INDEPENDENT AUDITOR'S REPORT

To the members of GMR Highways Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GMR Highways Limited**(the **"Company"**), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income),Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31st March, 2019 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying Standalone IND AS financial statements for the year ended March 31, 2019.

A. We draw the attention to Note no 36 of the accompanying financial statements for the year ended March 31, 2019, relating to the investment of Rs. 274.07Crores (including loans of 77.53Crores and investment in equity/ preference shares of Rs.196.54 Crores made by the company and its subsidiaries) in GMR Ambala Chandigarh Expressways Private Limited (GACEPL) a subsidiary of the company. Though GACEPL has been incurring losses, based on the management's assessment and the legal opinion on the tenability of claim before NHAI, Government of Haryana and Punjab for loss of revenue, such investment has been carried at cost. Our opinion in this regard is not qualified.

B. We draw the attention to Note no 37 of the accompanying financial statements for the year ended March 31, 2019, the financial statements of GMR Kishangarh Udaipur Ahmedabad Expressways Limited (GKUAEL) for the year March 31, 2019, have not been prepared on going concern assumption. The management has represented that all the assets and advances as at March 31, 2019 are realizable at the values stated in the financial statements. As such the financial statements of GKUAEL do not include any adjustments that might result upon

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disposal of assets and realisation of advances. Our opinion is not qualified in respect of the aforesaid matter.

C. We draw your attention to Note no.38 of the accompanying financial statements for the year ended March 31, 2019, regarding the carrying value of investment in GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL). Though the liabilities of GHVEPL exceeds the total assets of the company by more than Rs. 452.33crores, based on the management's valuation assessment and the legal opinion on the compensation from arbitration proceedings initiated by the company against NHAI for loss of revenue, such investments have been carried at cost. Our opinion is this regard is not qualified.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management for Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.

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(d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,

(e) On the basis of written representations received from the directors as on March 31, 2019and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" 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:

   a. As per information and explanation given to us the company did not have any pending litigation against the company or by the company which would have impact on its financial position. Refer note 33 to Standalone IND AS financial statements.

   b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

for **GIRISH MURTHY & KUMAR**
Chartered Accountants
Firm's registration number: 000934S

A.V.SATISH KUMAR
Partner
Membership number: 26526

GIRISH MURTHY & KUMAR
4502,
Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

Place: Bangalore

Date: 7th May 2019

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 Highways Limited** on the Standalone financial statements for the year ended 31st March 2019, we report that:

i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification, carried out during the year.

(c) There are no immovable properties acquired by the Company.

ii. The nature of company's operations does not warrant requirement of holding stocks and therefore had no stocks of finished goods, stores, spare part and raw materials during/at the end of the year.

iii. In our opinion and according to the information and explanation given to us the company has granted unsecured loans to the companies, firms, Limited Liability Partnership or other parties listed in the register maintained under section 189 of the companies Act 2013. However the terms and conditions of the grant of such loan are not prejudicial to the interest of the company and repayments of principle and payment of interest are made as per agreed terms.

iv. In our opinion and according to the information and explanations given to us, the Company has granted loans, made investments , gave guarantee or provided security in connection with loans to other body corporate or person are complied with the section 186 and no loans and guarantees are given to directors as mentioned in section 185 of the Companies Act ,2013.

v. The company has not accepted deposits from the public during the year and as such this clause is not applicable.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records, under section 148(1) of the Companies Act, 2013 in respect of the business operations carried out by the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the Company is generally regular in payment of undisputed statutory dues including Provident Fund, income tax, Goods and Services Tax, Customs Duty, Wealth tax and service tax Value added tax and cess as applicable with appropriate authorities. We are informed by the company that the provisions of Employee state insurance scheme, Investor education and protection fund, and excise duty are not applicable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Services Tax, customs duty, wealth tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31st March 2019for a period of more than six months from the date they became payable.

