and other commitments

The Company does not have any outstanding capital commitment as at year end (March 31, 2019 - Nil)

B. Contingencies

The Company has pledged 80,000,000 (March 31, 2019: 80,000,000) equity shares held by the Company in GVK Airport Holdings Limited for securing the loan taken by GVK Coal Developers (Singapore) Pte. Limited, an entity in which the parent company has 10% stake.

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

Based on the information available with the company, there are no suppliers who are register as micro, small or medium enterprises under "The Micro, small and Medium Enterprises Development Act 2006" as at March 31, 2020 and March 31, 2019.

29 . Related party disclosures

Related parties where control exists

Holding Company

GVK Power & Infrastructure Limited (GVKPIL)

Subsidiaries including step subsidiaries

GVK Airport Holdings Limited (GVKAHL)
PT. GVK Services, Indonesia
Bangalore Airport & Infrastructure Developers Limited (BAIDL)
Mumbai International Airport Limited
GVK Airports International Pte Ltd.
Navi Mumbai International Airport Private Limited

Fellow Subsidiaries

GVK Jaipur Expressway Private Limited
GVK Transportation Private Limited
GVK Developmental Projects Private Limited
GVK Perambalur SEZ Private Limited

Enterprises over which key management personnel or their relatives exercise significant influence

Orbit Travels & Tours Private Limited
GVK Technical & Consultancy Services Private Limited
Crescent EPC Projects and Technical Services Limited (Earlier GVK Projects and Technical Services Limited)
GVK Employee Welfare Trust
Paigah House Hotels Private Limited

Key managerial personnel

Mr. G.V. Krishna Reddy
Mr. G.V. Sanjay Reddy
Mr. Krishnaram Bhupal
Mr. Mudit Parashar
Mr. Saurabh Jain

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	Description	March 31, 2020	March 31, 2019
A	**Transactions during the year**		
	Services availed/reimbursable expenses		
	Orbit Travels & Tours Private Limited	1	2
	GVK Power & Infrastructure Limited	-	18
	Manpower and consultancy services Income		
	GVK Power & Infrastructure Limited	12	-
	Advances/loan received during the year		
	Bangalore Airport & Infrastructure Developers Limited	8,500	110
	GVK Power & Infrastructure Limited	69	389
	GVK Developmental Projects Private Limited	4,715	6,313
	Advances/loan repaid during the year		
	Bangalore Airport & Infrastructure Developers Limited	(8,537)	(2,700)
	GVK Power & Infrastructure Limited	(19)	(389)
	Mumbai International Airport Private Limited	-	(18)
	GVK Developmental Projects Private Limited	(925)	(2,839)
	Loans/advances given during the year		
	GVK Airport Holdings Private Limited	34	19
	GVK Airports International Pte Limited	141	357
	GVK Transportation Private Limited	11,000	1,201
	Loans/advances recovered during the year		
	GVK Transportation Private Limited	1,771	12,527
	GVK Developmental Projects Private Limited	-	21,222
	GVK Airports International Pte Limited	71	-
	Corporate guarantees received		
	GVK Power & Infrastructure Limited	131,500	5,194
	Interest expense		
	Sutara Roads & Infra Limited	10,383	9,538
	GVK Power & Infrastructure Limited	653	577
B	**Year end balances**		
	Trade receivables		
	PT. GVK Services, Indonesia	-	1,687
	Loans taken:		
	Bangalore Airport & Infrastructure Developers Private Limited	(95,421)	(95,458)
	GVK Developmental Projects Private Limited	(7,263)	(3,474)
	GVK Power & Infrastructure Limited	(50)	-
	Loans given:		
	GVK Airports International Pte Limited	499	429
	GVK Airport Holdings Private Limited	141,040	141,006
	GVK Transportation Private Limited	16,561	7,332
	NCRPS:		
	Sutara Roads & Infra Limited	(82,267)	(71,884)
	GVK Power & Infrastructure Limited	(5,148)	(4,495)
	Trade payables:		
	GVK Technical & Consultancy Services Private Limited	(1,318)	(1,380)
	Corporate guarantees received (to the extent of loan outstanding)		
	GVK Power & Infrastructure Limited	216,223	116,899

For the details of shares pledge, refer note -4

1) Refer note 12 and 13 for security given by GVK Power & Infrastructure Limited and other related parties for loans taken by the Company.

