

GMR Hyderabad Vijayawada Expressways Private Limited

April 1, 2017 to March 31, 2018

REGISTERED OFFICE

25/1, SKIP HOUSE
MUSEUM ROAD
BANGALORE - 560 025.

Independent Auditor's Report

To the members of GMR Hyderabad Vijayawada Expressway Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of GMR Hyderabad Vijayawada Expressway Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), Cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

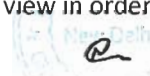
Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to



design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the state of affairs of the Company as at March 31, 2018, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Material Uncertainty Related to Going Concern

We draw attention to Note 34 in the financial statement which indicates that the Company incurred a net loss of 194.99 crores during the year ended March 31, 2018 and, as on that date, the Company's total liabilities exceeded its total assets by Rs. 339.52 crores. These condition, along with other matters as set forth in Note 31, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to Note 31 in the financial statement regarding useful life and recoverable value of the Intangible Assets (based on valuation assessment and legal opinion) both of which inter alia depends upon the 6 laning of the project and the expected compensation inflows from arbitration proceeding initiated by the Company against NHAI (duly substantiated by the legal opinion obtained by the Company) for compensation for loss of revenue (under clause 41.3 of the Concession Agreement) arising as a result of change in law. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the



Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts

- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act
- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) 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 has disclosed the impact of pending litigation on its financial position in its Ind AS financial statement- Refer 33 to financial statements.
 - 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.

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N



Naresh Agrawal
Partner
M.No: 504922

Place: New Delhi
Date: April 25, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2018

1.
 - a. The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, all fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties.
2. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in the books of accounts.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, the Company has not given/make any loan, investment, guarantee and security and accordingly provisions of section 185 and 186 of the Act are not applicable.
5. According to the information and explanations given to us the company has not accepted deposits.
6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7.
 - a. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable on account of the above dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable



b. According to the information and explanation given to us, there is no due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.

8. As per our verification of books of account and confirmations received from banks, the Company has delayed in repayment of loans or borrowing to banks and financial institutions during the year, refer details below. Further the Company has defaulted in repayment of Rs. 194.5 lacs to Bank of Baroda (out of which Rs. 97.25 lacs was overdue since 31 days and Rs. 97.25 lacs was overdue since one day) as on balance sheet date.

Bank Name	Due on	Rs. In lacs	Paid on	Delay (in Days)
Andhra Bank	1-Apr-17	40.00	28-Jun-17	88
Andhra Bank	1-Jul-17	40.00	27-Sep-17	88
Andhra Bank	1-Oct-17	40.00	28-Dec-17	88
Andhra Bank	1-Jan-18	40.00	14-Mar-18	72
Bank of Baroda	1-Apr-17	50.00	28-Jun-17	88
Bank of Baroda	31-Jul-17	50.00	18-Oct-17	79
Bank of Baroda	31-Oct-17	50.00	18-Jan-18	79
Bank of Baroda	31-Jan-18	50.00	9-Apr-18	68
Bank of Baroda WC Loan	30-Apr-17	97.25	20-Jul-17	81
Bank of Baroda WC Loan	31-May-17	97.25	19-Aug-17	80
Bank of Baroda WC Loan	30-Jun-17	97.25	16-Sep-17	78
Bank of Baroda WC Loan	31-Jul-17	97.25	25-Oct-17	86
Bank of Baroda WC Loan	31-Aug-17	97.25	16-Nov-17	77
Bank of Baroda WC Loan	30-Sep-17	97.25	19-Dec-17	80
Bank of Baroda WC Loan	31-Oct-17	97.25	23-Jan-18	84
Bank of Baroda WC Loan	30-Nov-17	97.25	16-Feb-18	78
Bank of Baroda WC Loan	31-Dec-17	97.25	14-Mar-18	73
Bank of Baroda WC Loan	31-Jan-18	96.34	3-Apr-18	62
Bank of Baroda WC Loan	31-Jan-18	0.91	11-Apr-18	70
Dena Bank	1-Apr-17	40.00	28-Jun-17	88
Dena Bank	31-Jul-17	40.00	25-Oct-17	86
Dena Bank	31-Oct-17	40.00	18-Jan-18	79
Dena Bank	31-Jan-18	40.00	17-Mar-18	45
IDBI Bank	1-Apr-17	160.00	23-Jun-17	83
IDBI Bank	1-Jul-17	160.00	26-Sep-17	87
IDBI Bank	1-Oct-17	160.00	27-Dec-17	87
IDBI Bank	1-Jan-18	160.00	23-Mar-18	81
IIFCL	1-Apr-17	75.00	17-Jun-17	77
IIFCL	1-Jul-17	75.00	27-Sep-17	88
IIFCL	1-Oct-17	75.00	27-Dec-17	87
IIFCL	1-Jan-18	75.00	22-Mar-18	80
Indian Bank	15-Apr-17	75.00	29-Jun-17	75
Indian Bank	15-Jul-17	75.00	27-Sep-17	74
Indian Bank	15-Oct-17	75.00	12-Dec-17	58
Indian Bank	15-Jan-18	75.00	29-Mar-18	73
Indian Overseas Bank	1-Apr-17	150.00	28-Jun-17	88
Indian Overseas Bank	1-Jul-17	150.00	27-Sep-17	88

Indian Overseas Bank	1-Oct-17	150.00	27-Dec-17	87
Indian Overseas Bank	1-Jan-18	150.00	28-Mar-18	86
Oriental Bank of Commerce	1-Apr-17	50.00	28-Jun-17	88
Oriental Bank of Commerce	31-Jul-17	50.00	25-Oct-17	86
Oriental Bank of Commerce	31-Oct-17	50.00	23-Jan-18	84
Oriental Bank of Commerce	31-Jan-18	50.00	17-Apr-18	76
Punjab & Sind Bank	1-Apr-17	40.00	28-Jun-17	88
Punjab & Sind Bank	1-Jul-17	40.00	27-Sep-17	88
Punjab & Sind Bank	1-Oct-17	40.00	28-Dec-17	88
Punjab & Sind Bank	1-Jan-18	40.00	23-Mar-18	81
State Bank of India	1-Apr-17	40.00	23-Jun-17	83
State Bank of India	1-Jul-17	40.00	27-Sep-17	88
State Bank of India	1-Oct-17	40.00	27-Dec-17	87
State Bank of India	1-Jan-18	40.00	28-Mar-18	86
United Bank of India	1-Apr-17	50.00	28-Jun-17	88
United Bank of India	1-Jul-17	50.00	27-Sep-17	88
United Bank of India	1-Oct-17	50.00	28-Dec-17	88
United Bank of India	1-Jan-18	50.00	27-Mar-18	85
Vijaya Bank	1-Apr-17	75.00	23-Jun-17	83
Vijaya Bank	1-Jul-17	75.00	27-Sep-17	88
Vijaya Bank	1-Oct-17	75.00	28-Dec-17	88
Vijaya Bank	1-Jan-18	75.00	28-Mar-18	86

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Luthra & Luthra
Chartered Accountants
FRN: 002081N



Naresh Agrawal
Partner
M.No: 504922



Place: New Delhi
Date: April 25, 2018

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of GMR Hyderabad Vijayawada Expressway Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

Place: New Delhi
Date: April 25, 2018

For Luthra & Luthra
Chartered Accountants
FRN: 002081N



Naresh Agrawal
Partner
M.No: 504922



GMR Hyderabad Vijayawada Expressways Private Limited

Board of Directors:

Mr. O. Bangaru Raju
Mr. Arun Kumar Sharma
Ms. Vinita Tarachandani
Mr. B. L. Gupta

Chairman
Director
Independent Director
Independent Director

Auditors:

Luthra & Luthra
Chartered Accountants
New Delhi

Chief Financial Officer

Brajesh Kumar Tiwary

Bankers:

IDBI Bank
Indian Overseas Bank
Indian Bank
Oriental Bank of Commerce
India Infrastructure Finance Company Ltd.
Punjab & Sind Bank
United Bank of India
Bank of Baroda
Andhra Bank
Vijaya Bank
Dena Bank
State Bank of India
Central Bank of India
Axis Bank

Company Secretary

Shweta Mahajan

Manager

Mr. B. Chandra Sekhar

Registered Office:

Skip House, 25/1, Museum Road, Bangalore – 560 025

GMR Hyderabad Vijayawada Expressways Private Limited

Balance Sheet as at March 31, 2018

U45201KA2009PTC050109

Amount in INR Lakhs

	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	123.64	92.08
(b) Other Intangible assets	4	209,003.77	214,437.17
(c) Financial Assets			
(i) Other Financial Assets	7 (i)	73.43	73.13
(d) Other Non Current Assets	8 (i)	16.00	86.00
Total Non-Current Assets		209,216.84	214,688.38
Current Assets			
(a) Inventories	9	57.00	77.37
(b) Financial Assets			
(i) Cash & Cash Equivalents	5	1,406.56	1,343.23
(ii) Loans	6	4.03	1.28
(iii) Other Financial Assets	7 (ii)	2,266.23	1,568.06
(c) Current Tax Assets (Net)	10	5.00	31.83
(d) Other Current Assets	8 (ii)	331.52	548.43
Total Current Assets		4,070.35	3,570.21
TOTAL ASSETS		213,287.19	218,258.59
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	11	500.00	500.00
(b) Other Equity	12	(34,452.85)	(15,117.66)
Total Equity		(33,952.85)	(14,617.66)
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	188,389.70	189,113.46
(b) Provisions	16 (i)	23.29	12,164.75
Total Non-Current Liabilities		188,412.99	201,278.21
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	14	32,652.91	19,876.01
(ii) Other Financial Liabilities	15	9,389.84	11,204.36
(b) Other current liabilities	17	396.18	447.04
(c) Provisions	16 (ii)	16,388.13	70.64
Total Current Liabilities		58,827.05	31,598.04
TOTAL EQUITY AND LIABILITIES		213,287.19	218,258.59
Notes forming part of the financial statements	1-46		