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CHARTERED ACCOUNTANTS

viii. Based on our audit procedure and as per the information and explanation given by the management we are of the opinion that the company has not defaulted in the repayment of loan taken from the banks and financial institutions during the year. Further the company has not issued any debenture at any point of time and as such there are no dues outstanding at the end of the year to debenture holders.

ix. The Company did not raise any money by way of initial public offer or further offer (including debt instruments) during the year. The term loans have been applied for the purpose for which they were obtained.

x. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice of India and according to the information and explanations given to us, we have not come across any instance of fraud by the Company or on the company by its officers or employees during this year.

xi. According to the information and explanations given to us, and based on our examination of records of the Company, the company has not paid / provided any managerial remuneration during the year. However the company has paid sitting fee to independent directors during the year, which are within the limits as prescribed under the companies Act, 2013.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares during this year. Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Girish Murthy and Kumar
Chartered Accountants
FRN No: 000934S

GIRISH MURTHY & KUMAR
4502, Hight Point IV
45, Palace Road,
Bangalore-1
CHARTERED ACCOUNTANTS

AV Satish Kumar
Partner
Membership No: 026526
Place: Bengaluru
Date: 7th May 2019

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 Highways Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
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.

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 2019, 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.

For Girish Murthy and Kumar
Chartered Accountants
FRN No: 000934S

GIRISH MURTHY & KUMAR 4502, Hight Point IV 45, Palace Road, Bangalore-1 CHARTERED ACCOUNTANTS

AV Satish Kumar
Partner
Membership No: 026526

Place: Bengaluru
Date:7th May 2019

GMR HIGHWAYS LIMITED

CIN: U45203MH2006PLC287171

Financial Statement for the Year Ended 31 March 2019

Board of Directors
B V N Rao, Director
O Bangaru Raju, Managing Director
K. Parameswara Rao, Independent Director
Kavitha Gudapati, Independent Director
Madhva B. Terdal , Director
S. Rajagopal, Independent Director (w.e.f. 27th Nov. 2018)

Pankaj Kumar, Chief Financial Officer(Till 19th Nov. 2018)
Rajat Laddha, Chief Financial Officer(w.e.f. 7th May. 2019)

Paramjeet Singh, Company Secretary

Statutory Auditors
Girish Murthy & Kumar

Bankers
IDBI Bank Limited
Kotak Mahindra Bank Ltd
Yes Bank

Registered Office Address
Naman Centre,7th Floor,
Opp.Dena Bank,Plot No.C-31 G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai City MH 400051 IN

GMR Highways Limited
CIN: U45203MH2006PLC287171
Balance Sheet as at 31 March 2019

Amount in Rupees

	Note	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	35,272	63,151
(b) Investment property	5	160,574,120	160,574,120
(c) Other Intangible assets	4	47,062	117,451
(d) Financial Assets			
(i) Investments	6	9,994,498,677	10,066,222,050
(ii) Loans	7(i)	7,262,577,423	6,277,958,552
(iii) Other Financial Assets	8(i)	2,698,209,991	2,550,901,425
(e) Non Current Tax Assets (Net)	11	57,946,031	36,674,146
(f) Other Non Current Assets	13 (i)	1,634,487	1,028,035
Total Non-Current Assets		**20,175,523,063**	**19,093,538,930**
Current Assets			
(a) Financial Assets			
(i) Current Investments	6 (i)	884,164	2,679,177
(ii) Loans	7 (ii)	128,300,000	450,738,712
(iii) Trade Receivables	9	544,795,939	47,070,334
(iv) Cash & Cash Equivalents	10	15,937,171	9,244,751
(v) Other Financial Assets	8(ii)	566,852,518	1,649,459,797
(b) Other Current Assets	13 (ii)	161,332,052	411,463,361
Total Current Assets		**1,418,101,844**	**2,570,656,131**
TOTAL ASSETS		**21,593,624,907**	**21,664,195,062**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	20,529,297,490	20,529,297,490
(b) Other Equity	15	(9,599,738,881)	(9,293,496,678)
Total Equity		**10,929,558,609**	**11,235,800,812**
Liabilities			
Non-Current Liablities			
(a) Financial Liabilities			
(i) Borrowings	16	8,475,663,671	8,778,645,797
(ii) Other Financial Liabilities	18 (i)	4,564,536	5,731,195
(b) Provisions	19 (i)	2,005,535	256,150
(c) Deferred Tax Liablities (Net)	12	(0)	(0)
Total Non-Current Liablities		**8,482,233,742**	**8,784,633,142**

GMR HIGHWAYS LIMITED

GIRISH MURTHY & KUMAR ★ CHARTERED ACCOUNTANTS ★
4502,
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Bangalore-1.

