GMR Tambaram Tindivanam Expressways Limited
(Formerly known as GMR Tambaram Tindivanam Expressways Private Limited)
CIN U45203KA2001PLCO49329

Financials for the year ended 31 March 2018

INDEPENDENT AUDITOR'S REPORT

To the members of GMR TambaramTindivanamExpressways Limited

Report on theInd AS Financial Statements

Wehave audited the accompanying Ind ASfinancial statements of**GMR TambaramTindivanam ExpresswaysLimited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss,(including the statement of Other Comprehensive Loss), the Cash Flow Statementand the Statement of Changes in Equity for the year then ended, and a summaryof significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of theCompanies Act, 2013 ("the Act")with respect to the preparation of these accompanying Ind AS financialstatements that give a true and fair view of the financial position,financial performanceincluding other comprehensive income / loss, cash flows and changes in equity of the Company in accordancewith accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)specified under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015.

Thisresponsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguardingof 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 the design, implementation and maintenanceof adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation ofthe Ind AS financial statements that give a true and fair view and are freefrom material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these accompanying Ind AS financialstatements based on our audit.In conducting 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 and Order issued under section 143(11) of the Act.

We conducted our audit of the accompanying Ind AS financial statements inaccordance with the Standards on Auditing, issued by the Instituteof Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require thatwe comply with ethical requirements and plan and perform theaudit to obtain reasonable assurance about whether theInd AS financialstatements are free from material misstatement.

An audit involves performing procedures to obtain audit evidenceabout the amounts and 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 ofthe Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controlrelevant to the Company's preparation of theInd AS financial statements that give a true and fair view in order to design audit procedures that areappropriate in the circumstances.An audit also includes evaluatingthe appropriateness of the accounting policies used and thereasonableness of the accounting estimates made bythe Company's Directors, as well as evaluating the overall presentation of theInd AS financial statements.

We believe that the audit evidence we haveobtained is sufficient and appropriate to provide a basis for ouraudit opinion on the accompanying Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according tothe explanations given to us, the accompanyingInd AS financial statements give theinformation required by the Actin the manner so required and givea true and fair view in conformity with the accounting principlesgenerally accepted in India including the Ind AS, of the state of affairs (financial position) of theCompany as at March 31, 2018, its **Profit** (financial performance including other comprehensive loss), its cash flows and the changes in equity forthe year ended on that date.

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 Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(a) We have sought and obtained all the information and explanationswhich to the best of our knowledge and belief werenecessary for the purpose of our audit;

(b) In our opinion, proper books of accounts as required bylaw have been kept by the Company so far as it appearsfrom our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss,,(including the statement of Other Comprehensive Loss), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are inagreement with the books of account.

(d) In our opinion, the accompanyingInd AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

(e) On the basis of written representations received fromthe directors as on March 31, 2018, and taken on recordby the Board of Directors, none of the directors isdisqualified as on March 31, 2018, from being appointedas 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" to this report;

(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 does not have any pending litigations which would impact its financial position in its Ind AS financial position.**Refer Note no 34** to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.**Refer Note no 35** to the financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : New Delhi
Date : 26th April, 2018.

For B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of**GMR TambaramTidnivanam Expressways Limited**on the accompanying IND AS financial statements for the year ended 31st March 2018, we report that:

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

(b) We are informed that the management has physically verified the fixed assets of the company at reasonable intervals and no discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) We are informed that the management has physically verified the inventory at reasonable intervals and the discrepancies if any noticed have been properly dealt with in the books of account.

(iii) The company has granted loans, secured or unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013.

(a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;

(b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;

(c) There is no overdue amount for more than ninety days.

(iv) In respect of loans, guarantees, and security,the company has complied the provisions of sec 185 of the companies act 2013 wherever applicable.The provisions of sec 186 are not applicable to the company as it is engaged in providing infrastructure facilities (construction of highways).

(v) The company has not accepted deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.

(vi) In our opinion, the prescribed accounts and records have been made and maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, related to construction of Highways.

(vii) (a) As per 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,goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory duesapplicable to it with the appropriate authorities and there were no undisputed amounts payable which were outstanding as on 31.03.2018 for a period of more than six months from the date on which they became due.

(b) No dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

(viii) As per the information and explanations given to us and on our examination of records, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders as at 31.03.2018.

(ix) In our opinion and according to the information and explanations given to us and on our examination of the records of the company, there are no fresh monies raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review.

(x) According to the information and explanations given to us no fraud by the company or no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on our examination of records of the Company, the managerial remuneration has been paid or provided in accordance with the provisionsof Section197read with Schedule V to the Companies Act..

(xii) The Company is not a Nidhi Company hence reporting under this clause is not applicable.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

(xiv) According to the information and explanations given to us and on our examination of records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and the provisions of section 42 of companies act 2013 are not applicable.

(xv) According to the information and explanations given to us and on our examination of records, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734

Place : New Delhi
Date :26th April, 2018.

Annexure B to Auditors' Report of even date

Report on the Internal Controls on 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 TambaramTindivanam Expressways Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the accompanying 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

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 31 March 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 : 26th April, 2018.

For B. PURUSHOTTAM & CO
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A, North Boag Road, T Nagar, Chennai 600 017

Auditor's Report on Quarterly and Year to Date Ind AS Financial Results of GMR Tambaram Tindivanam Expressways Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
GMR TambaramTindivanam Expressways Limited

1. We have audited the accompanying statement of Ind AS financial results of **GMR Tambaram Tindivanam Expressways Limited** ('the Company') for the quarter and year ended March 31, 2018,attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly Ind AS financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The Ind AS financial results for the quarter and year ended March 31, 2018have been prepared on the basis of the Ind AS financial results for the nine-month period ended December 31, 2017, the audited annual Ind AS financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016,which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company.Our responsibility is to express an opinion on these Ind AS financial results based on our review of the Ind AS financial results for the quarter and year endedMarch 31, 2018 which were prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under Section 133 of the Companies Act 2013,read with relevant rules issued thereunder and other accounting principles generally accepted in India; ouraudit of the annual Ind AS financial statements as at and for the year ended March 31, 2018and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanationsgiven to us,these quarterly and year to date Ind AS financial results:

   i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and

   ii. give a true and fair view of the net profitand other financial information for the quarter and the year ended March 31, 2018.

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2018represent the derived figures between the audited figures in respect of the financial year ended March 31, 2018and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

5. This report is furnished solely to enable GMR Infrastructure Limited (GIL) to prepare consolidated financial results for the quarter and year ended March 31, 2018 for submission to the Board of Directors of GIL in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016and their auditors in their audit of such consolidated financial results.

Accordingly, this report is not for the use or benefit of any other party nor is it to be copied, made available to or otherwise disclosed to any other party and, we do not accept or assume any liability or duty of care to any other person to whomthis report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

Place: New Delhi

Date: 26th April, 2018.