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For Luthra & Luthra

Chartered Accountants

Reg. No. 002081N



Naresh Agrawal

Partner

(M.No.504922)

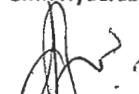


Place: New Delhi

Date: 25.04.2018

For and on behalf of

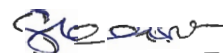
GMR Hyderabad Vijayawada Expressways Private Limited



O-Bangaru Raju

Chairman

DIN:00082228



Arun Kumar Sharma

Director

DIN.02281905





Brajesh Kumar Tiwary
Chief Financial Officer



Shweta Mahajan
Company Secretary

GMR Hyderabad Vijayawada Expressways Private Limited

Statement of Profit & Loss for the Year ended March 31, 2018

U45201KA2009PTC050109

Amount in INR Lakhs

	Note	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from Operation	18	26,238.89	22,702.26
Other Income	19	46.70	65.59
Total Income		26,285.59	22,767.86
Expenses			
Operating expenses	20	14,064.96	11,983.46
Employee benefits expense	21	311.22	308.53
Finance costs	22	25,450.14	23,299.48
Depreciation and amortization expense	23	4,517.42	3,482.20
Other expenses	24	1,448.30	1,146.47
Total Expenses		45,792.04	40,220.14
Profit / (Loss) for the year before taxation		(19,506.45)	(17,452.29)
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit / (Loss) for the year after tax		(19,506.45)	(17,452.29)
Other Comprehensive Income			
Actuarial (gain)/loss in respect of defined benefit plan		7.79	(0.20)
		7.79	(0.20)
Total comprehensive Income for the period		(19,498.66)	(17,452.49)
Earning per Equity Share:			
- Basic	26	(390.13)	(349.05)
- Diluted	26	(390.13)	(349.05)
Notes forming part of the financial statements	1-46		

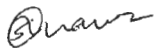
The accompanying notes are an integral part of the financial statements

In terms of our report attached

For Luthra & Luthra

Chartered Accountants

Reg. No. 002081N



Naresh Agrawal

Partner

(M.No.504922)



Place: New Delhi

Date: 25.04.2018

For and on behalf of

GMR Hyderabad Vijayawada Expressways Private Limited



O Bangaru Raju

Chairman

DIN:00082228



Arun Kumar Sharma

Director

DIN.02281905



Brajesh Kumar Tiwary

Chief Financial Officer



Shweta Mahajan

Company Secretary



GMR Hyderabad Vijayawada Expressways Private Limited

Statement of Cash Flows for the Year ended March 31, 2018

U45201KA2009PTC050109

Amount in INR Lakhs

	Year ended March 31, 2018 Rupees	Year ended March 31, 2017 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	(19,498.66)	(17,452.49)
Adjustments For :		
Depreciation and Amortisation	4,517.42	3,482.20
Finance Charges	25,450.14	23,299.48
Overlay Expenses	2,876.78	2,599.13
Loss on Write-off Assets	139.54	-
Interest Income on Bank deposit and others	(36.03)	(17.43)
Unrealised Profit on Construction Cost	(16.94)	(8.27)
	<u>13,432.26</u>	<u>11,902.63</u>
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	69.70	(83.97)
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	(462.41)	(1,221.55)
Increase / (Decrease) in Trade Payables	10,441.59	8,196.54
Increase / (Decrease) in Provision	2.51	3.95
Increase / (Decrease) in Other Current Liabilities and Retention Money	(399.55)	(450.36)
Cash From/(Used In) Operating activities	<u>23,084.11</u>	<u>18,347.23</u>
Tax (Paid)/Refund	26.83	(9.04)
Net Cash From/(Used In) Operating activities	<u><u>23,110.94</u></u>	<u><u>18,338.19</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	(232.39)	(84.36)
Interest Income on Bank deposit and others	35.80	17.07
Cash From/(Used In) Investing Activities	<u><u>(196.59)</u></u>	<u><u>(67.29)</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) Loan received from Related Party	300.00	5,085.00
Interest paid on Rupee Term Loan	(18,367.18)	(16,376.01)
Other Finance Charges Paid	(236.84)	(231.11)
Repayment of Term Loan and Working Capital Loan	(4,547.00)	(6,042.50)
Cash From/(Used In) Financing Activities	<u><u>(22,851.02)</u></u>	<u><u>(17,564.62)</u></u>
Net Increase /Decrease in Cash and Cash Equivalents	63.33	706.28
Cash and Cash Equivalents as at beginning of the period	1,343.23	636.95
Cash and Cash Equivalents as at end of the period	<u><u>1,406.56</u></u>	<u><u>1,343.23</u></u>
Components of Cash and Cash Equivalents as at:	March 31, 2018	March 31, 2017
Cash in hand	161.08	138.69
Balances with the scheduled banks:		
- In Current accounts	670.67	642.22
- In Deposit accounts	574.81	562.32
	<u><u>1,406.56</u></u>	<u><u>1,343.23</u></u>

Note:-

1) Effective April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The reconciliation is given as below:

Particulars	April 01, 2017	Cash Flow	Non Cash Changes	March 31, 2018
Long Term External Borrowing	161,056.44	(4,547.00)	21.92	156,531.35
Related Parties Borrowing	19,032.81	300.00	1,880.52	21,213.33
Convertible Preference Shares (Unsecured)	13,883.91	-	1,483.15	15,367.06

In terms of our report attached

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

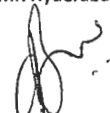


Naresh Agrawal
Partner
(M.No.504922)

Place: New Delhi
Date: 25.04.2018

For and on behalf of

GMR Hyderabad Vijayawada Expressways Private Limited




O Bangaru Raju
Chairman
DIN:00082228



Arun Kumar Sharma
Director
DIN.02281905




Rajesh Kumar Tiwary
Chief Financial Officer


Shweta Mahajan
Company Secretary

GMR Hyderabad Vijayawada Expressways Private Limited

Statement of Change in Equity for the Year ended March 31, 2018

U45201KA2009PTC050109

Amount in INR Lakhs

A. Equity Share Capital

	Equity Share Capital
As at April 01, 2016	500.00
Share Capital Issued during the year	-
As at March 31, 2017	500.00
Share Capital Issued during the period	-
As at March 31, 2018	500.00

B. Other Equity

Amount in INR Lakhs

	Equity component of financial instrument		Retained Earning	Other Comprehensive Income	Total
	Preference shares	Related Party Loans			
As at April 01, 2016	22,052.27	26,104.37	(48,810.96)	1.49	(652.83)
Share Capital Issued during the year	-	-	-	-	-
Net Profit/(Loss)	-	-	(17,452.29)	-	(17,452.29)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	(0.20)	(0.20)
Equity component of Loan taken during the period	-	2,987.66	-	-	2,987.66
As at March 31, 2017	22,052.27	29,092.03	(66,263.25)	1.29	(15,117.66)
Net Profit	-	-	(19,506.45)	-	(19,506.45)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	7.79	7.79
Equity component of Loan taken during the period	-	163.47	-	-	163.47
As at March 31, 2018	22,052.27	29,255.49	(85,769.69)	9.09	(34,452.85)

In terms of our report attached

For Luthra & Luthra

Chartered Accountants

Reg. No. 002081N

**Naresh Agrawal**

Partner

(M.No.504922)



Place: New Delhi

Date: 25.04.2018

For and on behalf of

GMR Hyderabad Vijayawada Expressways Private Limited**O Bangaru Raju**

Chairman

DIN:00082228


**Brajesh Kumar Tiwary**

Chief Financial Officer

**Arun Kumar Sharma**

Director

DIN.02281905

**Shweta Mahajan**

Company Secretary



GMR Hyderabad Vijayawada Expressways Private Limited
Notes Forming Part of Financial Statements for the Year ended March 31, 2018
U45201KA2009PTC050109

1 Corporate information

GMR Hyderabad Vijayawada Expressways Private Limited ('the Company'), was incorporated on June 11, 2009. The Company is a Special Purpose Vehicle which has entered into a Design, Construction, Development, Finance, Operation and Maintenance contract i.e. Service Concession Agreement on Design, Build, Finance, Operate and Transfer ("DBFOT") basis with National Highways Authority of India ('NHAI') in respect of National Highway - 9 (NH-9) from km 40.000 to km 221.500 in the State of Andhra Pradesh and Telangana.

As of Mar 31, 2018 GMR Infrastructure Limited along with GMR Highways Limited holds 90% of the equity share capital in the Company and the balance 10% is held by Punj Lloyd Limited.