GMR Highways Limited
CIN: U45203MH2006PLC287171
Balance Sheet as at 31 March 2019

Amount in Rupees

	Note	As At March 31, 2019	As At March 31, 2018
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18 (i)	687,000,000	678,000,000
(ii) Trade payables			
(a)Total Outstanding dues of micro enterprises and small enterprises	17 (A)	121,647,557	8,969,951
(b)Total Outstanding dues of creditors other than micro enterprises and small enterprise	17 (B)	381,454,518	108,552,250
(iii) Other Financial Liabilities	18 (ii)	588,382,365	201,351,581
(b) Provisions	19 (ii)	66,454,286	387,797,348
(c) Current Tax Liablities (net)	20	-	-
(d) Other current liabilities	21	336,893,829	259,089,979
Total Current Liabilities		**2,181,832,555**	**1,643,761,109**
TOTAL EQUITY AND LIABILITIES		**21,593,624,907**	**21,664,195,062**
Notes forming part of the financial statements	1-51		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

GIRISH MURTHY & KUMAR 4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

A.V. Satish Kumar
Partner
Membership no.: 26526

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 7th May 2019

GMR HIGHWAYS LIMITED

GMR Highways Limited
CIN: U45203MH2006PLC287171
Statement of Profit & Loss for the Year Ended 31 March 2019

Amount in Rupees

	Note	Year ended March 31, 2019	Year ended March 31, 2018
Revenue			
Revenue from Operation	22	1,049,135,760	328,721,490
Other Income	23	1,002,787,742	738,845,543
Total Income		**2,051,923,502**	**1,067,567,033**
Expenses			
Sub contracting	24	412,354,807	-
Operation & maintenance expenses	24	597,580,941	289,521,603
Employee benefits expense	25	26,725,941	14,275,256
Finance costs	26	1,301,174,175	1,388,036,822
Depreciation and amortization expense	27	98,269	120,317
Other expenses	28	22,412,853	79,996,066
Total Expenses		**2,360,346,986**	**1,771,950,063**
Profit / (Loss) for the year before exceptional items and taxation		**(308,423,485)**	**(704,383,030)**
Exceptional Item	44	-	-
Profit / (Loss) for the year before taxation		**(308,423,485)**	**(704,383,030)**
Tax Expense:			
(1) Current Tax		-	-
(2) Tax adjustments of prior years		-	-
(3) Deferred Tax Expense / (Credit)		-	(23,527,019)
		-	**(23,527,019)**
Profit / (Loss) for the year after tax		(308,423,485)	(680,856,012)
Other Comprehensive Income			
Actuarial gain/(loss) in respect of defined benefit plan		2,181,282	406,072
		2,181,282	**406,072**
Total comprehensive Income for the period		**(306,242,203)**	**(680,449,940)**
Profit / (Loss) for the period attributable to;			
-Owners of the Company		(306,242,203)	(680,449,940)
-Non-controlling interests		-	-
		(306,242,203)	**(680,449,940)**
Earning per Equity Share:			
- Basic & Diluted	29	(0.15)	(0.36)
Notes forming part of the financial statements	1-51		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

GIRISH MURTHY & KUMAR 4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

A.V. Satish Kumar
Partner
Membership no.: 26526

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

GMR HIGHWAYS LIMITED

Place: New Delhi
Date: 7th May 2019

GMR Highways Limited
CIN: U45203MH2006PLC287171
Cash Flow Statement for the Year Ended 31 March 2019