K.V.N.S. KISHORE
Partner
M. No. 206734

GMR Tambaram Tindivanam Expressways Limited
(CIN U45203KA2001PLC049329)

Balance Sheet as at March 31, 2018 **Amount in INR**

	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	528,595	811,649
(b) Investment property	4	229,150	229,150
(c) Financial Assets			
(i) Investments	5	452,314,366	567,638,129
(ii) Loans	6 (i)	2,008,500,000	1,852,288,980
(iii) Other Financial Assets	7 (i)	470,114,574	722,930,306
(e) Non Current Tax Assets (Net)	9.2	13,242,413	9,413,709
(f) Other Non Current Assets	10 (i)	3,055,571	3,145,571
Total Non-Current Assets		**2,947,984,669**	**3,156,457,494**
Current Assets			
(a) Inventories	11	11,272,787	5,377,729
(b) Financial Assets			
(i) Cash & Cash Equivalents	8	31,603,576	92,219,177
(ii) Bank Balance Other than Cash & Cash Equivalents	8	146,097,708	156,215,949
(iii) Loans	6 (ii)	665,846,031	597,645,409
(iv) Other Financial Assets	7 (ii)	791,278,288	585,387,469
(c) Current Tax Asset	9.2	53,337,991	41,121,238
(d) Other Current Assets	10 (ii)	23,846,382	25,870,758
Total Current Assets		**1,723,282,762**	**1,503,837,729**
TOTAL ASSETS		**4,671,267,431**	**4,660,295,223**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	10,000,000	10,000,000
(b) Other Equity	13	2,164,714,066	2,075,296,959
Total Equity		**2,174,714,066**	**2,085,296,959**
Liabilities			
Non-Current Liablities			
(a) Financial Liabilities			
(i) Borrowings	14	1,008,298,697	1,320,303,142
(b) Provisions	18 (i)	674,560,075	404,347,548
(c) Deferred Tax Liablities (Net)	19	0	35,151,724
Total Non-Current Liablities		**1,682,858,772**	**1,759,802,414**

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A, North Boag Road, T. Nagar, Chennai 600 017

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

(CIN U45203KA2001PLCO49329)

Balance Sheet as at March 31, 2018 **Amount in INR**

	Note	As At March 31, 2018	As At March 31, 2017
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	15	16,022,571	18,756,258
(ii) Other Financial Liabilities	16	494,086,007	448,303,510
(b) Other current liabilities	17	5,101,663	3,037,524
(c) Provisions	18 (i)	231,779,853	291,611,966
(d) Current Tax Liabilities (Net)	20	66,704,499	53,486,592
Total Current Liabilities		**813,694,593**	**815,195,850**
TOTAL EQUITY AND LIABILITIES		**4,671,267,431**	**4,660,295,223**
Notes forming part of the financial statements	1-47		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **B. Purushottam & CO.**
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
Partner
Membership no.: 206734

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

Place: New Delhi
Date: 26 Apr 2018

For and on behalf of
GMR Tambaram Tindivanam Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

O.Bangaru Raju
Managing Director
DIN: 00082228

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

(CIN U45203KA2001PLCO49329)

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

	Note	Year ended March 31, 2018	Year ended March 31, 2017
Revenue			
Revenue from Operation	21	535,021,684	538,795,056
Other Income	22	331,486,965	347,325,340
Total Income		**866,508,649**	**886,120,396**
Expenses			
Operating expenses	23	280,543,769	252,391,911
Employee benefits expense	24	56,605,999	45,522,986
Finance costs	25	222,063,210	222,078,045
Depreciation and amortization expense	26	281,557	446,834
Other expenses	27	96,456,784	112,896,599
Total Expenses		**655,951,320**	**633,336,376**
Profit for the year before exceptional items and taxation		**210,557,329**	**252,784,020**
Profit for the year before taxation		**210,557,329**	**252,784,020**
Tax Expense:			
(1) Current Tax		54,339,145	47,016,498
(2) Deferred Tax		2,089,465	(3,793,097)
(3) Tax adjustments of prior years		-	(10,986,446)
		56,428,610	**32,236,955**
Profit for the year after tax		154,128,718	220,547,065
Other Comprehensive Income			
Actuarial gain/(loss) in respect of defined benefit plan		(263,826)	(1,161,333)
		(263,826)	**(1,161,333)**
Total comprehensive Income for the period		**153,864,892**	**219,385,732**
Earning per Equity Share (FV of Rs. 10 each):			
- Basic & Diluted	29	153.86	219.39
Notes forming part of the financial statements	1-47		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For B. Purushottam & CO.
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
Partner
Membership no.: 206734

Place: New Delhi
Date: 26 Apr 2018

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

For and on behalf of
GMR Tambaram Tindivanam Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

O. Bangaru Raju
Managing Director
DIN: 00082228

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited
(CIN U45203KA2001PLC049329)

Cash Flow Statement for the Year ended March 31, 2018

	Year ended March 31, 2018 Amount in INR	Year ended March 31, 2017 Amount in INR
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	210,557,329	252,784,020
Adjustments For :		
Depreciation and Amortisation	281,557	446,834
Fixed asset written off	1,496	-
Interest and Finance Charges	222,063,210	222,078,045
Remeasurements of the defined benefit plans	(263,826)	(1,161,333)
Overlay Expenses	223,352,130	201,795,326
Interest Income on Bank deposit and others	(322,473,080)	(327,436,415)
	333,518,816	348,506,478
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Other Financial Assets and other non Current Assets	90,000	-
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	(73,675,481)	54,972,901
Increase / (Decrease) in Trade Payables	(2,733,687)	8,379,160
Increase / (Decrease) in Other Financial Liablities	4,455,779	(59,062,361)
Increase / (Decrease) in Provision	(56,144,384)	(147,897,185)
Increase / (Decrease) in Other Current Liablities and Retention Money	2,064,139	(9,333,225)
Cash From/(Used in) Operating activities	**207,575,183**	**195,565,768**
Tax (Paid)/Refund	(57,166,695)	(30,037,992)
Net Cash From/(Used in) Operating activities	**150,408,488**	**165,527,776**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Decrease / (Increase) in Receivable under SCA	284,250,653	279,046,692
Interest Income on Bank deposit and others	44,353,544	42,434,427
Decrease/(Increase) in Other Bank Balance	10,118,242	2,080,362
Cash From/(Used in) Investing Activities	**338,722,439**	**323,561,480**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid on Rupee Term Loan	(95,174,914)	(131,849,279)
Other Interest and Finance Charges Paid	(39,571,614)	(25,598,845)
Repayment of Rupee Term Loan	(415,000,000)	(387,000,000)
Cash From/(Used in) Financing Activities	**(549,746,528)**	**(544,448,124)**
Net Increase /Decrese in Cash and Cash Equivalents	(60,615,601)	(55,358,868)
Cash and Cash Equivalents as at beginning of the year	92,219,177	147,578,045
Cash and Cash Equivalents as at end of the year	**31,603,576**	**92,219,177**
Components of Cash and Cash Equivelants as at:		
Cash in hand	3,331	15
Balances with the scheduled banks:		
- In Current accounts	22,949,360	2,735,923
Balances in Deposit due within 3 months	8,650,884	89,483,239
	31,603,576	92,219,177

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A ... Road ... Nagar, Chennai 600 017

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

(CIN U45203KA2001PLCO49329)

Cash Flow Statement for the Year ended March 31, 2018

Note: - 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 1, 2017	Cash Flow	Non Cash Changes Fair Value Changes	March 31, 2018
Long Term External Borrowing		1,297,014,747	(415,000,000)	175,667	882,190,414
Related Parties Borrowing		438,112,622	-	122,887,378	561,000,000
Short term borrowings from External		-	-		-

As per our report of even date
For B. Purushottam & CO.
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
Partner
Membership no.: 206734

Place: New Delhi
Date: 26 Apr 2018

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017. CHARTERED ACCOUNTANTS

For and on behalf of
GMR Tambaram Tindivanam Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

O.Bangaru Raju
Managing Director
DIN: 00082228

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited
(CIN U45203KA2001PLCO49329)

Amount in Rs.