2) Refer note 27B for security given by the Company for loans taken by GVK Coal Developers (Singapore) Pte. Limited, an entity in which the Parent company has 10% stake.

3) The advances/loans have been provided to meet the normal business needs of the respective entity.

4) The Company has during the year created a provision against receivable from PT GVK Services, Indonesia of Rs. 1,615 lakhs (Refer note 22)

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GVK Airport Developers Limited
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30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, equity component of compulsorily redeemable preference shares and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, borrowings including interest accrued on borrowings, trade and other payables, less cash and cash equivalents.

	Year ended March 31, 2020	Year ended March 31, 2019
Borrowings including interest accrued on borrowings	441,372	375,888
Trade payables	2,343	1,493
Less: Other bank balances	(4,183)	-
Less: Cash and cash equivalents	(1,445)	(11)
Net debt	**438,087**	**377,370**
Equity	30,000	30,000
Other Equity	(275,162)	(222,530)
Total Equity	**(245,162)**	**(192,530)**
Gearing ratio (Net Debt/ Total Equity)	**(1.79)**	**(1.96)**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

The company has delayed the repayment of dues to the banks and other financial instituitions during the year. The following is the summary of delays:

	Year ended March 31, 2020			Year ended March 31, 2019		
Particulars	**Amount**	**Delay**	**Status**	**Amount**	**Delay**	**Status**
Payment of interest to banks	1,755	3 to 34	Paid	1,909	1-90	Paid
Payment of interest to banks	-		-	1,587	1-90	Unpaid
Repayment of principal to banks	9,609	8-110	Paid	8,109	1-90	Paid
Repayment of principal to banks	-		-	8,109	1-90	Unpaid
Interest payment on loans from banks	-		-	17,501	0 to 365	unpaid

No Changes were made in the objectives, policies or processes for managing capital during the year.

31. The Company is a party to a binding agreement comprising a co-operation agreement and other related agreements entered into with Adani Airport Holdings Limited (AAHL) on August 31, 2020. This includes acquisition of the debt by AAHL from various lenders of the Company (with a view to release pledge on certain shares of GVKAHL), possible acquisition of debt from lenders of GVK Coal, to whom GVKPIL has given guarantee with an ability for Adani to convert the acquired debt from the lenders of the Company to equity so as to acquire equity interest in MIAL and also acquiring GVKPIL's equity and other instruments in the Company. AAHL has since acquired the debt of Company's lenders aggregating to Rs. 252,090 lakhs.

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(All amounts are in Indian Rupees in Lakhs except for share data or otherwise stated)

32. Significant accounting judgements, estimates and assumptions

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

A. Judgements

Discount rate

The Company has considered incremental borrowing rate of 13.68% per annum as at transition date for measuring debt and equity component of non-cumulative redeemable preference shares.

B. Estimates and Assumptions

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

(i) Non-cummulative redeemable preference shares

The Company has issued 1,000,000 non-cummulative redeemable preference shares having par value of Rs.10,000 per share. The shares are re-payable after a period of ten years with an option of an early redemption any time after one year from the date of allotment or such period as may be mutually agreed by giving a month's notice. For the purpose of computing equity and debt component of the shares, the Company has estimated the expected repayment date to be July 2022.

(ii) Taxes

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

(iii) Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the company, by their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence , and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. Refer note 27(B) for further disclosure.

(iv) Fair value measurement of financial instruments

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

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

33. Fair value measurement

The management assessed that loans given, trade receivables, cash and cash equivalents, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities or interest bearing nature of these instruments.