Particulars	Year ended March 31, 2019 Rupees	Year ended March 31, 2018 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	(308,423,485)	(704,383,030)
Adjustments For :		
Depreciation and Amortisation	98,269	120,317
Finance Charges	1,301,174,175	1,388,036,822
Loss/ (profit) on sale of stake	-	-
Provision for Impairment in investments in Associate / Subsidiary Co.	-	-
Interest Income on Financial Assets	(434,748,545)	(442,890,259)
Interest Income on Bank deposit and others	(561,051,251)	(270,863,771)
Remeasurements of the defined benefit plans	2,181,282	406,072
Profit on sale of Investment	(204,988)	(18,321,357)
	(974,542)	(47,895,207)
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	1,085,598,569	(1,350,773,378)
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	550,842,420	(7,586,490)
Decrease / (Increase) in Trade Receivables	(497,725,605)	76,754,580
Increase / (Decrease) in Trade Payables	385,579,874	(32,224,412)
Increase / (Decrease) in Other Finance Liablities	73,403,886	(34,412,266)
Increase / (Decrease) in Provision	(319,593,675)	(1,730,884)
Increase / (Decrease) in Other Current Liablities and Retention Money	77,803,850	(39,696,044)
Cash From/(Used In) Operating activities	**1,354,934,777**	**(1,437,564,101)**
Tax (Paid)/Refund	(21,271,885)	(25,390,037)
Net Cash From/(Used In) Operating activities	**1,333,662,892**	**(1,462,954,137)**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	-	-
Decrease/(Increase) in Investment other than Shares	1,795,012	(2,679,177)
Interest Income on Bank deposit and others	260,340,140	38,401,482
Decrease/(Increase) in Loan to related parties	(282,177,214)	(1,373,990,000)
Decrease/(Increase) in Investment in Equities Share (Net)	(17,631,835)	-
Profit / (Loss) on Sale of Investment in Shares	-	-
Profit on Sale of Investment	204,988	18,321,357
Decrease/(Increase) in Investment in Preference Shares	(6,805,500)	-
Cash From/(Used In) Investing Activities	**(44,274,409)**	**(1,319,946,338)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Equity Share Capital (Conversion of Loan)	-	-
Increase/(Decrease) in Loan portion of Preference Shares	-	156,638,762
Increase/(Decrease) in Equity portion of Preference Shares	-	(156,638,762)
Increase/(Decrease) in Equity Portion of Loan from Related Party	-	(0)
Increase/(Decrease) in Long term deposits from related parties	(2,000,000)	-
Increase/(Decrease) in Loan from external parties	(75,000,000)	8,850,000,000
Increase/(Decrease) in Loan from Group Companies (Net)	(203,346,237)	(3,761,361,795)
Interest paid on Loan	(1,001,612,072)	(1,205,553,125)
Other Finance Charges Paid	(737,755)	(912,744,527)
Increase/(Decrease) in Short Term Borrowings	-	(185,828,108)
Cash From/(Used In) Financing Activities	**(1,282,696,063)**	**2,784,512,444**
Net Increase /Decrese in Cash and Cash Equivalents	6,692,420	1,611,969
Cash and Cash Equivalents as at beginning of the period	9,244,751	7,632,782
Cash and Cash Equivalents as at end of the period	**15,937,171**	**9,244,751**

GMR HIGHWAYS LIMITED

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, High Point IV 45, Palace Road, Bangalore-1.

GMR Highways Limited
CIN: U45203MH2006PLC287171
Cash Flow Statement for the Year Ended 31 March 2019

Components of Cash and Cash Equivelants as at:	March 31, 2019	March 31, 2018
Balances with the scheduled banks:		
- In Current accounts	15,937,171	9,244,751
	15,937,171	**9,244,751**

Particulars	April 1, 2017	Cash Flow	Non Cash Changes Fair Value Changes	March 31, 2019
Long Term External Borrowing	8,201,645,692	(75,000,000)	80,663,376	8,207,309,068
Related Parties Borrowing	1,192,105,237	(205,346,237)	-	986,759,000
Short term borrowings from External	70,000,000	-		70,000,000

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

A.V. Satish Kumar
Partner
Membership no.: 26526

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 7th May 2019

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Amount in Rs.

Statement of Standalone Audited Results for Quarter and Year ended March 31, 2019