Statement of Standalone Audited Results for Quarter and year ended March 31, 2018

	Particulars	Quarter ended			Year ended	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	(Refer Notes Below)	(Refer Note 1)	Unaudited	(Refer Note 1)	Audited	Audited
1	**Income**					
	a) Income from operations					
	(i) Sales/income from operations	135,042,075	139,544,758	154,002,138	535,021,684	538,795,056
	(ii) Other operating income	-	-	-	-	-
	b) Other income	88,453,103	59,013,166	98,098,807	331,486,965	347,325,340
	Total income	**223,495,178**	**198,557,924**	**252,100,945**	**866,508,649**	**886,120,396**
2	**Expenses**					
	(a) Sub-contracting expesnes	69,338,346	71,121,456	66,828,156	280,543,769	252,391,911
	(b) Employee benefits expense	17,983,855	15,315,467	13,035,444	56,605,999	45,522,986
	(c) Depreciation and amortisation expense	63,142	64,847	109,526	281,557	446,834
	(d) Finance costs	54,811,194	56,894,048	51,784,813	222,063,210	222,078,045
	(f) Other expenses	21,814,093	28,240,558	47,392,695	96,456,784	112,896,599
	Total expenses	**164,010,630**	**171,636,376**	**179,150,634**	**655,951,320**	**633,336,376**
3	**Profit/(loss) before exceptional items and tax expense from operations (1-2)**	**59,484,548**	**26,921,548**	**72,950,311**	**210,557,329**	**252,784,020**
4	Exceptional items	-	-	-	-	-
5	**Profit/(loss) from operations before tax expenses (3 ± 4)**	**59,484,548**	**26,921,548**	**72,950,311**	**210,557,329**	**252,784,020**
6	Tax expense / (credit)	**16,695,781**	**51,719,258**	**(859,253)**	**56,428,610**	**32,236,955**
	(a) Current tax	16,695,781	14,478,068	13,920,290	54,339,145	47,016,498
	(b) Deferred tax	-	37,241,190	(3,793,097)	2,089,465	(3,793,097)
	(c) Tax adjustments of prior years	-	-	(10,986,446)	-	(10,986,446)
7	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	**42,788,767**	**(24,797,710)**	**73,809,565**	**154,128,718**	**220,547,065**
8	Other Comprehensive Income/ (expenses) (net of tax)	195,347	(354,794)	(1,929)	(263,826)	(1,161,333)
9	**Total Income Including Comprehensive income for the period (11 + 12)**	**42,984,114**	**(25,152,504)**	**73,807,636**	**153,864,892**	**219,385,732**
	Earning per Equity Share:					
	- Basic & Diluted	42.98	(25.15)	73.81	153.86	219.39

Note 1 -
The figures of the last quarter of current and previous years are the balancing figures between the audited figures in respect of the full financials year and the published unaudited year to date figures for nine months ended for the respective years.

As per our report of even date
For B. Purushottam & CO.
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
Partner
Membership no.: 206734

Place: New Delhi
Date: 26 Apr 2018

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B. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited
(CIN U45203KA2001PLCO49329)

Statement of standalone assets and liabilities

Amount in Rs.

Particulars	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	528,595	811,649
Investment property	229,150	229,150
Financial assets		
Investments	452,314,366	567,638,129
Loans and advances	2,008,500,000	1,852,288,980
Others	470,114,574	722,930,306
Non Current tax assets (net)	13,242,413	9,413,709
Deferred tax assets (net)	-	-
Other non-current assets	3,055,571	3,145,571
	2,947,984,669	**3,156,457,494**
b) Current assets		
Inventories	11,272,787	5,377,729
Financial assets		
Loans and advances	665,846,031	597,645,409
Cash and cash equivalents	31,603,576	92,219,177
Bank Balance Other than Cash & Cash Equivalents	146,097,708	156,215,949
Other financial assets	791,278,288	585,387,469
Current tax assets (net)	53,337,991	41,121,238
Other current assets	23,846,382	25,870,758
	1,723,282,762	1,503,837,729
TOTAL ASSETS (a+b)	**4,671,267,431**	**4,660,295,223**
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	10,000,000	10,000,000
Other equity	2,164,714,066	2,075,296,959
Total equity	**2,174,714,066**	**2,085,296,959**
b) Non-current liabilities		
Financial liabilities		
Borrowings	1,008,298,697	1,320,303,142
Provisions	674,560,075	404,347,548
Other non-current liabilities	0	35,151,724
	1,682,858,772	**1,759,802,414**
c) Current liabilities		
Financial liabilities		
Trade payables	16,022,571	18,756,258
Other financial liabilities	494,086,007	448,303,510
Other current liabilities	5,101,663	3,037,524
Provisions	231,779,853	291,611,966
Current tax liabilities (net)	66,704,499	53,486,592
	813,694,593	**815,195,850**
TOTAL EQUITY AND LIABILITIES (a+b+c)	**4,671,267,431**	**4,660,295,223**

As per our report of even date
For B. Purushottam & CO.
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
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Membership no.: 206734

Place: New Delhi
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GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

(CIN U45203KA2001PLCO49329)

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

A. Equity Share Capital — **Amount in INR.**

	Share capital Rs.
As at March 31,2016	**10,000,000**
Share Capital Issued during the year	-
As at March 31, 2017	**10,000,000**
Share Capital Issued during the year	-
As at March 31, 2018	**10,000,000**

B. Other Equity — **Amount in INR.**

	Equity component of financial instrument-Related Party Loan Rs.	Retained Earning Rs.	Other Comprehensive Income Rs.	Equity Rs.
As at March 31,2016	**283,048,759**	**1,570,142,220**	**(531,433)**	**1,852,659,546**
Net Profit/(Loss)	-	220,547,065	-	220,547,065
Additional Equity Pertains to Related party Loan	3,251,681			3,251,681
Actuarial gain/(loss) in respect of defined benefit plan	-	-	(1,161,333)	(1,161,333)
As at March 31,2017	**286,300,440**	**1,790,689,285**	**(1,692,766)**	**2,075,296,959**
Net Profit/(Loss)	-	154,128,718	-	154,128,718
Additional Equity Pertains to Related party Loan	(62,937,071)			(62,937,071)
Regrouping of Equity component with Reserve & Surplus (Reversal of Equity Portion of Loan to Related Parties)		(1,510,715)		(1,510,715)
Actuarial gain/(loss) in respect of defined benefit plan	-	-	(263,826)	(263,826)
As at March 31, 2018	**223,363,369**	**1,943,307,288**	**(1,956,592)**	**2,164,714,066**

As per our report of even date
For B. Purushottam & CO.
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Firm registration number: 002808S

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GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

(CIN U45203KA2001PLCO49329)

Notes Forming Part of Financial Statements For the Year Ended March 31, 2018

1 Corporate information

GMR Tambaram Tindivanam Expressways Limited(the Company) engaged in development of highways on build, operate and transfer model on annuity basis. This entity is a Special Purpose Vehicle which has entered into a Concession Agreement with National Highways Authority of India for carrying out the project of Design, Construction, Development, Improvement, Operation and Maintenance including strengthening and widening ofthe existing 2 lanes from KM 67 to KM 121to 4 lane dual carriageway and strengthening thereof with private sector participation on build, operate and transfer (BOT) basis.

The Company is public limited company incorporated and domiciled in India and has its registered office at Bangalore, Karnatka. The Company has principal place of business at Chengalpattu, Tamil Nadu .

The Company's Holding Company is GMR Highways Limited while ultimate Holding Company is GMR Infrastructure Limited/GMR Enterprises Private Limited.

2 Significant accounting policies

The significant accounting policies applied by the company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

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. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

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:

B. PURUSHOTTAM & CO. 23/A North Boag Road, T Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

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

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Ind AS 18 Revenue.
The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 11 'Construction Contracts'.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the [Consolidated] Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the
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
(b) the cost of the item can be measured reliably.

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.