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

a) Financial instruments by category

	Level	Year ended March 31, 2020		Year ended March 31, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Measured at amortised cost					
Financial assets					
Trade receivables	3	11	11	1,698	1,698
Cash and cash equivalents	1	1,445	1,445	11	11
Loans	3	17,060	17,060	7,761	7,761
Mandatorily measured at fair value through profit and loss					
Financial assets					
Investments	1	118	118	257	257
Total financial assets		18,634	18,634	9,727	9,727
Measured at amortised cost					
Financial liabilities					
Borrowings	3	418,370	418,370	368,097	368,097
Trade payables	3	2,343	2,343	1,493	1,493
Other financial liabilities	3	23,002	23,002	6,167	6,167
Total financial liabilities		443,715	443,715	375,757	375,757

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Level 1: Level 1 hierarchy includes financial instruments measuring using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net asset value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification asset included in level 3.

b) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.

-The fair values for non-current borrowings and non-cumulative preference shares are based on discounted cash flows using a borrowing rate at the date of transition. They are classified as level 3 fair values in their fair value hierarchy due to the use of unobservable inputs, including own credit risk.

34. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk (fluctuations in foreign currency exchange rates and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Market Risk

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

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

Foreign Currency exchange rate risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue is denominated in a foreign currency) and the Company's corresponding trade receivable. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company is intending to enter into derivative instruments primarily to hedge foreign exchange. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. The Company has not entered into derivative instruments during the year.

a. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	In foreign currency (in Lakhs)		In Rupees Lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Trade receivable - USD	-	24	-	1,687
Trade receivable - Omani Riyal	0	0	11	11
Investment in USD	2	2	77	77
Loans and advances in USD	7	6	499	429

b. Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit/loss before tax is due to changes in the fair value of monetary assets and liabilities.

	Increase/(decrease) in profit/loss before tax	
	Year ended March 31, 2020	Year ended March 31, 2019
Change in USD rate		
- 5% increase	25	106
- 5% decrease	(25)	(106)

* Holding all other vairables constant.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to convert variable rate loan to fixed rate loan if the perceived uncertainty of such variable market rates is for a long term. As at March 31, 2020, approximately 55% of the Company's external borrowings are at a fixed rate of interest (March 31, 2019: 3%).

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period for actual outstanding balances as at year end:

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Particulars	Year ended	Year ended
Borrowings	84,723	180,787

As the company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

Interest rate sensitivity

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

	Increase/(decrease) in profit before tax	
Particulars	Year ended	Year ended
Change in interest rate		
-increase by 50 basis points	499	(1,013)
-decrease by 50 basis points	(499)	1,013

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and loans) and from its financing activities.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 17,071 lakhs and Rs. 9,459 lakhs as of March 31, 2020 and March 31, 2019 respectively, being the total of the carrying amount of balances with trade receivables and loans (excluding investments).

Trade receivables and loans:

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security. Impairment analysis takes into account historical credit loss experience and adjusted for forward-looking information. The entire trade receivables and substantial loans advanced as of March 31, 2020 and March 31, 2019 are to subsidiaries. However there were no default in the past.

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, reserve borrowing facilities and borrowings from group companies, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

Particulars	On Demand	Within 12 months	After 12 months	Total
Year ended March 31, 2020				
Borrowings (other than Non- Cumulative Redeemable preference shares)	363,441	42,930	-	406,371
Non- Cumulative redeemable preference shares	-	100,000	-	100,000
Other financial liabilities	-	23,002	-	23,002
Trade and other payables	-	2,343	-	2,343
Total	**363,441**	**168,275**	-	**531,716**
Year ended March 31, 2019				
Borrowings (other than Non- Cumulative Redeemable preference shares)	103,970	175,749	-	279,719
Non- Cumulative redeemable preference shares	-	-	100,000	100,000
Other financial liabilities	1,624	6,167	-	7,791
Trade and other payables	-	1,493	-	1,493
Total	**105,594**	**183,409**	**100,000**	**389,003**

35 . **Segment reporting**

In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information will be given in the consolidated financial statements of the holding Company, and therefore no separate disclosure on segment information is given in these financial statements.