	Particulars	Quarter ended			Year ended	
		31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
		(Refer Note 1)	Unaudited	(Refer Note 1)	Audited	Audited
A	**Continuing Operations**					
1	**Revenue**					
	a) Revenue from operations					
	(i) Sales/income from operations	576,384,545	269,384,061	57,745,549	1,049,135,760	328,721,490
	(ii) Other operating income	-	-	-	-	-
	b) Other income	245,021,367	251,711,981	202,253,844	1,002,787,742	738,845,543
	Total Revenue	**821,405,913**	**521,096,042**	**259,999,393**	**2,051,923,502**	**1,067,567,033**
2	**Expenses**					
	(a) Sub-contracting expesnes	566,584,534	256,017,045	47,945,694	1,009,935,748	289,521,603
	(b) Employee benefits expense	7,640,042	6,885,366	1,697,993	26,725,941	14,275,256
	(c) Finance costs	334,082,644	330,797,685	521,548,374	1,301,174,175	1,388,036,822
	(d) Depreciation and amortisation expense	20,946	23,614	26,414	98,269	120,317
	(e) Other expenses	5,581,089	5,816,218	10,727,788	22,412,853	79,996,066
	Total expenses	**913,909,255**	**599,539,928**	**581,946,263**	**2,360,346,986**	**1,771,950,063**
3	**Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)**	**(92,503,342)**	**(78,443,886)**	**(321,946,871)**	**(308,423,485)**	**(704,383,030)**
4	Exceptional items	-	-	-	-	-
5	**Profit / (Loss) from continuing operations before tax expenses (3 ± 4)**	**(92,503,342)**	**(78,443,886)**	**(321,946,871)**	**(308,423,485)**	**(704,383,030)**
6	**Tax expenses of continuing operations**					
	(a) Current tax	-	-	-		-
	(b) Deferred tax	-	-	(1,421,934)	-	(23,527,019)
7	**Net Profit / (Loss) after tax from continuing operations (5 ± 6)**	**(92,503,342)**	**(78,443,886)**	**(320,524,936)**	**(308,423,485)**	**(680,856,012)**
8	**Other Comprehensive Income**					
	(A) (i) Items that will not be reclassified to profit or loss	612,528	1,101,296	127,393	2,181,282	406,072
	(ii) Income tax relating to items that will not be reclassified to	-				
9	**Total comprehensive income for the respective periods (7 ± 8) [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods]**	**(91,890,814)**	**(77,342,590)**	**(320,397,543)**	**(306,242,203)**	**(680,449,940)**
10	**Attributable to**					
	a) Owners of the Company	**(91,890,814)**	**(77,342,590)**	**(320,397,543)**	**(306,242,203)**	**(680,449,940)**
	b) Non-conrolling interest					
11	Paid-up equity share capital (face value Rs 10 per share)	**20,529,297,490**	**20,529,297,490**	**20,529,297,490**	**20,529,297,490**	**20,529,297,490**
12	Weighted average number of shares used in computing Earnings per share	**2,052,929,749**	**2,052,929,749**	**1,892,929,749**	**2,052,929,749**	**1,892,929,749**
13	**Earning per Equity Share:**					
	i) Basic & diluted EPS	(0.04)	(0.04)	(0.17)	(0.15)	(0.36)

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.

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

A.V. Satish Kumar
Partner
Membership no.: 26526

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 4502, High Point IV 45, Palace Road, Bangalore-1.

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

GMR HIGHWAYS LIMITED

Place: New Delhi
Date: 7th May 2019

GMR Highways Limited
(CIN: U45203MH2006PLC287171)
Statement of standalone assets and liabilities

Amount in Rs.

Particulars	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	35,272	63,151
Investment property	160,574,120	160,574,120
Other intangible assets	47,062	117,451
Financial assets		
Investments	9,994,498,677	10,066,222,050
Loans and advances	7,262,577,423	6,277,958,552
Others	2,698,209,991	2,550,901,425
Non Current tax assets (net)	57,946,031	36,674,146
Other non-current assets	1,634,487	1,028,035
	20,175,523,063	**19,093,538,930**
b) Current assets		
Financial assets		
Investments	884,164	2,679,177
Loans and advances	128,300,000	450,738,712
Trade receivables	544,795,939	47,070,334
Cash and cash equivalents	15,937,171	9,244,751
Other financial assets	566,852,518	1,649,459,797
Other current assets	161,332,052	411,463,361
	1,418,101,844	**2,570,656,131**
TOTAL ASSETS (a+b)	**21,593,624,907**	**21,664,195,062**
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	20,529,297,490	20,529,297,490
Other equity	(9,599,738,881)	(9,293,496,678)
Total equity	**10,929,558,609**	**11,235,800,812**
b) Non-current liabilities		
Financial liabilities		
Borrowings	8,475,663,671	8,778,645,797
Other financial liabilities	4,564,536	5,731,195
Provisions	2,005,535	256,150
	8,482,233,742	**8,784,633,142**
c) Current liabilities		
Financial liabilities		
Borrowings	687,000,000	678,000,000
Trade payables		
A. Total Outstanding dues of micro enterprises and small enterprises	121,647,557	8,969,951
B. Total Outstanding dues of creditors other than micro enterprises and small enterprise	381,454,518	108,552,250
Other financial liabilities	588,382,365	201,351,581
Other current liabilities	336,893,829	259,089,979
Provisions	66,454,286	387,797,348
	2,181,832,555	**1,643,761,109**
TOTAL EQUITY AND LIABILITIES (a+b+c)	**21,593,624,907**	**21,664,195,062**