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
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 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.

g) Financial Assets - Receivable towards the concession arrangement from the grantor

When the arrangement has a contractual right to receive cash or other financial asset from the grantor specifically towards the concession arrangement (in the form of grants) during the construction period or otherwise, such a right, to the extent eligible, is recorded as financial asset in accordance with Ind AS 109 "Financial Instruments," at amortized cost.

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GMR Tambaram Tindivanam Expressways Limited

h) 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.

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.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax 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.

i) Borrowing costs

Borrowing Cost includes interest and amortization of anciliary 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.

j) Inventories

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

Net reatizable 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.

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k) 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.d 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 certainity that the Company will obtain ownershp by the end of the lease term shall generally be classified as finance leases. The minimum lease pyayments include upfront premium paid plus any annual recurring lease rental which is amortized over the lease term.

l) 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 orcashgenerating 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 Property, Plant and Equipment, 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 reversai 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 revaiued amount, in which case the reversal is treated as a revaluation increase.

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GMR Tambaram Tindivanam Expressways Limited

m) 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 only disclosed when it is proable 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.

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n) 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 forsservices 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 witl 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.

o) 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.

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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
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.

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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 recieved.

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.

p) 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.

q) Earning per share

Basic Earnings Per Share is caiculated 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.

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T. Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

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Notes forming part of Financial Statements for the Year ended March 31, 2018

3. Property, Plant and Equipement

Amount in INR.

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2017	Additions	Deductions	As At 31-03-2018	As At 1-4-2017	For the period	Deductions	As At 31-03-2018	As At 31-03-2018	As At 31-03-2017
1	Computers	1,861	-	-	1,861	1,850	-	-	1,850	11	11
2	Office Equipments	301,205	-	(17,490)	283,715	296,773	2,600	(16,004)	283,370	345	4,432
3	Vehicles	1,689,773	-	-	1,689,773	882,583	278,957	-	1,161,539	528,234	807,191
4	Furniture & Fixtures	5,338	-	(4,250)	1,088	5,323	-	(4,240)	1,083	5	15
	Total	**1,998,177**	**-**	**(21,740)**	**1,976,437**	**1,186,529**	**281,557**	**(20,244)**	**1,447,842**	**528,595**	**811,649**

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2016	Additions	Deductions	As At 31-03-2017	As At 1-4-2016	For the period	Deductions	As At 31-03-2017	As At 31-03-2017	As At 31-03-2016
1	Computers	1,861	-	-	1,861	1,850	-	-	1,850	11	11
2	Office Equipments	301,205	-	-	301,205	291,230	5,543	-	296,773	4,432	9,975
3	Vehicles	1,689,773	-	-	1,689,773	441,291	441,291	-	882,583	807,191	1,248,482
4	Furniture & Fixtures	5,338	-	-	5,338	5,323	-	-	5,323	15	15
	Total	**1,998,177**	**-**	**-**	**1,998,177**	**739,694**	**446,834**	**-**	**1,186,529**	**811,649**	**1,258,483**

B PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A, Bhagat Nagar, Chennai 600 017

GMR Tambaram Tindivanam Expressways Limited

4. Investment property

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
Land	229,150	229,150
	229,150	**229,150**

Note:- For investment property existing as at April 01, 2015, (i.e. its date of transition to Ind AS), the Company has considered the carrying amount as per the previous GAAP as deemed cost.
Investment property represents 1885.85 smt. of land held by the Company on Mouje Dudhai, Dist-Mehsana. Which fair value as on Mar.18 is Rs. 26,40,000.

5. Non Current Investment

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
Investment in preference shares issued to related parties	452,314,366	408,659,300
Investments in Equity (Equity component of Loan given)	-	158,978,829
	452,314,366	**567,638,129**

The Company had subscribed 6,848,900 8% redeemable non-cumulative non-convertible preference shares of Rs. 100 each fully paid up in GMR Ambala Chandigarh Expressway Private Limited. Preference Shares are redeemable at par on May 1,2022. However the company reserves the right to all for buy-out of the Preference shares by the promoters of the issure Company or redemption of the preference shares by the issuer company at any time after the expiry of 6 months from the date of allotment by giving one month notice.

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

6. Loans (Unsecured, Considered Good)

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
(i) Non Current		
Loans and advance to related parties	2,008,500,000	1,851,031,886
Other Advances	-	1,257,094
	2,008,500,000	**1,852,288,980**
(ii) Current		
Loans and advance to related parties	623,760,000	568,460,000
Loan to employees	29,000	48,151
Other Advances	42,057,031	29,137,257
	665,846,031	**597,645,409**

B. PURUSHOTTAM & CO. 23/A North Boag Road T.Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

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Loans to group Company (unsecured) includes

i). An Unsecured loan of Rs. 200,85,00,000 (on Mar.17 - Rs. 200,85,00,000/-) bearing interest rate of 11% pa to GMR Krishnagiri SEZ Limited and shall be receivable after 3 year from the date of agreement.

ii). An Unsecured loan of Rs. 32,75,60,000/- bearing interest rate of 6% pa to Dhurvi Securities Private Limited and shall be receivable on demand.

iii).An Unsecured loan of Rs. 5,30,00,000/- bearing interest rate of 8.50% pa to GMR Ambala Chandigarh Expressway Limited and shall be receivable on demand.

iv).An Unsecured loan of Rs. 18,79,00,000/- bearing interest rate of 9% pa to GMR Ambala Chandigarh Expressway Limited and shall be receivable on demand.

v).An Unsecured loan of Rs. 5,53,00,000/- bearing interest rate of 10% pa to GMR Infrastructure Limited and shall be receivable after 1 year from the date of agreement.

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

7. Other Financial Assets

Amount in INR.

Particulars	**As At March 31, 2018**	**As At March 31, 2017**
(i) Non Current		
Receivable under SCA	470,049,574	722,865,306
Security deposit	65,000	65,000
	470,114,574	**722,930,306**
(ii) Current		
Receivable under SCA	262,459,170	293,894,091
Interest accrued on fixed deposits	785,044	1,994,342
Interest accrued but not due on loan to group companies	514,430,967	278,709,404
Security Deposit	10,018,632	10,018,632
Insurance Claim receivable	267,364	771,000
Non Trade Receivable	3,317,111	-
	791,278,288	**585,387,469**

8. Cash and cash equivalents

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
Balances with Bank in Current A/cs	22,949,360	2,735,923
Deposits with less than 3 months	8,650,884	89,483,239
Cash in Hand	3,331	15
Other Bank balances		
Margin money deposit/Others*	146,097,708	156,215,949
Deposits with more than3 months maturity but less than 12 months	-	-
	177,701,284	**248,435,127**

***Note: Fixed Deposit of Rs 10,50,00,000 held with Central Bank of India are under lien to CBI towards Bank Guarantee of Rs. 105,00,00,000 obtained by the Company.Further, Fixed deposit held with IDBI to the extent of Rs. 41,097,707 are under lien to IDBI Bank towards Overdraft facility made available to GMR Highways Limited**

Breakup of financial assets

Amount in INR.