36 . On June 27, 2020, the Central Bureau of Investigation (CBI), has registered a First Information Report (FIR) against its subsidiary Companies GVK Airport Holdings Limited (GVKAHL) and Mumbai International Airport Limited (MIAL), and the Managing Director and Chairman of these companies and has initiated investigations against these companies in respect of various matters alleging irregularities arising due to potential conflict of interest by the Managing Director and GVK group of companies in respect of few contracts with its vendors/customers and misuse of the funds of MIAL.

The Enforcement Diectorate (ED) has also taken up the investigation under the Prevention of Money Laundering Act on the basis of FIR registered by the CBI. The investigation of CBI and ED is currently in progress and the subsidiary companies are co-operating with investigating agencies. MIAL had also received notice from Ministry of Corporate Affairs (MCA) under Section 206(5) of Companies Act, 2013 in October 2019, requiring the subsidiary company to furnish books of account and records and management has responded to the enquiries/ notices. MIAL has further received notice as per Section 206(5)/207 of the Companies Act, 2013 on December 24, 2020 which is being responded to.

Based on legal advice received by the Audit committee of MIAL and made available to the Company, the audit committee has decided not to proceed with any independent forensic investigation on the matters mentioned in the FIR. Considering the status of these proceedings, the implications if any, arising from the aforesaid investigations would be known only after the matters are concluded and accordingly, adjustments if any, that may arise would be made on conclusion of the aforesaid investigations.

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37. Trade receivables as at March 31, 2020 includes an amount of Rs. 1,615 lakhs which is outstanding for a period of more than three years and is not in compliance with the Master Direction 16/2015-16 dated Janaury 01, 2016 of the Reserve Bank of India. The Company has filed application with Authorised Dealer category Bank for obtaining approval from RBI for write off of these receivables. Management believes, penalties if any arise on account of such non-compliance will not be material.

38. As per the requirements of Section 96(1) of the Companies Act, 2013, the Company was required to hold its Annual General Meeting (AGM) and the Board of Directors were to lay the in the Company's AGM the financial statements for the year ended March 31, 2020 by December 31, 2020. However the Company could not do so, and will be applying to the National Company Law Tribunal/ Regional Director for compounding under the relevant section of the Companies Act, 2013.

39. **Impact assessment of the global health pandemic - Covid 19 and related estimation uncertainty**

The aviation industry has been severely impacted by COVID-19 and the Airport operations of MIAL, the Company's subsidiary has been disrupted due to the nation-wide lockdown beginning March 24, 2020 and subsequent restrictions on domestic and international flight operations. Later, the Government of India and the Government of Maharashtra have partially permitted commencement of scheduled domestic flights w.e.f. May 25, 2020 with various measures in place to ensure passenger safety. However, the pandemic has had a significant impact on the revenue and profits of MIAL subsequent to the year ended March 31, 2020, thereby resulting in a severe stress to meet its financial obligations falling due in the next twelve months.

Due to outbreak of Covid-19 pandemic, MIAL invoked the force majeure provisions of OMDA and requested AAI for relief from payment of Annual Fee ('AF'). AAI partially granted a moratorium for 3 months from April- June 2020 for payment of AF, with a condition that MIAL has to pay AF for April to June 2020 by July 15, 2020 and payment of AF from July 2020 month onwards regularly. Against this demand of AAI, MIAL filed a petition before Hon'ble High Court of Delhi ('DHC') for interim relief under Section 9 of the Arbitration and Conciliation Act, 1996 and to restrain AAI from withdrawing funds from Escrow account towards payment of AF. DHC, after hearing the petition, issued an interim order dated July 15, 2020 to maintain a status quo on funds in the Escrow account till issue of its final order. Due to this, MIAL was unable to access funds from Escrow account and discharge its liabilities till pronouncement of the judgement.