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

A.V. Satish Kumar
Partner
Membership no.: 26526

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 7th May 2019

GMR Highways Limited
CIN: U45203MH2006PLC287171
Statement of Change in Equity for the Year ended March 31, 2019

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

	Share capital Rs.
As at March 31,2017	**18,529,297,490**
Share Capital Issued during the year	2,000,000,000
As at March 31,2018	**20,529,297,490**
Share Capital Issued during the year	-
As at March 31,2019	**20,529,297,490**

B. Other Equity — **Amount in INR.**

	Equity component of financial instrument		Retained Earning	Other Comprehensive Income	Total
	Preference shares	Related Party Loans			
As at March 31,2017	**1,491,677,590**	**1,231,699,857**	**(10,238,528,731)**	**60,260**	**(7,515,091,023)**
Net Profit	-	-	(680,856,012)	-	(680,856,012)
Regrouping of Equity component with Reserve & Surplus (Reversal of Investment in Assoicate (Financial Guarantee)	950,264,093	421,603,050	(1,721,663,947)	-	(349,796,804)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	406,072	406,072
Equity component of Loan taken during the period	(745,118,692)	(3,040,219)	-	-	(748,158,911)
As at March 31,2018	**1,696,822,991**	**1,650,262,689**	**(12,641,048,689)**	**466,332**	**(9,293,496,678)**
Net Profit	-	-	(308,423,485)	-	(308,423,485)
Regrouping of Equity component with Reserve & Surplus (Reversal of Investment in Assoicate (Financial Guarantee)	-	-	-	-	-
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	2,181,282	2,181,282
Equity component of Loan taken during the period	-	-	-	-	-
As at March 31,2019	**1,696,822,991**	**1,650,262,689**	**(12,949,472,174)**	**2,647,614**	**(9,599,738,881)**

The accompanying notes are an integral part of the financial statements

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

GIRISH MURTHY & KUMAR
4502, High Point IV
45, Palace Road,
Bangalore-1.
CHARTERED ACCOUNTANTS

A.V. Satish Kumar
Partner
Membership no.: 26526

For and on behalf of
GMR Highways Limited

B V N Rao
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Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 7th May 2019

GMR HIGHWAYS LIMITED

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes Forming Part of Financial Statements For the Year Ended March 31,2019

1 Corporate information

GMR Highways Limited (GHWL) is engaged in business of Highways Maintenance which includes Routine / Regular Maintenance and Periodical / Major Maintenance work. GHWL also provide highways and toll management services to SPVs..

The Company is public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra.
The Company's Holding Company is GMR Infrastructure Limited while ultimate Holding Company is 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.

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

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.

GMR HIGHWAYS LIMITED

4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

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.

4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

GMR HIGHWAYS LIMITED

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

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

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

The Company applied Ind AS 115 for the first time from April 1, 2018. Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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.
In current financial year, there is no impact on the financial statements of the company on account of this new revenue recognition standard.

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

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.

GMR HIGHWAYS LIMITED

GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS 502, High Point IV 45, Palace Road, Bangalore-1.

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

Further, When each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.
Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

Machinery spares which are specific to a particular item of property, plant and equipment and whose use is expected to be irregular are capitalized as property, plant and equipment.
Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.
Depreciation on property, plant and equipment is provided on straight line method, up to the cost of the asset (net of residual value, in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 which are as below:

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

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

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

f) Intangible assets

Intangible assets 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.

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.

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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.

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.

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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.

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.

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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.

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

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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 arè possible within 12 months after the reporting date.

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

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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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.