	As At March 31, 2018	As At March 31, 2017
At amortised cost		
Investment in Preference Share of Fellow Subsidiary	452,314,366	408,659,300
Investments in Equity (Equity component of Loan given)	-	158,978,829
Loan to Related parties (inclusing Interest)	3,146,690,967	2,698,201,289
Loan to Employee and other advances	42,086,031	30,442,503
Receivable under SCA	732,508,744	1,016,759,397
Cash & Cash Equivalent	177,701,284	248,435,127
Security Deposit	10,083,632	10,083,632
Interest accrued on fixed deposits	785,044	1,994,342
Insurance Claim receivable	267,364	771,000
Non Trade Receivable	3,317,111	-
Total	**4,565,754,543**	**4,574,325,418**

9.1 . Deferred Tax Assets (Net)

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
Deferred Tax Assets	-	-
	-	-

9.2 . Income Tax

Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
-Non Current		
Advance income tax (net of provision for current tax)	13,242,413	9,413,709
	13,242,413	**9,413,709**
-Current Tax		
Advance income tax	53,337,991	41,121,238
	53,337,991	**41,121,238**

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

10. Other Current Assets Amount in INR.

	Particulars	As At March 31, 2018	As At March 31, 2017
(i)	**Non Current Assets (Considered Good)**		
	Balances with statutory / government authorities	2,845,571	2,845,571
	Rental Deposit	210,000	300,000
		3,055,571	**3,145,571**
(ii)	**Other Current Assets (Considered Good)**		
	Prepaid expenses	23,269,517	22,365,521
	Advances to employees against expeneses	576,865	3,505,237
		23,846,382	**25,870,758**

11. Inventories Amount in INR.

Particulars	As At March 31, 2018	As At March 31, 2017
Stores & Spares	11,272,787	5,377,729
	11,272,787	**5,377,729**

B. PURUSHOTTAM & CO. 23/A North Boag Road, T Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

GMR Chennai Tindivanam Expressways Limited

12. Share capital

Amount in INR.

	As At March 31, 2018	As At March 31, 2017
Authorised		
(i) 10,00,000 equity shares of Rs. 10 each fully paid up (March 31, 2017: 10,00,000 equity shares of Rs. 10 each)	10,000,000	10,000,000
(ii) 107,00,000 Preference Shares of Rs. 100 each (March 31, 2017: 107,00,000 preference shares of Rs. 100 each)	1,070,000,000	1,070,000,000
	1,080,000,000	**1,080,000,000**
Issued, Subscribed & Paid-Up		
(i) 10,00,000 equity shares of Rs. 10 each fully paid up (March 31, 2017: 10,00,000 equity shares of Rs. 10 each)	10,000,000	10,000,000
	10,000,000	**10,000,000**

(ii) Reconciliation of the share outstanding at beginning and at end of the year

	As At March 31, 2018		As At March 31, 2017	
	Number	Rupees	Number	Rupees
Equity Shares				
Shares outstanding at the beginning of the year	1,000,000	10,000,000	1,000,000	10,000,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**1,000,000**	**10,000,000**	**1,000,000**	**10,000,000**

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

	As At March 31, 2018		As At March 31, 2017	
	Amount	%	Amount	%
Equity Shares of Rs.10 each fully paid				
GMR Power Corporation Limited	2,700,000	27%	2,700,000	27%
GMR Highways Limited	7,299,950	73%	7,299,950	73%

(iv **Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Equity Shares	As At March 31, 2018		As At March 31, 2017	
	Number	Rupees	Number	Rupees
GMR Power Corporation Limited 270,000 (March 2017: 2,70,000) equity shares of Rs. 10 each fully paid up	270,000	2,700,000	270,000	2,700,000
GMR Highways Limited 729,995 (March 2017 : 7,29,995) equity shares of Rs. 10 each fully paid up	729,995	7,299,950	729,995	7,299,950
GMR Pochanpalli Expressways Limited 1 (March 2017 : 1) equity share of Rs. 10 each fully paid up	1	10	1	10
GMR Chennai Outer Ring Road Private Limited. 1 (March 2017 : 1) equity share of Rs. 10 each fully paid up	1	10	1	10
GMR Highways Limited jointly with Mr. BVN Rao. 1 (March 2017 : 1) equity share of Rs. 10 each fully paid up	1	10	1	10
GMR Highways Limited jointly with Mr. O. Bangaru Raju. 1 (March 2017 : 1) equity share of Rs. 10 each fully paid up	1	10	1	10
GMR Highways Limited jointly with Mr. Govindarajulu T 1 (March 2017: 1) equity share of Rs. 10 each fully paid up	1	10	1	10

13. Other Equity

Amount in INR.

	As At March 31, 2018		As At March 31, 2017	
(i) Equity component of Loans from group companies				
Opening Balance	286,300,440		283,048,759	
Add : Adjustment for the year	(62,937,071)	223,363,369	3,251,681	286,300,440
(ii **Surplus / (Deficit) in the statement of Profit & Loss**				
Opening Balance	1,790,689,285		1,570,142,220	
Add : Profit/ (Loss) for the year	154,128,718		220,547,065	
Less : Reversal of Investments in Equity (Equity component of Loan given)	(1,510,715)			
		1,943,307,288		1,790,689,285
(iii **Other Comprehensive Income**				
Opening Balance	(1,692,766)		(531,433)	
Add : Addition during the year	(263,826)	(1,956,592)	(1,161,333)	(1,692,766)
		2,164,714,066		**2,075,296,959**

B. PURUSHOTTAM & CO. 23/A North Boag Road T Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

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14. Borrowings **Amount in INR.**

Particulars	As At March 31, 2018	As At March 31, 2017
Secured		
Term loans	447,298,697	882,190,519
Unsecured		
Loans and advance from related parties	561,000,000	438,112,622
	1,008,298,697	**1,320,303,142**

(a) Indian rupee loan from bank carries interest @ 8.25% +/- 10% spread now fixed at 9.075% pa wef May 2015. The loan is repayable in 29 unequal half yearly installments Commencing from 25-11-2005. The loan is secured by way of mortage of all the present and future immovable fixed assets of the company, hypothecation of movable fixed assets of the company and the annuity/receivables, investments made out of the balance lying in TRA, assignment of all contractor guarantee, performance bond guarantee and liquidated damages, assignment of all the rights, titles, interest in the assets of the project and all project documents, assignment of all insurance policies, pledge of 51% of equity shares, assignment of revolving LC issued by NHAI, corporate guarantee from GMR Enterprises Pvt Limited (earlier know as GMR Holdings Private Limited) to cover any short fall in the amount payable in respect of the facility in the event of termination due to any event of default other than NHAI event of default.

(b) Loans from group Company (unsecured) includes
i) Unsecured loan of Rs. 56,10,00,000/- (Previous Year - Rs 56,10,00,000/-) from GMR Highways Limited carries an interest rate of 12.25% p.a. (till 18th Oct 2017 - 1.00% p.a.) The same is repayable as mutually agreed after November 2019
Loans at concessional rate of interest 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 13)

15. Trade Payables **Amount in INR.**

Particulars	As At March 31, 2018	As At March 31, 2017
Trade Payables	16,022,571	18,756,258
	16,022,571	**18,756,258**

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

16. Other Financial Liability **Amount in INR.**

Particulars	As At March 31, 2018	As At March 31, 2017
Current maturities of long-term debt	434,891,717	414,824,227
Interest accrued but not due on borrowings	42,340,655	21,081,426
Retention Money	308,970	728,087
Non trade payables	16,544,665	11,669,769
	494,086,007	**448,303,509**

B. PURUSHOTTAM & CO. 23/A North Boag Road, T. Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

Breakup of financial liablities category wise — **Amount in INR.**

	March 31, 2018	March 31, 2017
At amortised cost		
Secured Loan from Banks	882,190,414	1,297,014,747
Loan from Related Parties (including Interest o/s)	603,340,655	459,194,049
Trade Payables	16,022,571	18,756,258
Non Trade Payables	16,544,665	11,669,769
Retention Money	308,970	728,087
	1,518,407,274	**1,787,362,909**

17. Other current liabilities — **Amount in INR.**

Particulars	As At March 31, 2018	As At March 31, 2017
Advance Received from Customer	-	-
Statutory dues payable	5,101,663	3,037,524
	5,101,663	**3,037,524**

18. Provisions — **Amount in INR.**

Particulars	As At March 31, 2018	As At March 31, 2017
(i) Non Current		
Provision for Leave Benefits	3,086,442	2,066,082
Provision for Gratuity	805,318	-
Provision for Periodic Maintenance*	670,668,315	402,281,466
	674,560,075	**404,347,548**
(ii) Current		
Provision for Leave benefits	2,637,920	2,588,073
Provision for Other Employee Benefit	6,692,636	4,056,365
Provision for Periodic Maintenance*	221,826,042	280,795,528
Provision for outstanding exps	623,255	4,172,000
	231,779,853	**291,611,966**

Provision for Periodic 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 2019-20.