The Company has achieved completion of the Project on 20th December, 2012 and started its commercial operations.

The registered office address of the Company is 25/1, Skip House, Museum Road, Bangalore-560025.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

The financial statements are presented in Indian Rupees (INR).

2.2 Summary of significant accounting policies

a) Current versus non-current classification

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is expected to be realized within twelve months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when

- (a) it is expected to be settled in the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

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

b) Foreign currency and derivative transactions

The Company's financial statements are presented in INR, which is company's functional currency.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions between the functional currency and the foreign currency.

Monetary foreign currency assets and liabilities remaining unsettled at the Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains / losses arising on account of realisation / settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit and Loss.

Exchange differences arising on the settlement of monetary items or on reporting 's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency, are reported using the exchange rates that existed when the values were 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).



(a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(b) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before 31 March 2016:

Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets. In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long-term foreign currency monetary item by recognition as income or expense in each of such periods.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after 1 April 2016:

The exchange differences pertaining to long term foreign currency working capital loans obtained or re-financed on or after 1 April 2016 is charged off or credited to profit & loss account under Ind AS.

c) Fair value measurement

The Company's measures financial instruments at fair value at each balance sheet date.

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

i) In the principal market for the asset or liability, or

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

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

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

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

The Company's uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 — Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company's 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

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, regardless of when the payment is being made. 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.

Toll Revenue is recognised on usage of public service.

Other interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

e) Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and cumulative impairment. 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.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) It is probable that future economic benefits associated with the item will flow to the entity; and

When significant parts of plant and equipment are required to be replaced at intervals, 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.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note xx and xx regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.



GMR Hyderabad Vijayawada Expressways Private Limited
Notes Forming Part of Financial Statements for the Year ended March 31, 2018
U45201KA2009PTC050109

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Further, When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

Machinery spares which are specific to a particular item of property, plant and equipment and whose use is expected to be irregular are capitalized as property, plant and equipment.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment is provided on straight line method, up to the cost of the asset (net of residual value, in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 which are as below:

- Plant and equipments	4-15 years
- Office equipments	5 years
- Furniture and fixtures	10 years
- Vehicles	8-10 years
- Computers	3 years

Depreciation on additions is being provided on a pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/disposed off during the year is being provided up to the dates on which such assets are sold/disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

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.

f) Intangible assets

Intangible assets comprise Carriageways and computer software. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

Carriageways is being amortised over concession period on proportionate revenue method. Computer software is being amortized over a period of 6 years on a straight line basis.

The above periods also represent the management estimated economic useful life of the respective intangible assets.

g) Taxes

Tax expense comprises current and deferred tax.

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

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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). 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 is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



GMR Hyderabad Vijayawada Expressways Private Limited
Notes Forming Part of Financial Statements for the Year ended March 31, 2018
U45201KA2009PTC050109

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

h) Borrowing costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. 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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

i) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value on First In First Out basis.

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

j) Lease

Finance Leases:

Where the Company is the lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized on an accrual basis as per the terms of agreements entered into with lessees.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Operating Leases:

Where the Company is the lessee

Lease rentals are recognized as an expenses on a straight line basis with reference to lease terms and other considerations except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Lands obtained on leases, where there is no reasonable certainty that the Company will obtain ownership by the end of the lease term shall generally be classified as finance leases. The minimum lease payments include upfront premium paid plus any annual recurring lease rental which is amortized over the lease term.

k) Impairment

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

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

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

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



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

l) Provisions, Contingent Liabilities, Contingent Assets And Capital Commitments

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

Provisions

Provisions are recognised when the Company's 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's 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.

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.

m) Retirement and other Employee Benefits

Short term employee benefits and defined contribution plans.

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund.

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

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Defined benefit plans

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation under projected unit credit (PUC) method.

The company recognizes termination benefit as a liability and an expense when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.



Remeasurements

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

n) 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are only classified as Debt instruments at amortised cost

Debt instruments at amortised cost

A 'debt instrument' is measured at the 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.

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 and other receivables.

Derecognition

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

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

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

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

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) Financial guarantee contracts which are not measured as at FVTPL



GMR Hyderabad Vijayawada Expressways Private Limited
Notes Forming Part of Financial Statements for the Year ended March 31, 2018
U45201KA2009PTC050109

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

- ▶ 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 (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- ▶ Financial assets measured as at amortised cost: 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, 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 etc.

Subsequent measurement

Loans and borrowings

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.

This category generally applies to borrowings and security deposits received.

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.

o) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises cash at bank and in hand and short term investments with an original maturity periods of three months or less.

p) Earning per share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



3. Property, Plant and Equipment												
Sr.No.		PARTICULARS		GROSS BLOCK			DEPRECIATION			Amount in INR Lakhs		
				As At 1-4-2017	Additions	Deductions	As At 31-03-2018	As At 1-4-2017	For the year	Deductions	As At 31-03-2018	As At 31-03-2017
1		Plant & Machinery		30.70	-	-	30.70	4.90	2.45	-	23.36	25.80
2		Electrical Fittings		0.48	-	-	0.48	0.15	0.08	-	0.25	0.32
3		Computers		9.65	-	-	9.65	3.33	0.41	-	3.74	6.32
4		Office Equipments		46.35	62.96	-	109.32	22.78	12.59	-	73.95	23.57
5		Vehicles		54.72	-	-	54.72	27.18	13.78	-	13.76	27.54
6		Furniture & Fixtures		12.67	-	-	12.67	4.15	2.09	-	6.43	8.52
7		Building & Roads		0.00	-	-	0.00	-	-	-	0.00	0.00
		Total		154.57	62.96	-	217.54	62.49	31.40	-	123.64	92.08

4. Other Intangible Assets

Sr.No.	PARTICULARS	GROSS BLOCK			AMORTIZATION			NET BLOCK		
		As At 1-4-2017	Additions	Deductions	As At 31-03-2018	As At 1-4-2017	For the year	Deductions	As At 31-03-2018	As At 31-03-2017
1	Carriageways	221,048.74	186.37	(1,213.50)	220,021.61	6,611.57	4,486.02	(79.75)	11,017.84	209,003.77
2	Software	0.00	-	-	0.00	-	-	-	-	0.00
	Total	221,048.74	186.37	(1,213.50)	220,021.61	6,611.57	4,486.02	(79.75)	11,017.84	209,003.77
										214,437.17

Sr.No.	PARTICULARS	GROSS BLOCK			AMORTIZATION			NET BLOCK		
		As At 1-4-2016	Additions	Deductions	As At 31-03-2017	As At 1-4-2016	For the year	Deductions	As At 31-03-2017	As At 31-03-2016
1	Carriageways	220,957.81	90.92	-	221,048.74	3,154.50	3,457.06	-	6,611.57	217,803.31
2	Software	0.00	-	-	0.00	-	-	-	-	0.00
	Total	220,957.81	90.92	-	221,048.74	3,154.50	3,457.06	-	6,611.57	217,803.31



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

	As At March 31, 2018	Amount in INR Lakhs As At March 31, 2017
5. Cash and Cash equivalents		
(i) Balances with banks		
- In Current Account	670.67	642.22
- In Fixed Deposit Account (due within 3 months)	574.81	562.32
(ii) Cash on hand	161.08	138.69
	1,406.56	1,343.23
6. Loans (Unsecured, Considered Good)-Current		
Loan to employees	4.03	1.28
	4.03	1.28
7. Other Financial Assets		
(i) Non Current		
Security Deposit to related parties	9.75	9.75
Security Deposit to others	63.68	63.38
	73.43	73.13
(ii) Current		
Interest accrued on fixed deposit	0.87	0.65
Receivable Other than trade - considered good	2,014.17	1,316.23
Security Deposit to related parties	247.80	247.80
Security Deposit to others	3.39	3.39
	2,266.23	1,568.06
8. Other Current Assets		
(i) Other Non Current Assets (Considered Good)		
Advances recoverable in cash or kind	16.00	86.00
	16.00	86.00
(ii) Other Current Assets (Considered Good)		
Advances recoverable in cash or kind	243.97	456.30
Mobilisation Advance	10.34	10.34
Prepaid Expenses	54.29	64.36
Balances with statutory / government authorities	22.92	17.43
	331.52	548.43
9. Inventories		
Stores & Spares (valued at lower of cost and net realizable value)	57.00	77.37
	57.00	77.37
10. Current Tax Assets		
Advance income tax (net of provision)	5.00	31.83
	5.00	31.83



11. Share capital

Amount in INR Lakhs

	As At March 31, 2018	As At March 31, 2017
Authorised		
(i) 50,00,000 equity shares of INR 10 each (March 31, 2017: 50,00,000 equity shares of INR 10 each)	500.00	500.00
(ii) 2,98,00,000 Preference Shares of INR 100 each (March 31, 2017: 2,98,00,000 preference shares of INR 100 each)	29,800.00	29,800.00
	<u>30,300.00</u>	<u>30,300.00</u>
Issued, Subscribed & Paid-Up		
(i) 50,00,000 equity shares of INR 10 each (March 31, 2017: 50,00,000 equity shares of INR 10 each)	500.00	500.00
	<u>500.00</u>	<u>500.00</u>

NOTES :

(i) Terms to Equity Shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pay dividend in Indian rupees. The dividend proposed by the Board of director is subject to the approval of the shareholder in ensuing Annual General meeting.