The DHC has vide its final order dated 27th November, 2020 allowed the petition of the subsidiary Company post which MIAL was able to access and utilise the funds for its requirements pertaining to running and operating of the CSMI Airport and other obligations linked thereto under the OMDA. Further MIAL is required to retain in the Escrow Proceeds Account @ 38.7% of actual payments received from activities connected with OMDA and functioning of CSMI Airport but AAI is restrained from transferring / withdrawing the said amount @38.7% retained in the Proceeds Account. These direction are applicable prospectively from the date of pronouncement of the order and will remain in force until varied / modified by subsequent orders either from the higher courts or arbitration tribunal.

Under these stressed liquidity circumstances, considering the requirements of additional funds to achieve the financial closure of Navi Mumbai International Airport Limited (a subsidiary of MIAL) project, the GVK group has entered into an agreement with Adani Airport Holdings Limited ('AAHL') a wholly owned subsidiary of Adani Enterprises Limited for takeover of the debt of the Company from its lenders and convert the same into equity and also acquire entire equity stake of GVK group held in MIAL. AAHL has subsequent to the year end acquired the debt of the Company from its lenders and is pending conversion. AAHL has also entered into agreements with Bid Services Division (Mauritius) Limited and ASCA Global Limited, MIAL's other shareholders to directly acquire entire shareholding of 23.50% in MIAL for which The Competition Commission of India has granted approval on September 23, 2020. Approvals from lenders, other regulatory agencies are currently under process. Further, AAHL also intends to infuse funds into the subsidiary Company to provide liquidity and also to achieve financial closure of Navi Mumbai International Airport project to enable the subsidiary to commence construction. AAHL has since acquired the stake of Bid Services and ACSA in MIAL.

MIAL had availed moratorium of six months for interest and principal repayment on its Project Term Loan (PTL), Airport Development Fees Loan ('ADF Loan') and Real Estate Security Deposit (RESD) loans as per RBI notifications aimed towards relief to borrowers due to Covid-19. As at March 31, 2020, the outstanding amounts of PTL, ADF and RESD loans were Rs. 702,319 lakhs, out of which Rs. 65,470 lakhs along with interest of INR 6,118 lakhs. Outstanding loans and interest payable in twelve months from the balance sheet date is as per the existing repayment schedule of INR 65,470 lakhs and INR 43,891 lakhs respectively.

MIAL has submitted a restructuring plan for the existing loans to its lenders vide letters dated September 29 and September 30, 2020 and has also sought additional term loans to enable the subsidiary Company to meet its operational and capex requirements. Therefore, interest payment and principal repayment obligations due in twelve months from the balance sheet date are subject to changes and would be as per the Resolution Plan finally approved by MIAL's lenders. The restructuring plan is to be effective from the change of shareholding date in MIAL. Further, MIAL has also requested its lenders to revoke the red flag account status including the forensic audit of the subsidiary company and should not undertake any consequential actions.

The Company's ability to continue as a going concern would depend on the successful outcome of the aforesaid management plans of MIAL. Based on the above actions and progress made including acquisition of debt of the Company by AAHL and ongoing discussions, management is confident of meeting its financial obligations and continuing business operations in foreseeable future (Also refer note 31). The directors are satisfied that on the date of signing the financial statements, there are reasonable grounds to believe that based on the ongoing efforts of the management, the Company will be able to continue to meet its debt and other obligations as and when they fall due and thereby, it is appropriate for the financial statements to be prepared on a going concern basis.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

N.K. Varadarajan
Partner
Membership number: 90196

Place: Hyderabad
Date: March 31, 2021

For and on behalf of the Board of Directors of
GVK Airport Developers Limited

Issac George
Director
DIN: 00005456

Sanjeev Kumar Singh
Director
DIN: 06820986

VSSR Murthy Eranki
Company Secretary

Mudit Parashar
Chief Financial Officer

Place: Hyderabad
Date: March 31, 2021

GVK Airport Developers Limited