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/1 North Boag Road, T. Nagar, Chennai-600 017

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited
Notes forming part of Financial Statements for the Year ended March 31, 2018

Amount in INR.

Non Current	**As At March 31, 2018**	**As At March 31, 2017**
Opening Balance	402,281,466	181,389,125
Accretion during the year	268,386,849	220,892,341
Utilised during the year	-	-
Closing Balance	**670,668,315**	**402,281,466**

Current	**As At March 31, 2018**	**As At March 31, 2017**
Opening Balance	280,795,528	431,209,208
Accretion during the year	-	-
Amount written back	-	-
Utilised during the year	58,969,486	150,413,680
Closing Balance	**221,826,042**	**280,795,528**

19. Deferred Tax Liablities (Net)

Amount in INR.

Particulars	**As At March 31, 2018**	**As At March 31, 2017**
Deferred Tax Liablities	0	35,151,724
	0	**35,151,724**

20. Current Tax Liablities

Particulars	**As At March 31, 2018**	**As At March 31, 2017**
Provision for taxation	66,704,499	53,486,592
	66,704,499	**53,486,592**

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A, North Boag Road, T Nagar, Chennai 600 017

GMR Tambaram Tindivanam Expressways Limited

GMR Tambaram Tindivanam Expressways Limited

Notes forming part of Financial Statements for the Year ended March 31, 2018

21. Revenue from operations **Amount in INR.**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Operation and Maintenance Income	477,257,417	452,053,642
Interest Income on Financial Assets	57,764,267	86,741,414
	535,021,684	**538,795,056**

22. Other income **Amount in INR.**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income on Bank Deposits	11,905,167	24,049,626
Interest Income on Inter Corporate Deposits	310,567,914	303,386,789
Interest Income on Income Tax Refund	866,691	1,803,779
Provisions no longer required, written back	-	2,272,876
Other non operating Income	8,147,193	15,812,270
	331,486,965	**347,325,340**

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GMR Tambaram Tindivanam Expressways Limited

23. Operating expenses

Amount in INR.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Periodic Maintenance Expenditure	223,352,130	201,795,326
Monthly Maintenance Expenditure	57,191,639	50,596,585
	280,543,769	**252,391,911**

24. Employee benefit expense

Amount in INR.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	49,558,093	40,289,575
Contribution to Provident Fund and other funds	3,355,507	2,836,171
Gratuity expense	1,821,022	-
Staff Welfare expenses	1,145,368	1,722,915
Recruitment Expenses	726,010	674,324
	56,605,999	**45,522,986**

25. Finance costs

Amount in INR.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest	195,372,676	195,466,838
Bank Finance Charges	26,690,534	26,611,207
	222,063,210	**222,078,045**

Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss

In relation to Rupee Term Loan classified at amortised cost	95,350,579	132,083,397
In relation to Loan from related parties classified at amortised cost	56,849,425	43,801,250
In relation to Provision for Major Maintenance classified at amortised cos	43,172,668	19,529,611
In relation to other		52,580
	195,372,673	**195,466,838**

26. Depreciation expense

Amount in INR.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant & Eqipment	281,557	446,834
	281,557	**446,834**

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GMR Tambaram Tindivanam Expressways Limited

27. Other expenses

Amount in INR.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Stores & Consumables	377,360	1,816,672
Electricity and water charges	14,324,146	13,403,848
Insurance	3,442,333	2,983,558
Repair & Maintenance	4,440,674	3,874,406
Rent	31,893,031	30,974,110
Rates and taxes	1,838,086	2,761,513
Travelling and conveyance	4,534,110	5,818,947
Communication costs	441,174	503,248
Printing and stationery	306,953	145,294
Consultancy & Professional Charges	22,950,907	19,285,683
Directors' sitting fees	298,950	333,200
Payment to auditor	1,028,250	691,250
Corporate Social Responsibity expenditure (including Donation)	5,600,000	10,000,000
Political Contributions (ie Donation to Electoral Trust)	-	11,050,000
Fixed Assets written off	1,496	-
Business Promotions	1,661,557	189,225
Books & Periodicals	42,451	17,912
Office Maintenance	2,418,797	5,784,690
Meeting & Seminar	35,704	41,430
Membership & Subscriptions	9,494	13,817
Miscellaneous expenses	811,313	3,207,797
	96,456,784	**112,896,599**

Payment to auditor

Amount in INR

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
As auditor:		
Audit fee	346,750	288,750
Fee for Tax Audit & TP Certification	60,500	115,000
Other services (certification fees)	621,000	287,500
	1,028,250	**691,250**

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS 23/A, North Boag Road, T. Nagar, Chennai 600 017

GMR Chennai Outer Ring Road / GMR Ambaram Tindivanam Expressways Limited

28. Income Tax

The Company, being Infrastructure Company, is eligible to avail of tax holiday under Sec.80 IA of the Income Tax Act, 1961, and so the management has decided to opt for tax holiday from FY 2007-08. Current period provision for Tax/MAT has been computed in accordance with the provisions of the Income Tax Act 1961 and provided in the books of account and provision of taxation does not include any tax impact on Domestic Transfer Pricing Norms if any. The Management expects that all temporary differences as well as unused tax losses will reverse in tax holiday period and accodignly has not recognised resulting deferred tax. Summary of temporary differences & unused tax losses for which deferred tax assets/liablity has not been recognized is as under:

Particulars	March 31, 2018	March 31, 2017
Unused Tax losses		
Unabrobed Depreciation		
Leave Encashment	5,724,362	4,654,155
Fixed Assets	528,595	811,649

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	210,557,329	252,784,020
Tax at the applicable tax rate	65,062,215	78,110,262
Deferred tax asset not recognised	(65,062,215)	(78,110,262)
Tax expense	-	-

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29 Earning/ (Loss) Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent 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.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit attributable to equity holders of the parent	153,864,892	219,385,732
Profit attributable to equity holders of the parent for basic earnings	153,864,892	219,385,732
Profit attributable to equity holders of the parent for diluted earnings	153,864,892	219,385,732
Weighted Average number of equity shares for computing Earning Per Share (Basic)	1,000,000	1,000,000
Weighted average number of Equity shares adjusted for the effect of dilution	1,000,000	1,000,000
Earning Per Share (Basic) (Rs)	**153.86**	**219.39**
Earning Per Share (Diluted) (Rs)	**153.86**	**219.39**
Face value per share (Rs)	10	10

30 Significant accounting judgements, estimates and assumptions

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

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

i. Impairment of investment in associate Company:

The Company has made an investment of Rs. 92,57,90,000 (March 2017 : Rs. 92,57,90,000) [including loans of Rs. 24,09,00,000 (March 2017: Rs. 24,09,00,000) and investment in equity / preference shares of Rs. 68,48,90,000 (March 2017: Rs. 68,48,90,000)] in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL'), an associate of the Company. GACEPL has been incurring losses since the commencement of commercial operations. The management belives that these losses are due to loss of revenue arising as a result of diversion of partial traffic on prallel roads. The matter is currently under arbitration however, based on management's internal assessment and a legal opinion, the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diverion of traffic and accordingly impairment on the above invetsment does not arise.

ii. Provision for overlay:

As per the terms of concession agreement, the Company is required to carry out overlay activities in 2020. 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.