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

(ii) Terms to Preference Shares

6% Non-Cumulative, Compulsory Convertible Preference Shares of INR 100 each fully paid up

The non cumulative, Compulsory Convertible Preference Shares of INR 100 each will be converted into Equity Shares of INR 10 each at the option of the Company/Preference Shareholders, at any time on or before October 01, 2024, at Par Value or at such price as may be mutually agreed between the company & the Preference Shareholders at the time of conversion. Refer note 12 and 13 for equity and liabilities portion of Preference Shares.

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

	As At March 31, 2018	As At March 31, 2017
	No of Share In Lakhs	No of Share In Lakhs
Equity Shares		
Shares outstanding at the beginning of the year	50.00	50.00
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<u>50.00</u>	<u>50.00</u>

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

	As At March 31, 2018	As At March 31, 2017
	No of Share In Lakhs	No of Share In Lakhs
Preference Shares		
Shares outstanding at the beginning of the year	297.53	297.53
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<u>297.53</u>	<u>297.53</u>

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

	As At March 31, 2018	As At March 31, 2017
	No of Share In Lakhs	No of Share In Lakhs
Equity		
GMR Highways Limited	24.50	24.50
GMR Infrastructure Limited, the Parent company	20.50	20.50
Punj Lloyd Limited	5.00	5.00
	49.00%	49.00%
	41.00%	41.00%
	10.00%	10.00%
Preference Share		
GMR Highways Limited	216.00	216.00
GMR Infrastructure Limited, the Parent company	81.53	81.53
	72.60%	72.60%
	27.40%	27.40%



(vi) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	As At March 31, 2018		As At March 31, 2017	
	No of Share in Lakhs	Amount in INR Lakhs	No of Share in Lakhs	Amount in INR Lakhs
Equity				
GMR Highways Limited	24.50	245.00	24.50	245.00
GMR Infrastructure Limited, the Parent company	20.50	205.00	20.50	205.00
	As At March 31, 2018		As At March 31, 2017	
	No of Share in Lakhs	Amount in INR Lakhs	No of Share in Lakhs	Amount in INR Lakhs
Preference Share				
GMR Highways Limited	216.00	21,600.00	216.00	21,600.00
GMR Infrastructure Limited, the Parent company	81.53	8,152.74	81.53	8,152.74

(vii) No Shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date.

12. Other Equity

	As At March 31, 2018		As At March 31, 2017	
		Amount in INR Lakhs		Amount in INR Lakhs
(i) Equity component of Preference shares				
Opening Balance	22,052.27		22,052.27	
Add : Adjustment for the year	-	22,052.27	-	22,052.27
(ii) Equity component of Loans from Related Party				
Opening Balance	29,092.03		26,104.37	
Add : Adjustment for the year	163.47	29,255.49	2,987.66	29,092.03
(iii) Surplus / (Deficit) in the statement of Profit & Loss				
Opening Balance	(66,263.25)		(48,810.96)	
Add : Profit/ (Loss) for the year	(19,506.45)	(85,769.69)	(17,452.29)	(66,263.25)
(iv) Other Comprehensive Income				
Opening Balance	1.29		1.49	
Add : Addition during the year	7.79	9.09	(0.20)	1.29
		<u>(34,452.85)</u>		<u>(15,117.66)</u>



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

	As At March 31, 2018	As At March 31, 2017
13. Borrowings		
Secured		
Loan from Banks including Working Capital Loan	138,315.91	142,404.79
Loan from Financial Institution	13,493.40	13,791.95
Liability component of compound financial instrument		
Loans from group company (Unsecured)	21,213.33	19,032.81
Convertible Preference Shares (Unsecured)	15,367.06	13,883.91
	188,389.70	189,113.46

(a) The loan is repayable in 46 unequal quarterly instalments. Secured by ways of pari passu first charge over company's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of the company in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of the company in respect of monies lying to the credit of trust and retention account and other accounts and substitution agreements and Collection of tolls unless restricted by NHAI under the Concession Agreement, and by way of pledge of 13.00 Lakhs equity shares of face value INR 10/- each fully paid up, and 77.33 Lakhs preference shares of INR 100/- each fully paid up, held by GMR Highways Limited.

(b) Working Capital term loan received from Bank of Baroda is repayable in 36 monthly instalments starting after 24 months from the date of first disbursement. The first date of disbursement is 22nd March, 2014. The loan carries an interest rate of 2.75 per cent over Banks's base rate and secured by way of first pari passu charge on the same securities offered as security for the Project Loan under point no. (a) above.

(c) Loans from group Company (unsecured) includes

- i. an Interest free unsecured term loan of INR 20160 Lakhs from GMR Highways Limited and shall be repayable after final settlement date of Rupee Term Loans as per the financial agreements entered into with Lenders as per point No. 'a' above.
- ii. an Interest free unsecured term loan of INR INR 1379 Lakhs from GMR Highways Limited to meet the Cost over run of the Project Construction and shall be repayable after final settlement date of Rupee Term Loans as per the financial agreements entered into with Lenders as per Point No. 'a' above.
- iii. an Interest free unsecured term loan of INR INR 17750 Lakhs from GMR Highways Limited and shall be repayable after 36 months from date of agreement.

Interest free loans from Group companies are separated into liability and equity components based on the terms of the contract. On receipt of the loan, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished. The remainder of the proceeds is recognised and included in equity (Refer note 12)

(d) The Company had issued 2,97,52,740 6% Non-Cumulative, Compulsory Convertible Preference Shares of INR 100 each fully paid up. The non cumulative, Compulsory Convertible Preference Shares will be converted into Equity Shares of INR 10 each at the option of the Company/Preference Shareholders, at any time on or before October 01, 2024, at Par Value or at such price as may be mutually agreed between the company & the Preference Shareholders at the time of conversion.

As these Preference share are non cumulative and the Company is not under obligation to pay dividend, only fair value of redemption value has been considered as financial liability using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption. The remainder of the proceeds is recognised and included in Equity (Refer Note 12)

(e) Interest on secured loan amounting to INR 4535 Lakhs (March 31, 2017 INR 4869 Lakhs) for a period of two months (aprox.) is overdue for payments. Further Principal instalment of INR 292 Lakhs (March 31, 2017 INR 292 Lakhs) against working capital loan overdue since Jan. 2018.

14. Trade Payables

Payables to NHAI	30,343.41	18,336.65
Payables to Related parties	1,365.95	1,397.04
Payables to Others	943.55	142.32
	32,652.91	19,876.01

Terms and conditions of the above financial liabilities:

- 1) Trade payables are non-interest bearing and are normally settled on 60 days terms
- 2) Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2018

15. Other Financial Liability

Current maturities of long term secured debt from bank including Working capital loan	4,423.49	4,561.04
Current maturities of long term secured debt from Financial Institution	298.56	298.66
Interest due but not paid on borrowings	4,535.78	4,869.75
Retention Money		
-Payable to Related Parties	35.32	35.32
-Payable to Others	96.69	1,439.59
	9,389.84	11,204.36



Amount in INR Lakhs

16. Provisions

(i) Non Current

(a) Provision for Employee Benefits	23.29	25.84
(b) Provision for Major Maintenance	-	12,138.91
	23.29	12,164.75

(ii) Current

(a) Provision for Employee Benefits	34.08	29.64
(b) Provision for Operation and Maintenance	41.62	41.00
(c) Provision for Major Maintenance	16,312.43	-
	16,388.13	70.64

Provision for Major Maintenance

The Company has a contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out. Major Overlay activities have been completed and next major overlay is expected to be carried out in FY 2018-19.

	As At March 31, 2018		As At March 31, 2017	
	Non-Current	Current	Non-Current	Current
Opening Balance	12,138.91	-	8,619.05	-
Accretion during the year	4,173.52	-	3,519.86	-
Utilised during the year	-	-	-	-
Transfer from Long term to Short Term	(16,312.43)	16,312.43	-	-
Closing Balance	-	16,312.43	12,138.91	-

17. Other current liabilities

Advances from customers & others	24.82	25.65
Statutory dues	27.61	28.06
Advance received from NHAI towards COS Work	343.75	393.32
	396.18	447.04



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

	Year ended March 31, 2018	Year ended March 31, 2017
18. Revenue from operations		
Toll Revenue	26,052.52	22,611.34
Construction Revenue	186.37	90.92
	26,238.89	22,702.26
19. Other income		
Interest Income on Bank Deposit	30.53	14.43
Interest Income on Others	5.50	2.99
Excess provision written back	1.58	27.27
Other non-operating income	9.10	20.90
	46.70	65.59