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3. Property, Plant and Equipement

(In Rupees)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2018	Additions	Deductions	As At 31-03-2019	As At 1-4-2018	For the period	Deductions	As At 31-03-2019	As At 31-03-2019	As At 31-03-2018
1	Computers	116,863	-	-	116,863	109,912	6,929	-	116,841	22	6,951
2	Office Equipments	487,516	-	-	487,516	476,498	5,028	-	481,527	5,989	11,018
3	Furniture & Fixtures	94,287	-	-	94,287	49,105	15,922	-	65,026	29,260	45,182
	Total	**698,666**	**-**	**-**	**698,666**	**635,515**	**27,879**	**-**	**663,394**	**35,272**	**63,151**

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	116,863	-	-	116,863	97,072	12,840	-	109,912	6,951	19,791
2	Office Equipments	487,516	-	-	487,516	455,779	20,720	-	476,498	11,018	31,737
3	Furniture & Fixtures	94,287	-	-	94,287	32,736	16,368	-	49,105	45,182	61,550
	Total	**698,666**	**-**	**-**	**698,666**	**585,587**	**49,928**	**-**	**635,515**	**63,151**	**113,079**

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4. Other Intangible Assets

(In Rupees)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-4-2018	Additions	Deductions	As At 31-03-2019	As At 01-4-2018	For the period	Deductions	As At 31-03-2019	As At 31-03-2019	As At 31-03-2018
1	Software	478,592	-	-	478,592	361,141	70,389	-	431,530	47,062	117,451
	Total	**478,592**	**-**	**-**	**478,592**	**361,141**	**70,389**	**-**	**431,530**	**47,062**	**117,451**

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-4-2017	Additions	Deductions	As At 31-03-2018	As At 01-4-2017	For the period	Deductions	As At 31-03-2018	As At 31-03-2018	As At 31-03-2017
1	Software	478,592	-	-	478,592	290,752	70,389	-	361,141	117,451	187,840
	Total	**478,592**	**-**	**-**	**478,592**	**290,752**	**70,389**	**-**	**361,141**	**117,451**	**187,840**

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Amount in Rupees

5. Investment property	As At March 31, 2019	As At March 31, 2018
Land	160,574,120	160,574,120
	160,574,120	**160,574,120**

Note:- Investment property represents 14.4875 acres of land held by the Company on Ambala Chandigarh Road

6. Non current investments	As At March 31, 2019	As At March 31, 2018
Investment in Equities Shares	4,055,314,203	4,037,682,368
Equity part of Investment in Preference Shares	2,185,653,953	2,178,848,453
Equity portion of related party loans	3,745,591,344	3,841,752,053
Investment in financial guarantees	7,939,177	7,939,177
	9,994,498,677	**10,066,222,050**

Breakup of Investment in Equities at Cost	As At March 31, 2019	As At March 31, 2018
(a) Investment in subsidiaries		
(i) 13,59,30,000 (March 31, 2018: 13,59,29,996) Equity Shares of Rs. 10 Each in GMR Pochanpalli Expressways Limited	1,359,300,022	1,359,299,960
(ii) 14,00,00,000 (March 31, 2018: 13,49,50,000) Equity Shares of Rs. 10 Each in GMR Kishangarh Udaipur Ahmedabad Expressways Ltd	1,367,124,500	1,349,500,000
(iii) 7,30,000 (March 31, 2018: 7,29,998) Equity Shares of Rs. 10 Each in GMR Tambarm Tindivanam Expressways Ltd	302,504,599	302,499,980
(iv) 7,30,000 (March 31, 2018: 7,29,998) Equity Shares of Rs. 10 Each in GMR Tuni Anakapalli Expressways Ltd	237,602,634	237,599,980
(v) 5,07,42,720 (March 31, 2018: 5,07,42,720) Equity Shares of Rs. 10 Each in GMR Ambala Chandigarh Expressways Private Limited	507,427,200	507,427,200
(vi) 24,50,000 (March 31, 2018: 24,50,000) Equity Shares of Rs. 10 each in GMR Hyderabad Vijayawada Expressways Private Limited	24,500,000	24,500,000
(vii) 1,47,00,000 (March 31, 2018: 1,47,00,000) Equity Shares of Rs. 10 each in GMR Chennai Outer Ring Road Private Limited	147,000,000	147,000,000
(b) Investment in Joint Venture		
(i) 2,30,21,308 (March 31, 2018: 2,30,21,308) Equity Shares of Rs. 10 each in GMR OSE Hungund Hospet Highways Pvt Ltd	230,213,080	230,213,080
(c) Other Investment - Equity		
(i) 5,55,370 (March 31, 2018: 5,55,370) Equity Shares of Rs. 10 each in Indian Highways Management Company Ltd.	5,553,700	5,553,700
Total Investment in Equity	**4,181,225,735**	**4,163,593,900**
Less: - Impairment in Investment of Shares		
Impairment in Investment of GOHHPL as per SPA	125,911,532	125,911,532
Net Total Investment in Equity	**4,055,314,203**	**4,037,682,368**