31 Capital Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided, as on March 31, 2018 for Rs. NIL.(31 March 2017: Rs. NIL).

32 Contingent Liabilities

Amount in INR.

Particulars	March 31, 2018	March 31, 2017
Towards Bank Guarantee obtained by the Company from Central Bank of India	1,050,000,000	1,050,000,000
Fixed deposit held with IDBI under lien to IDBI Bank towards Overdraft facility made available to GMR Highways Limited	41,097,708	50,617,074

33 Leases

The Company has entered into certain cancellable operating lease agreements and an amount of Rs. 3,18,93,030/- (March 2017: Rs. 3,09,74,110/-) paid during the period under such agreements.

34 Litigation

The Pending Litigation as on Mar 31, 2018 is NIL. (March 31, 2017: NIL).

35 Foreseeable losses

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 (March 2017 - ` Nil)

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36 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.

37 **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.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to provident fund	2,134,091	1,790,063
Contribution to superannuation fund	1,221,416	1,046,108
	3,355,507	2,836,171

(b) Defined Benefit Plans

The Company has defined benefit plan, namely gratuity. As per scheme, an employee who has completed five years or more of service gets gratuity equivalents 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
Components of defined benefit costs recognised in profit or loss	**Rs.**	**Rs.**
Current service cost	343,704	274,645
Past Service Cost - plan amendments	1,567,368	
Interest cost on benefit obligation		
Expected return on plan assets	(90,050)	(89,630)
Total	**1,821,022**	**185,015**

Components of defined benefit costs recognised in other comprehensive income

Actuarial (gains) / loss due to DBO experience	444,620	(214,305)
Actuarial (gains) / loss due to DBO assumption changes	(102,331)	87,236
Return on Plan assets (greater)/less than discount rate	(78,463)	1,288,402
Total	**263,826**	**1,161,333**

	Year ended March 31, 2018	Year ended March 31, 2017
Benefit Asset/ (Liability)		
Defined benefit obligation	(5,319,659)	(2,863,023)
Fair value of plan assets	4,514,341	4,120,117
Benefit Asset/ (Liability)	**(805,318)**	**1,257,094**

Changes in the present value of the defined benefit obligation:

Opening defined benefit obligation	2,863,023	2,920,790
Interest cost on the DBO	203,275	209,907
Current service cost	343,704	274,645
Past Service Cost - plan amendments	1,567,368	
Benefits Paid		(459,360)
Actuarial (gain)/loss - experience	444,620	(214,305)
Actuarial (gain)/loss - demographic assumptions		
Actuarial (gain)/loss - financial assumptions	(102,331)	87,236
Acquisition adjustment		44,110
Closing defined benefit obligation	**5,319,659**	**2,863,023**

Changes in the fair value of plan assets:

Opening fair value of plan assets	4,120,117	2,571,450
Net interest on net defined benefit liabilty/ (asset)	293,325	299,537
Acquisition adjustment	-	1,224,462
Return on plan assets greater/(lesser) than discount rate	78,463	(1,288,402)
Contributions by employer	22,436	1,772,430
Benefits paid	-	(459,360)
Closing fair value of plan assets	**4,514,341**	**4,120,117**

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	Year ended March 31, 2018	Year ended March 31, 2017
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%
Withdrawal Rate	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 Rs. 22,436 (previous year Rs. 17,72,430)

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

	March 31, 2018					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(195,130)	222,003	223,546	(199,816)	12,217	(14,584)

	March 31, 2017					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(122,241)	139,819	118,681	(103,605)	3,608	(4,593)

Maturity Plan of defined benefit obligation:	**Amount in INR.**
Within 1 year	2,199,119
1-2 year	234,413
2-3 year	1,845,839
3-4 year	197,185
4-5 year	252,317
5-10 year	2,104,463

GMR Tindivanam Expressways Limited

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38 List of Related parties and Transactions / Outstanding Balances:

a) Name of Related Parties and description of relationship:

Enterprises that control the Company / excercie significant Influence	GMR Infrastructure Limited (GIL) GMR Enterprises Private Limited (GEPL) [formerly known as GMR Holding Private Limited. (GHPL)] GMR Highways Limited (GHWL)
Fellow Subsidiaries	GMR SEZ & Port Holding Private Limited. GMR Energy Limited (GEL) GMR Ambala Chandigarh Expressways Private Limited. (GACEPL) GMR Generation Assets Limited (GGAL)[formerly known as GMR Renewable Energy Limited (GREL)] GMR Chennai Outer Ring Road Pvt Ltd (GCORR) Delhi International Airport Ltd (DIAL) GMR Krishnagiri SIR Limited (formerly known as GMR Krishnagiri SEZ Limited (GKSL) GMR Kishangarh Udaipur Ahmedabad Expressways Ltd (GKUAEL) Larkspur Properties Private Limited. Lantana Properties Private Limited. GMR Aviation Private Limited. GMR Hyderabad Vijaywada Expressways Private Limited Dhruvi Securities Private Limited (DSPL) Raxa Security Services Limited (RSSL) GMR Tuni Anakapalli Expressways Limited GMR Corporate Affairs Private Limited.(GCAPL)
Enterprise where Key Management Personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF) GMR Family Fund Trust (GFFT)
Key Management Personnel	**Executive Director** Mr. O Bangaru Raju **Non Executive Director** Mr. Arun Kumar Sharma **Independent Director** Mr. Bajrang Lal Gupta Mr. Somayajulu Ayyanna Kodukula

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	Common Sharing Expense	15,276,888	13,327,045
	Short Term Loan	(14,700,000)	-
	Interest on Inter Corporate Loan given	4,908,247	-
GHWL	Interest on Sub Debt raised	56,849,425	25,728,577
	Financial Liablity portion of Sub Debt taken	97,812,531	313,185,319
	Equity portion of Sub Debt taken	(97,812,531)	101,954,681
	Monthly Maintenance	36,382,833	33,499,585
	Maintenance Fee	21,800,004	20,000,000
	Mobilisation Advance Given	60,000,000	35,049,016
	Periodic Maintenance(Provision Based)	266,524,798	221,324,938
GEPL	Logo Fees and Trade Mark	1,801,904	2,699,177
Transaction with Fellow Subsidiaries			
GEL	Interest on Sub Debt	-	17,412,999
	Financial Liablity portion of Sub Debt refund		316,464,054
	Equity portion of Sub Debt Refund	2,365,729	98,675,946
GGAL	Interest on Sub Debt	-	659,675
KSL	Interest on Inter Corporate Loan given	220,935,000	222,870,062
DSPL	Interest on Inter Corporate Deposit	19,653,600	19,659,024
RSSL	Security Service Charges	94,110	1,375,060
DIAL	Rent & Maintenance charges and electricity charges	30,711,879	28,989,248
GCAPL	Consultancy-Software AMC charges	927,852	1,436,377
GACEPL	Interest on Inter Corporate Loan	21,416,000	21,416,000
	Interest on Financial Assets portion of Preference Share Investment	43,655,067	39,441,703
Enterprise where Key Management Personnel and their relatives exercise significant influence			
GVF	Donation	5,600,000	10,000,000
GFFT	Rent	-	5,578,979

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

GMR Tambaram Tindivanam Expressways Limited

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Transaction with Key Management Personnel