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

	Amount in INR Lakhs	
	Year ended March 31, 2018	Year ended March 31, 2017
20. Operating expenses		
Revenue Share to NHAI	9,707.84	8,189.50
Construction Expense	169.43	82.66
Regular Maintenance	560.96	577.16
Toll/Highway Management Services	749.94	617.71
Major Maintenance Expenses	2,876.78	2,599.13
Less: Reimbursement from NHAI	-	(82.68)
	14,064.96	11,983.46
21. Employee benefit expense		
Salaries, Perquisites & Allowance	262.47	279.77
Contribution to provident and other funds	21.87	20.91
Gratuity expense	6.15	16.32
Staff welfare expenses	20.73	13.91
Less: Reimbursement from NHAI	-	(22.37)
	311.22	308.53
22. Finance costs		
Interest on Term Loan	18,033.20	18,839
Interest on financial Liabilities	4,823.88	3,943
Interest on Revenue Share to NHAI	2,335.30	1,406
Other Finance Charges	257.75	256
Less: Reimbursement from NHAI	-	(1,145)
	25,450.14	23,299
Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss		
Details of Finance costs		
(a) Interest on Term Loan	18,033.20	18,839.05
(b) Interest on Loan from Related parties	2,043.99	1,682.38
(c) Interest on Loan part of Preference Shares	1,483.15	1,340.00
(d) Interest to Revenue Share to NHAI	2,335.30	1,406.39
(e) Interest on Overlay Provision	1,296.74	920.73
	25,192.39	24,188.55
23. Depreciation and amortisation expense		
Depreciation on property, plant and equipment (note 3)	31.40	25.13
Amortization of intangible assets (note 4)	4,486.02	3,457.06
	4,517.42	3,482.20



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

	Amount in INR Lakhs	
24. Other expenses		
Stores & Consumables	83.51	44.75
Power Charges & Water charges	389.96	358.63
Repairs & Maintenance	158.67	229.13
O&M Vehicle Costs	47.52	41.25
Rent	14.45	13.81
Rates and taxes	3.33	3.18
Insurance	96.43	88.56
Office maintenance	1.90	3.56
Advertising & Sponsorships	3.92	4.41
Travelling and conveyance	9.49	21.34
Vehicle Running and Maintenance	15.39	8.48
Communication costs	14.97	11.89
Printing and stationery	2.13	2.53
Consultancy and professional fees	432.73	340.56
Loss on Write-off Assets	139.54	-
Safety Items	9.88	20.93
Directors' sitting fees	3.05	3.73
Payments to auditors	7.95	6.17
Business Promotion Exp	10.02	3.21
Security Charges	-	1.46
Miscellaneous expenses	3.47	4.95
Less: Reimbursement from NHAI	-	(66.07)
	1,448.30	1,146.47

Payment to auditor

Particulars	Year ended March 31, 2018 In INR Lakhs	Year ended March 31, 2017 In INR Lakhs
As auditor:		
Audit fee	3.50	3.00
Tax audit fee	0.75	0.75
Other services (certification fees)	2.27	1.25
Reimbursement of expenses	0.22	0.37
Service Tax/GST on Above	1.21	0.81
Total	7.95	6.17



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

25. Income Tax

The Company, being Infrastructure Company, enjoys the benefit of tax holiday period for 10 years out of first 25 years of operations. In initial years of operations, the Company has incurred losses and hence not claimed benefit of tax holiday period. The Management expects that all temporary differences as well as unused tax losses will reverse in tax holiday period and accordingly has not recognised resulting deferred tax. Summary of temporary differences & unused tax losses for which deferred tax assets/liability has not been recognized is as under:

Particulars	March 31, 2018	March 31, 2017
Unused Tax losses	31,386.04	23,951.99
Unabrobed Depreciation	85,222.32	69,519.52
Leave Encashment	30.61	34.70

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

	As at March 31, 2018	As at March 31, 2017
Accounting profit	(19,498.66)	(17,452.49)
Tax at the applicable tax rate	(6,025.09)	(5,392.82)
Deferred tax asset not recognised	6,025.09	5,392.82
Tax expense	-	-



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

26 Earning/ (Loss) Per Share

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders (after adjusting for interest on the convertible securities) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	March 31, 2018	March 31, 2017
Face value of equity shares (Re. per share)	10.00	10.00
Profit/ (loss) attributable to equity shareholders	(19,506.45)	(17,452.29)
Weighted average number of equity shares used for computing earning per share (basic and diluted)	50.00	50.00
EPS- basic and diluted (*)	(390.13)	(349.05)

27 During the previous year, the company has filed claim of INR 1316 Lakhs. for non collection of toll from 9th Nov 2016 onwards till the midnight of 2nd Dec 2016 in accordance with the guidelines Issued by NHAI. The Company is following up with NHAI to release the claim amount. In view of certainty of recovery, such claim (being in nature of reimbursement of expenses) has been recognised and presented as deduction from respective expenses

28 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. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. 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.

The estimate and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which are estimate is revised and future periods affected.

Significant judgements and the estimates relating to the carrying values of assets and liabilities, provision for employee benefits and others provisions, commitments and contingencies and fair value measurements of Investments.

I) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the 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.

a) Taxes

Deferred tax assets are recognised for Mat Credit Entitlement to the extent that it is probable that taxable profit will be available against which the same 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. Refer note 25 for further disclosures.

b) 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 DCF 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. Refer note 41 for further disclosures.

c) Contingencies

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

d) Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

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

Further details about gratuity obligations are given in note 38.

II) Significant judgements

a) Impairment of Intangible Assets:

The Company has filed a claim due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement. The management is confident that the company will be able to receive damages/compensation from relevant authorities for the loss the Company has suffered/ suffering due to such change in law and considered the expected cash inflow from claim for testing impairment loss on Carriageways.

b) Amortisation:

Intangible Asset arising on service concession arrangement is being amortised on proportionate revenue method. To apply the said method of amortisation, future revenue has been estimated by the Management based on technical study by Independent Consultant.

c) Provision for overlay:

As per the terms of concession agreement, the Company is required to carry out overlay activities in 2019. The Management has estimated amount to be incurred on such overlay activities to recognise the provision for overlay as per the requirements of IND AS 37. Further details are given in note 16

I Capital Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for as on March 31, 2018 INR 593.46 Lakhs (As on 31st March 2017 is INR 593.46 Lakhs).

I Contingent Liabilities: NIL



31 Impairment of assets

The Company has been incurring losses since the commencement of commercial operations since FY 2013. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and Company has filed a claim of INR 46249 Lakhs for FY 2012-13 to FY 2016-17 on NHAI. The management has also obtained a legal opinion which confirms that these events are Change in Law and Company is entitled to the claim for losses suffered on this account. NHAI has agreed that these events are falling under change in law and agreed to pay claim for loss, however not agreed on quantification methodology to determine claim amount. To reach amicable settlements, the management was filling and agreeing to accept claim lower than its entitlement (as per clause 41.3 of the concession agreement), however NHAI had not accepted those claims as well. On rejection by NHAI, the Company has invoked dispute resolution process as per the provisions of the Concession Agreement, which also failed. The Company has initiated arbitration proceeding and Arbitration Tribunal was constituted in July 2017. Based on the directions of the Tribunal, Company has filed its Statement of Claim for an amount of Rs. 75232 Lakhs calculated up to March 2017 (based on protection of NPV as specified under clause 41.3 of the concession agreement) before Arbitral Tribunal in September 2017, which is significantly higher than claim lodged earlier on 18 September 2017. Based on the legal opinion, the management is confident to cover the claim under aforesaid clause of the concession agreement. The Company got valuation study of Intangible Asset for testing impairment from Independent reputed firm of financial professionals that have confirmed that recoverable value of the Intangible Asset is significantly higher than its carrying value.

In the interest of the stakeholders, the Company has also issued notice of force majeure (Political Event) as per article 34 of the concession agreement vide its letter dated June 13, 2016. Since, the matter is currently under Arbitration, accordingly force majeure notice has not been considered for preparation of accounts.

In accordance with the Concession Agreement, concession period for project is 25 years from the appointed date. The project was initially developed from existing 2 lanes to 4 lane and be further developed to 6 laning subsequently (before 14th anniversary of the appointed date). If six laning is not carried out (if so required by NHAI/desired by the Company), concession period will be restricted to 15 years.

Based on legal opinion, expected traffic flow and independent valuation of Intangible Assets from independent consultant, the management is confident about recovery of claim, 6 laning of the project and recoverable value of Intangible Asset. Accordingly, concession period has been considered as 25 years and impairment on the Carriageways does not arise.

32 Leases

The Company has entered into certain cancellable operating lease agreements for accommodation. Lease rental of INR 14.45 Lakhs- (March 2017 : INR 13.81 Lakhs) paid during the year ended March 31, 2018 under such agreements.

33 Litigation

The Company is a co-respondent to a few litigations filed by certain parties against NHAI and State Government seeking compensation for land acquisition etc. However, the Company is not having any financial obligation in such cases, similarly the Company filed a case before High Court seeking police protection in respect of a Toll Plaza. In all these litigations the Company does not have financial obligations which would impact its financial position as at March 31, 2018.

34 The total liabilities of the Company exceed its total assets by INR 33952.85 Lakhs as on March 31, 2018. The promoters of the Company has assured to provide necessary financial and other assistance to help running its operations smoothly in the ensuing years. Therefore the account of the Company has been prepared under going concern assumption.

35 As per Concession Agreement, the Company is required to pay premium in form of an additional Concession Fee to NHAI equal to 32.6% of the total Realizable Fee during 3rd year of concession period (i.e. from Appointed Date), to be increased by 1% for every subsequent year. Due to dispute on appointed date between the Company and NHAI, NHAI has demanded additional concession fees of INR 150.85 Lakhs pertaining to the period April 2013 to August 2013 and April 2014 to August 2014, which has been paid by the Company under protest. The Company is confident to get it resolved in its favour and according pending settlement of dispute with NHAI, such payment has been shown under current assets.

16 Revenue share payable to NHAI for the period from April 1, 2015 to March 31, 2018 amounting to INR 30343 Lakhs is outstanding as on the date of financial statement. Sanction letter for Deferment of revenue share payment has been withdrawn by the NHAI vide its letter dated June 08, 2016.

17 Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2018 which has been relied upon by the auditors.

8 Gratuity and other post-employment benefit plans:

(a) Defined Contribution Plans

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

A sum of INR 21.86 Lakhs (March 31, 2017 INR 20.90 Lakhs) has been charged to the Statement of Profit & Loss in this respect

(b) Defined Benefit Plans

The Company has defined benefit plan, namely gratuity.

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

The following table summarises the components of net expense recognised in the Income statement and amounts recognised in the balance sheet for gratuity.

Net Benefit Expenses

	Year ended March 31, 2018	Year ended March 31, 2017
	INR	INR
Components of defined benefit costs recognised in profit or loss		
Current service cost	3.85	3.41
Interest cost on benefit obligation	(0.98)	(1.78)
Expected return on plan assets	3.08	-
Total	<u>5.95</u>	<u>1.63</u>
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gains) / loss due to DBO experience	(5.88)	(1.62)
Actuarial (gains) / loss due to DBO assumption changes	(1.14)	1.68
Return on Plan assets (greater)/less than discount rate	(0.76)	0.14
Total	<u>(7.79)</u>	<u>0.20</u>
	As at March 31, 2018	As at March 31, 2017
Benefit Asset/ (Liability)		
Defined benefit obligation	(25.57)	(25.06)
Fair value of plan assets	41.28	38.70
Benefit Asset/ (Liability)	<u>15.71</u>	<u>13.65</u>



Amount in INR Lakhs

Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	25.06	22.12
Interest cost	1.74	1.64
Current service cost	3.85	3.41
Benefits Paid	3.08	-
Actuarial (gain)/loss - experience	(5.88)	(1.62)
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss - financial assumptions	(1.14)	1.68
Acquisition adjustment	(1.12)	(2.17)
Closing defined benefit obligation	<u>25.57</u>	<u>25.06</u>

Changes in the fair value of plan assets:		
Opening fair value of plan assets	38.70	52.29
Net interest on net defined benefit liability/ (asset)	2.72	3.42
Acquisition adjustment	-	(21.10)
Return on plan assets greater/(lesser) than discount rate	0.76	(0.14)
Contributions by employer	0.22	6.41
Benefits paid	(1.12)	(2.17)
Closing fair value of plan assets	<u>41.28</u>	<u>38.70</u>

	As at March 31, 2018	As at March 31, 2017
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The major categories of plan assets as a percentage of total
Other (including assets under Schemes of Insurance)

100% 100%

The principal assumptions used in determining pension and post-employment benefit obligations for the Company's plans are shown below:

Discount rate	7.60%	7.10%
Future salary increases	6.00%	6.00%
Rate of interest	5.00%	5.00%
Mortality table used	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market

Contributions expected to be made by the Company during the next year is INR 6.40 Lakhs (previous year INR 0.20 Lakhs)

Risk Faced by Company:

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

Sensitivity Level	31-Mar-18					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(2.34)	2.73	2.17	(1.94)	0.43	(0.50)

Sensitivity Level	31-Mar-17					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(2.35)	2.75	2.10	(2.01)	0.44	(0.49)

Maturity Plan of defined benefit obligation:	Amount in INR Lakhs
Within 1 year	1.61
1-2 year	1.85
2-3 year	2.13
3-4 year	2.45
4-5 year	2.94
5-10 year	21.80

39 List of Related parties and Transactions / Outstanding Balances:

a) Name of Related Parties and description of relationship:

Enterprises that control the Company / exercise significant influence	GMR Enterprises Private Limited (GEPL) GMR Infrastructure Limited (GIL) GMR Highways Limited (GHWL)
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GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

Fellow Subsidiaries	GMR Energy Ltd (GEL) GMR Tuni Anakapalli Expressways Limited (GTAEL) GMR Tambaram Tindivanam Expressways Limited (GTTEL) GMR Aviation Private Limited (GAPL) GMR Hyderabad International Airport Limited (GHIAL) GMR Corporate Affairs Private Limited (GCAPL) GMR Pochanpalli Expressways Limited (GPEL) GMR Chennai Outer Ring Road Private Limited (GCORR) GMR Bannerghatta Properties Private Limited (GBPPL) GMR Airports Limited (GAL) GMR Airport Developers Limited (GADL) GMR Kishangarh Udaipur Ahmedabad Expressways Ltd (GKUDEL) GMR SEZ & Port Holdings Private Limited (GSPHPL) Kakinada SEZ Limited (KSL) Raxa Security Services Limited (RSSL)
Enterprise where Key Management Personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF) GMR Family Fund Trust (GFFT)
Key Management Personnel	Mr. O Bangaru Raju, Director Mr. Arun Kumar Sharma, Director (w.e.f. September 01, 2016) Ms. Vinta Tarachandani, Independent Director (w.e.f. September 01, 2016) Mr. B. L. Gupta, Independent Director (w.e.f. September 01, 2016) Mr. Y. Kamalakara Rao, Director (till September 08, 2016) Mr. S. Rajagopal, Independent Director (till September 08, 2016) Mr. K. Parameswara Rao, Independent Director (till September 08, 2016) Dr. Kavitha Gudapati, Independent Director (till September 08, 2016) Mr.Chandrashekar B, Manager

b) Summary of transactions with above related parties are as follows:

Name of Entity	Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Transaction with Enterprises that control the Company / exercise significant influence			
GIL	Project Management fees	125.72	157.54
	Interest on compound financial Instrument (Preference Shares)	406.41	367.18
	EPC Work	-	26.10
GHWL	Interest on Sub Debt raised	2,043.99	1,682.38
	Short Term Unsecured Loan Received/(Repaid)	-	(160.00)
	Equity Portion of compound financial instrument (Loan)	163.47	2,987.66
	Liability Portion of compound financial instrument (Loan)	136.53	2,257.34
	Highway Maintenance Charges	526.52	475.81
	Interest on compound financial Instrument (Preference Shares)	1,076.74	972.82
GEPL	Logo Fees and Trade Mark	0.01	0.02
Transaction with Fellow Subsidiaries			
RSSL	Security Service Charges	747.82	614.05
GFFT	Rent	-	-

* Reimbursement of expenses are not considered in the above statement.

Transaction with Key Management Personnel for the year ended March 31, 2018

Details of Key Managerial Personnel	Remuneration						Outstanding loans/advances receivables
	Short-term employee benefits	Post employment benefits	Other long-term employee benefits	Termination benefits	Sitting Fee	Others	
Mr. B.L. Gupta	-	-	-	-	1.30	-	-
Mrs Vinita Tarachandani	-	-	-	-	1.30	-	-
Mr.Chandrashekar B, Manager	8.79	-	1.11	-	-	-	-

Transaction with Key Management Personnel for the year ended March 31, 2017

Details of Key Managerial Personnel	Remuneration						Outstanding loans/advances receivables
	Short-term employee benefits	Post employment benefits	Other long-term employee benefits	Termination benefits	Sitting Fee	Others	
Mr. S Rajagopal	-	-	-	-	0.65	-	-
Dr.Kavitha Gudpathi	-	-	-	-	0.65	-	-
Mr. K Parameswara Rao	-	-	-	-	0.65	-	-
Mr. B.L. Gupta	-	-	-	-	0.65	-	-
Mrs Vinita Tarachandani	-	-	-	-	0.65	-	-
Mr.Chandrashekar B, Manager	18.53	-	2.08	-	-	-	-

Name of Entity	Particulars	As At March 31, 2018	As At March 31, 2017
Closing Balances with Enterprises that control the Company / exercise significant influence			
GIL	Equity Shares Outstanding	205.00	205.00
	Equity Portion of compound financial Instrument (Preference Share)	5,702.95	5,702.95
	Liability Portion of compound financial Instrument (Preference Share)	4,210.83	3,804.42
	Trade and Other Payables	1,044.86	1,255.43



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

		Amount in INR Lakhs	
GHWL	Equity Shares Outstanding	245.00	245.00
	Equity Portion of compound financial instrument (Preference Share)	16,349.31	16,349.31
	Liability Portion of compound financial instrument (Preference Share)	11,156.23	10,079.49
	Equity Portion of compound financial instrument (Loan)	29,255.49	29,092.03
	Liability Portion of compound financial instrument (Loan)	21,213.33	19,032.81
	Trade and Other Payables	88.56	55.95
Closing Balances with Fellow Subsidiaries			
RSSL	Trade and Other Payables	267.77	114.62
	Security/Other Deposit Recoverable	9.75	9.75
GCAPL	Security/Other Deposit Recoverable	65.46	65.46
GFFT	Security/Other Deposit Recoverable	182.34	182.34
GPEL	Trade and Other Receivables	-	0.06
GPEL	Trade and Other Payables	0.02	-
GKUAEI	Trade and Other Receivables	-	0.06
GEPL	Logo Fees and Trade Mark	0.01	0.01
KSL	Trade and Other Payables	0.04	-
GADL	Trade and Other Payables	-	6.23

Commitments with related parties: As at year end March 31, 2018, there is no commitment outstanding with any of the related parties other than those mentioned in Note no 29

Terms and conditions of transactions with related parties

The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2017, the Company has not owed any amount by related parties so impairment of receivables relating to amounts owed by related parties does not arise. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

For terms and condition related to Preference Share and Borrowing please refer Note no 11 & 13

40 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

For the purpose of the Company's capital management, capital includes issued equity capital, Preference Share, loan from related parties and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

Particulars	Amount in INR Lakhs	
	As At March 31, 2018	As At March 31, 2017
Borrowings other than convertible preference shares & related party	161,067.13	165,926.19
Total debt (i)	161,067.13	165,926.19
Capital Components		
Share Capital	500.00	500.00
Other Equity	(34,452.85)	(15,117.66)
Convertible preference shares (refer note 13)	15,367.06	13,883.91
Loan from related party	21,213.33	19,032.81
Total Capital (ii)	2,627.54	18,299.06
Capital and debt (i+ii)	163,694.67	184,225.25
Gearing ratio (%) (i/iii)	98%	90%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

41 Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Notes to the financial statements.