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. O Bangaru Raju	6,888,600	843,960			-		
Mr. Arun Kumar Sharma					-		
Mr. B.L. Gupta					146,050		
Mr. K. A. Somayajulu					140,300		

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	Mobilization Advance-Given	-	-
	Unsecured Loan Given	55,300,000	-
	Interest Receivable on Loan Given	4,417,422	-
	Trade and Other Payables	9,813,990	7,649,884
	Subordinate Debt Payables	561,000,000	440,478,351
	Equity Portion of Subordinate Debt	73,030,682	170,843,213
	Interest Payable	28,263,153	7,003,924
	Trade and Other Payables	8,917,920	8,680,697
	Mobilisation Advance Given	41,332,723	28,570,983
GHWL	Periodic Maintenance(Provision Based)	892,494,357	683,076,993
GEPL (formerly known as GHPL)	Trade and Other Payables	1,800,295	2,698,919
Closing Balances with Fellow Subsidiaries			
	Subordinate Debt Payables	-	-
	Equity Portion of Subordinate Debt	150,332,687	152,698,416
GEL	Interest Payable	-	-
	Unsecured Loan Given	327,560,000	327,560,000
DSPL	Interest Receivable on Loan Given	242,304,039	224,615,798
	Financial Assets of Preference Share Investment	452,314,366	408,659,300
	Equity Portion of Preference Share Investment	484,236,785	484,236,785
	Unsecured Loan Given	240,900,000	240,900,000
GACEPL	Interest on Inter Corporate Loan	62,330,496	47,556,096
	Financial Assets of Loan given	2,008,500,000	1,851,031,886
	Equity Portion of Loan Given	0	
GKSL	Interest Receivable on Loan Given	205,379,010	6,537,509
	Trade and Other Payables	-	120,357
RSSL	Security/Other Deposit Recoverable	1,211,500	1,211,500
GCORR	Reimbursement of expenses Recoverable	-	-
GCAPL	Trade and Other Payables	5,130,921	5,717,105
	Trade and Other Payables	2,678,850	2,681,915
GFFT	Security/Other Deposit Recoverable	8,737,124	8,737,124
GGAL	Interest Payable	14,077,502	14,077,502
DIAL	Trade and Other Payables	185,865	15,145

Commitments with related parties: As at year end March 31, 2018, there is no commitment outstanding with any of the related partie:

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 2018, 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 Investment in Preference Share, Loan to related parties and Borrowing from related parties please refer Note no 5, 6 & 14

GMR Tambaram Tindivanam Expressways Limited

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39 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of 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, external borrowings.

Amounts in INR

Particulars	As At March 31, 2018	As At March 31, 2017
Borrowings - External	882,190,414	1,297,014,747
Borrowings- Related party	603,340,655	459,194,049
Net debts	1,485,531,069	1,756,208,795
Capital Components		
Share Capital	10,000,000	10,000,000
Other Equity	2,164,714,066	2,075,296,959
Total Capital	2,174,714,066	2,085,296,959
Capital and net debt	3,660,245,135	3,841,505,754
Gearing ratio (%)	41%	46%

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.

40 Financial Instrument by Category

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						
Investments in Equity (Equity comp of Loan given)	-			158,978,829		
Loans to group companies with accrued interest	3,146,690,967	-	-	2,698,201,289	-	-
Investment in Preference Share	452,314,366			408,659,300		
Receivable under SCA	732,508,744	-	-	1,016,759,397	-	-
Interest accrued on fixed deposit	785,044	-	-	1,994,342	-	-
Other Financial Assets	55,754,137	-	-	41,297,134	-	-
Cash and cash equivalents	177,701,284	-	-	248,435,127	-	-
Total	4,565,754,543	-	-	4,574,325,418	-	-
Liabilities						
Bank & Group Co. Borrowings (including interest)	1,485,531,069	-	-	1,756,208,795	-	-
Trade Payable	16,022,571	-	-	18,756,258	-	-
Other Financial Liability	16,853,635	-	-	12,397,856	-	-
Total	1,518,407,274	-	-	1,787,362,909	-	-

41 Fair values

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

The management assessed that cash and cash equivalents, other financial assets, borrowings, trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

Fair Value Hierarchy

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)

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	-	-	-	-

42 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 Receivable under SCA, Cash and Cash equivalents, Investment and other bank balance.

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, 201;

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.

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 37.

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	Effect on profit before tax
31-Mar-18		
INR	+50	(5,247,944)
INR	-50	5,247,944
31-Mar-17		
INR	+50	(7,264,423)
INR	-50	7,264,423

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. 456,93,98,483 and Rs. 457,43,25,419 as at March 31,2018 and March 31,2017 respectively, being the total carrying value of trade receivable, balance with bank, bank deposits, investments 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	Total
Year ended							
31-Mar-18							
Term Loan from Banks	-	435,000,000	448,000,000	-	-	-	883,000,000
Loan from Related Parties	-	-	-	561,000,000	-	-	561,000,000
Trade payables	-	16,022,571	-	-	-	-	16,022,571
Other financial liabilities	-	16,853,635	-	-	-	-	16,853,635
	-	467,876,205	448,000,000	561,000,000	-	-	1,476,876,205

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Total
Year ended							
31-Mar-17							
Term Loan from Banks	-	415,000,000	435,000,000	448,000,000	-	-	1,298,000,000
Loan from Related Parties	-	-	-	561,000,000	-	-	561,000,000
Trade payables	-	18,756,258	-	-	-	-	18,756,258
Other financial liabilities	-	12,397,856	-	-	-	-	12,397,856
	-	446,154,113	435,000,000	1,009,000,000	-	-	1,890,154,113

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.

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 granted the exclusive right and authority for investigate, study, design, engineer, procure, finance, construct, operate and maintain 4 Laning of Tambaram Tindivanam of NH 45 and widening of the existing 2 lanes from KM 67 to KM 121to 4 lane dual carriageway and strengthening thereof with private sector participation on build, operate and transfer (BOT) basis.

Concession period

The Concession period is 17 Years 6 Months commencing from the Commencement Date and ending with November 08, 201!

Annuity

NHAI Agrees and undertake to pay to the Company, on each Annuity Payment Date .i.e on May 09 and Nov 09 each year, the sum of Rs. 418.56 Million (the Annuity)

Operation and Maintenance

The Company is required to operate and maintain the Project/ Project Facilities in accordance with the O&M Requirements, by itself, or through a Contractor possessing the requisite technical, financial and managerial expertise/capability, but in either case, the Company should remain solely responsible to meet the O&M requirements.

45 Corporate Social Responsibility (CSR)

The company as per the approved policy may undertake other need based initiatives in compliance with Schedule VII to the Companies Act 2013.

During the year, the company required to spend an amount of Rs. 54,51,937 on CSR and Company spent Rs. 56,00,000 on CSR activities with the support of GMR Varalakshmi Foundation (GMRVF)

46 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 Group 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.

GMR Tambaram Tindivanam Expressways Limited

Purushottam & Co. Chartered Accountants 23/A, North Boag Road, T.Nagar, Chennai 600 017

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 anc 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.

Amendments to Ind AS 40 - Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply amendments when they become effective. However, since Company's current practice is in line with the clarifications issued, the Company does not expect any effect on its financial statements.

47 The Figures of the previous period has been regrouped/reclassified, where necessary, to confirm with the current year's classification.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B. Purushottam & CO.
Chartered Accountants
Firm registration number: 002808S

K.V.N.S. Kishore
Partner
Membership no.: 206734

Place: New Delhi
Date: 26 Apr 2018

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T.Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

For and on behalf of
GMR Tambaram Tindivanam Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

O.Bangaru Raju
Managing Director
DIN: 00082228

GMR Tambaram Tindivanam Expressways Limited