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2018 and March 31, 2017.

Particulars	As at March 31, 2018			As at March 31, 2017		
	At Amortised Cost	At FVTPL		At Amortised Cost	At FVTPL	
		Cost	Fair Value		Cost	Fair Value
Assets						
Investment in Mutual Funds	-	-	-	-	-	-
Loans to Employees	4.03	-	-	1.28	-	-
Other Financial Assets	2,339.66	-	-	1,641.19	-	-
Cash and cash equivalents	1,406.56	-	-	1,343.23	-	-
Total	3,750.26	-	-	2,985.70	-	-



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

				Amount in INR Lakhs
Liabilities				
Borrowings (including interest)	197,647.52	-	-	198,842.91
Trade Payable	32,652.91	-	-	19,876.01
Other Financial Liability	132.01	-	-	1,474.91
Total	230,432.44	-	-	220,193.83

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018:

Particulars	As at March 31, 2018	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2017:

Particulars	As at March 31, 2017	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

Financial risk management objectives and policies

The Company's principal financial liabilities, comprise 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 is cash and cash equivalents.

In the course of its business, the Company's exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the company's senior management that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investment measured at FVTPL.

The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant March 31, 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The analysis for the contingent consideration liability is provided in Note 38.

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

► The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's policy is to manage its interest cost using only interest free/ fixed rate debts from related parties.

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

	Increase/ decrease in basis points	Effect on profit before tax
March 31, 2018		
INR	+50	(786.49)
INR	-50	786.49
March 31, 2017		
INR	+50	(808.58)
INR	-50	808.58

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. With respect to credit risk arising from other financial assets of the Company's, which comprise Cash and cash equivalents, loans and advances and investment, the Company's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instrument.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs.375,025,881 and Rs.298,570,331 as at March 31, 2018 and March 31, 2017 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits and other financial assets.



Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

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

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Amount in INR Lakhs Total
Year ended							
March 31, 2018							
Term Loan from Banks and Financial Institution	-	4,740.50	13,520.00	14,365.00	37,180.00	86,818.54	156,624.04
Loan from Related parties	-	-	-	-	-	43,192.00	43,192.00
Interest due but not paid on borrowings	-	4,535.78	-	-	-	-	4,535.78
Preference Shares at cost	-	-	-	-	-	29,752.74	29,752.74
Trade payables	-	32,652.91	-	-	-	-	32,652.91
Other financial liabilities	-	132.01	-	-	-	-	132.01
	-	42,061.20	13,520.00	14,365.00	37,180.00	159,763.28	266,889.48
Year ended							
March 31, 2017							
Term Loan from Banks and Financial Institution	-	4,838.75	4,448.79	13,520.00	32,955.00	105,408.54	161,171.08
Loan from Related parties	-	-	-	-	-	42,892.00	42,892.00
Interest due but not paid on borrowings	-	4,869.75	-	-	-	-	4,869.75
Preference Shares at cost	-	-	-	-	-	29,752.74	29,752.74
Trade payables	-	19,876.01	-	-	-	-	19,876.01
Other financial liabilities	-	1,474.91	-	-	-	-	1,474.91
	-	31,059.42	4,448.79	13,520.00	32,955.00	178,053.28	260,036.49

Excessive risk concentration

The Company needs to assess the risks in relation to excessive risk concentration and the measures adopted by the Company to mitigate such risks.

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

In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels.

42 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2018.

43 Segment Reporting

The Company is engaged in the business of Construction, Operation & Maintenance of Highways. This being the only segment, the reporting under the provisions of IND AS 108 (Segment Information) does not arise.

44 Salient aspects of Service Concession Arrangement

NHAI has Irrevocably granted to the Company the exclusive right and authority during the concession period for designing, construction, development, finance, operation and maintenance of Four/Six laning of Hyderabad Vijaywada Section from Km 40.000 to Km 221.500 of NH-9 in State of Andhra Pradesh

NHAI grants to the Concessionaire, to construct, operate and maintain the project from existing 2 lane to 4 lane and later on to 6 laning (before 14th anniversary of appointed date). Concession period is 25 years from the appointed date. Later, if six laning is not developed (if so required by NHAI/desired by the Company), concession period will restrict to 15 years. (which may be increased maximum by 3 years/decreased maximum by 1.5 years depending upon traffic and other terms of the concession agreement)

NHAI shall not construct/cause to be constructed any additional toll way at any time before 8th anniversary of the appointed date. If NHAI contemplates opening additional Toll way between the 8th and 15th anniversary of the Appointed Date, the six-laning shall be cancelled and concession period will be extended beyond 15 years by the difference between the opening of additional toll way and 15th anniversary of the Appointed Date. If the additional toll way is opened between 15th and 25th anniversary, the Concession Period shall extend beyond 25 years by difference between the opening of additional toll way and 25th anniversary of the Appointed Date.

NHAI has further granted to the Company to enjoy, and oblige the Company to undertake the following in accordance with the provision of the concession agreement, the applicable laws and the applicable permit:

- Right of Way, access and license to the Site for the purpose of and to the extent conferred by the provisions of the Concession Agreement
- finance and construct the Project Highway
- manage, Operate and maintain the Project Highway and regulate the use thereof by third parties.
- demand, collect and appropriate the Fees from vehicles and users liable to payment of Fees for using the Project Highway or any part thereof and refuse entry of any vehicle if the due is not paid.
- perform and fulfill all of the obligations under and in accordance with the Concession Agreement.
- bear and pay all costs, expenses and charges in connection with or incidental to the performance of the Obligations of the Company under this agreement.
- neither assign, transfer or sublet or create any lien or Encumbrance on the Concession Agreement, or the Concession hereby granted on the whole or any part of the Project Highway nor transfer, lease or part possession therewith save except as expressly permitted by this Agreement or the Substitution Agreement.



GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2018
U45201KA2009PTC050109

Amount in INR Lakhs

Fees

The Company is entitled during the Operation Period to demand, collect and appropriate Fee from the Users subject to and in accordance with this Agreement and the National Highway Fee (determination of Rates and Collection) Rules, 2008 (the "Fee Rules") provided that for ease of payment and collection, such Fee shall be rounded off to the nearest 5 (five) rupees in accordance with the Fee Rules; provided further that the Concessionaire may determine and collect Fee at such rates as it may, by public notice to the Users, specify in respect of all or any category of Users or Vehicles.

The rate of Fee for use of a section of national highway of four or more lanes shall, for the base year 2007-08 is as follow:

Cost of permanent Bridge, Bypass or Tunnel (Rupees in Crore)	Car, Jeep, Van or Light Motor Vehicle	Light Vehicle, Vehicles or Mini Bus	Commercial Truck or Bus Light Goods	HCM, EME or MAV	Oversized Vehicle
10 to 15	5.00	7.5	15	22	30
For Every additional INR 5 crore or part thereof exceeding INR 15 Crore and upto INR 100 Crore	1	1.5	3	4.5	6
For Every additional INR 5 crore or part thereof exceeding INR 100 Crore and upto INR 200 Crore	0.75	1.15	2.25	3.4	4.5
For Every additional INR 5 crore or part thereof exceeding INR 200 Crore	0.5	0.75	1.5	2.25	3

The above rate should be increased without compounding by 3% each year with effect from the 1st day of April, 2008 and such increased rate shall be deemed to be base rate for the subsequent years.

The applicable base rate shall be revised annually with effect from April 1 each year to reflect the increase in wholesale price index between the week ending on January 6, 2007 (i.e.208.7) and the week ending on or immediately after January 1 of the year in which such revision is undertaken but such revision shall be restricted to 40% of the increase in Wholesale price Index.

$$\text{Applicable rate of Fee} = \text{Base Rate} + \frac{\text{Base Rate} \times (\text{WPI A} - \text{WPI B})}{\text{WPI B}} \times 0.4$$

Explanation: For the purpose of this sub rule

- (a) applicable rate of fee shall be the rate payable by the user
- (b) base rate shall be the rate specified in rule 4 read with sub rule (1) of rule 5
- (c) WPI A means the wholesale price index of the week ending on or subsequent to 1st January immediately preceding the date of revision under these rules
- (d) WPI B means the wholesale price index of the week ending on 6th January 2007 .i.e. 208.7

Annual revision of rate under this rule shall be effective from first of April every year.

Concession Fee

In consideration of the grant of Concession under this Agreement, the Concession fee payable by the Company to the NHAI is INR 1 per year during the terms of the concession agreement.

The Company shall pay a premium in form of an additional concession fee equal to 32.6% of the total realizable fee for 3rd year of concession period but commencing from the day falling after 0 (zero) days from COD. For subsequent years, such percentage shall be increased upwards by 1% for every year on each anniversary of Appointed Date. If the actual revenue from toll collection is short than projected realizable fee as determined under the Concession Agreement, the Company will be liable to pay concession fee based on projected realizable fee so determined under the Concession Agreement.

Fee levied and collected from the traffic exceeding 120% of designated capacity is also to be payable to NHAI every year

Operation and Maintenance

The Company shall operate and maintain the Project Highway either by itself or through O&M Contractor and if required, modify, repair or otherwise make improvement to the Project Highway to comply with the provision of the Concession Agreement, Applicable laws and Applicable Permits and conform to Specifications and Standards and Good Industry Practice. The obligations of the Concessionaire should include:

- i) permitting safe, smooth and uninterrupted flow of traffic on the Project Highway during normal operating conditions.
- ii) collecting and appropriating the Fee.
- iii) minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the Project Highway by providing a rapid and effective response and maintaining liaison with emergency services of the State.
- iv) carrying out periodic preventive maintenance of the Project Highway
- v) undertaking routine maintenance including prompt repairs of potholes, cracks, Concrete joints, drains, embankments, structures, pavement marking, lighting, road signs and other traffic control devices
- vi) undertaking major maintenance such as resurfacing of pavements, repairs to structures, and repairs and refurbishment of tolling system and other equipment.
- vii) preventing with the assistance of concerned law enforcement agencies unauthorised entry to and exit from the Project Highway.
- viii) preventing with the assistance of the concerned law enforcement agencies any encroachments on the Project Highway.
- ix) protection of the environment and provision of equipment and materials therefore.
- x) operation and maintenance of all communication, control and administrative system necessary for the efficient operation of the Project Highway.
- xi) maintaining a public relations unit to interface with and attend to suggestions from users of the Project Highway, the media, Government Agencies, and other external agencies.
- xii) complying with Safety Requirements in accordance with concession agreement

Revenue Shortfall Loan

The company is eligible for Revenue Shortfall loan if "Realisable Fee in any accounting year shall fall short of the Subsistence Revenue as a result of an indirect Political Event, a political event or an authority default".

Subsistence Revenue mean the total of Fee revenue that is required by the concessionaire in an accounting year to meet the sum of

- a) O&M Expenses, subject to an annual ceiling of 3% of the Total project Cost plus Grant if any during the first accounting year after COD, to be revised for each subsequent year to reflect the variation in WPI occurring between COD and commencement of such Accounting year
- b) Debt Service in such Accounting year but excluding any interest paid by the Authority.



45 Recent accounting pronouncements

a) New Indian Accounting Standard (Ind AS) Issued but not yet effective

Ind AS 115 'Revenue from Contracts with Customers' was notified on 28 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company in the first quarter of fiscal 2019 and permits two possible methods of transition:

(i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or

(ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an Implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

Upon adoption the Company expects there to be a change in the manner that variable consideration in certain revenue arrangements is recognized from the current practice of recognizing such revenue as the services are performed and the variable consideration is earned to estimating the achievability of the variable conditions when the Company begins delivering services and recognizing that amount over the contractual period. The Company also expects a change in the manner that it recognizes certain incremental and fulfillment costs from expensing them as incurred to deferring and recognizing them over the contractual period. A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the Implementation project has been completed.

b) Amendments to Indian Accounting Standards (Ind AS) Issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the company as the company has no deductible temporary differences or assets that are in the scope of the amendments.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

46 Previous year's figures have been regrouped where necessary to conform to this year's classification.

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

Naresh Agrawal
Partner
(M.No.504922)

Place: New Delhi
Date: 25.04.2018

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Brajesh Kumar Tiwary
Chief Financial Officer

Arun Kumar Sharma
Director
DIN:02281905

Shweta Mahajan
Company Secretary



GMR Hyderabad Vijayawada Expressways Private Limited
U45201KA2009PTC050109


Statement of Standalone Unaudited / Audited Financial Results for quarter & year ended March 31, 2018

		Amount in INR Lakhs				
	Particulars	Quarter ended			Year ended	Year ended
		31/Mar/18	31/Dec/17	31/Mar/17	31/Mar/18	31/Mar/17
	(Refer Notes Below)	Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Sales/income from operations	7,068.92	6,417.88	6,255.77	26,238.89	22,702.26
	(b) Other operating income	13.87	8.35	44.77	46.70	65.59
	Total income from operations	7,082.79	6,426.23	6,300.54	26,285.59	22,767.86
2	Expenses					
	(a) Sub-contracting expenses	3,797.68	3,508.14	3,229.17	14,064.96	11,983.46
	(b) Employee benefits expense	69.95	77.30	79.98	311.22	308.53
	(c) Finance Cost	6,394.42	6,159.18	6,119.92	25,450.14	23,299.48
	(c) Depreciation and amortisation expense	1,723.43	933.24	1,074.67	4,517.42	3,482.20
	(d) Other expenses	489.87	336.86	381.92	1,448.30	1,146.47
	Total expenses	12,475.35	11,014.72	10,885.65	45,792.04	40,220.14
3	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (1 ± 2)	(5,392.55)	(4,588.48)	(4,585.10)	(19,506.45)	(17,452.29)
4	Exceptional items	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3 ± 4)	(5,392.55)	(4,588.48)	(4,585.10)	(19,506.45)	(17,452.29)
6	Tax expense / (credit)	-	-	-	-	-
7	Net Profit / (Loss) from ordinary activities after tax (5 ± 6)	(5,392.55)	(4,588.48)	(4,585.10)	(19,506.45)	(17,452.29)
8	Other Comprehensive Income/ (expenses) (net of tax)	2.15	5.45	(1.38)	7.79	(0.20)
9	Total Comprehensive income for the period (7 + 8)	(5,390.41)	(4,583.03)	(4,586.48)	(19,498.66)	(17,452.49)

Notes

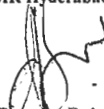
- The Financial results for the Quarter & Year ended March 31, 2018 has been reviewed and approved by the Audit Committee and the Board of Directors at their meeting conducted on April 25, 2018.
- The financial results shown above have been prepared solely to enable GMR Infrastructure Limited to prepare consolidated financial results for the three months period ended March 31, 2018 for filing with the stock exchange(s) in India as per the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and their auditors in their review of such consolidated financial results and not to report to GMR Hyderabad Vijayawada Expressways Private Limited, as a separate entity.
- Figures pertaining to previous quarter / year have been regrouped, reclassified and rearranged, wherever necessary, to conform to the classification adopted in the current quarter / year.

In terms of our report attached
For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N


Naresh Agrawal
Partner
(M.No.504922)

Place: New Delhi
Date: 25.04.2018

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited


O Bangaru Raju
Chairman
DIN:00082228


Brajesh Kumar Tiwary
Chief Financial Officer


Arun Kumar Sharma
Director
DIN:02281905


Sweta Mahajan
Company Secretary



GMR Hyderabad Vijayawada Expressways Private Limited

U45201KA2009PTC050109

Statement of standalone assets and liabilities as at March 31, 2018		
Particulars	Amount in INR Lakhs	
	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	123.64	92.08
Other intangible assets	209,003.77	214,437.17
Financial assets		
Others	73.43	73.13
Other non-current assets	16.00	86.00
	209,216.84	214,688.38
b) Current assets		
Inventories	57.00	77.37
Financial assets		
Loans and advances	4.03	1.28
Cash and cash equivalents	1,406.56	1,343.23
Other financial assets	2,266.23	1,568.06
Current tax assets (net)	5.00	31.83
Other current assets	331.52	548.43
	4,070.35	3,570.21
TOTAL ASSETS (a+b)	213,287.19	218,258.59
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	500.00	500.00
Other equity	(34,452.85)	(15,117.66)
Total equity	(33,952.85)	(14,617.66)
b) Non-current liabilities		
Financial liabilities		
Borrowings	188,389.70	189,113.46
Provisions	23.29	12,164.75
	188,412.99	201,278.21
c) Current liabilities		
Financial liabilities		
Trade payables	32,652.91	19,876.01
Other financial liabilities	9,389.84	11,204.36
Other current liabilities	396.18	447.04
Provisions	16,388.13	70.64
	58,827.05	31,598.04
TOTAL EQUITY AND LIABILITIES (a+b+c)	213,287.19	218,258.59

In terms of our report attached
For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N



Naresh Agrawal
Partner
(M.No.504922)




Place: New Delhi
Date: 25.04.2018

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited


O Bangaru Raju
Chairman
DIN:00082228


Arun Kumar Sharma
Director
DIN.02281905


Brajesh Kumar Tiwary
Chief Financial Officer


Shweta Mahajan
Company Secretary