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6(i) . Current investments	As At March 31, 2019	As At March 31, 2018
Investment in Quoted mutual funds	884,164	2,679,177
	884,164	2,679,177
(Investments in ICICI Prudential Liquid Plan - Growth MF 3210.255 units @ NAV of Rs. 275.4187 each)		

7. Loans (Unsecured, considered good)	As At March 31, 2019	As At March 31, 2018
(i) Non Current		
(a) Loans and advance to related parties		
Loan Receivables considered good - Secured		
Loan Receivables considered good - UnSecured	7,262,577,423	6,277,958,552
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - Credit impaired	-	-
	7,262,577,423	**6,277,958,552**
(ii) Current		
Loan Receivables considered good - Secured	-	-
Loan Receivables considered good - UnSecured		
(a) Loans to related parties	128,300,000	450,738,108
(b) Loan to employees	-	604
Loan Receivables which have significant increase in Credit Risk		
Loan Receivables - Credit impaired		
	128,300,000	**450,738,712**

Loan to related parties considered good include :

(i) Non Current

GHVEPL	2,347,944,656	2,121,333,059
GCORR	396,041,509	451,041,509
GACEPL	400,547,846	361,889,018
GTAEL	439,000,000	439,000,000
GKUAEL	3,868,734	280,569,917
GTTEL	561,000,000	561,000,000
Kakinada Sez Private Limited	2,757,477,214	1,725,000,000
Namitha Real Estates Private Limited	10,000,000	10,000,000
UEPL (Others)	346,697,466	328,125,048
	7,262,577,424	**6,277,958,551**

(ii) Current

GKUAEL	-	420,738,108
GTAEPL	30,000,000	30,000,000
GIL EPC (DFCC)	98,300,000	
	128,300,000	**450,738,108**

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8. Other Financial Assets	As At March 31, 2019	As At March 31, 2018
(I) -Non Current		
Security Deposit	-	3,605,790
Others	136,532	127,880
Financial Asset of Invest. in preference shares issued by related parties	2,698,073,459	2,547,167,755
	2,698,209,991	**2,550,901,425**
(II) - Current		
Security Deposit	-	1,351,600,000
Receivable Other than trade - considered good	4,289,300	36,007,690
Interest accrued on fixed deposit	1,662	1,133
Interest others	562,561,555	261,850,973
	566,852,518	**1,649,459,797**

Security Deposit

Kakinada Sez	-	1,351,600,000
GFFT	-	3,605,790

9.Trade Receivables	As At March 31, 2019	As At March 31, 2018
Unsecured, considered good		
Trade Receivables considered good - Secured		
Trade Receivables considered good - UnSecured	544,795,939	47,070,334
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit impaired	-	-
	544,795,939	**47,070,334**

(i) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person.
(ii) Trade receivables are non-interest bearing.

10. Cash and cash equivalents	As At March 31, 2019	As At March 31, 2018
(i) Balances with Local banks		
- In Current Account	15,937,171	9,244,751
	15,937,171	**9,244,751**

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Breakup of financial assets	As At March 31, 2019	As At March 31, 2018
At Cost		
Investment in Equities	4,055,314,203	4,037,682,368
At amortised cost		
Investment in Unquoted mutual funds	884,164	2,679,177
Equity portion of Investment in Preference Shares	2,185,653,953	2,178,848,453
Equity portion of related party loans	3,745,591,344	3,841,752,053
Investment in financial guarantees	7,939,177	7,939,177
Financial Asset of Invest. in preference shares issued by related parties	2,698,073,459	2,547,167,755
Loans to Related parties	7,390,877,423	6,728,696,660
Loans to Employees	-	604
Cash & Cash Equivalent	15,937,171	9,244,751
Trade Receivables	544,795,939	47,070,334
Other Financial Assets	3,265,062,508	4,200,361,222
Total	**23,910,129,342**	**23,601,442,553**

11. Income Tax-Non Current	As At March 31, 2019	As At March 31, 2018
Advance income tax (net of provision for current tax)	57,946,031	36,674,146
	57,946,031	**36,674,146**

12. Deferred Tax Assets/(Liablity)	As At March 31, 2019	As At March 31, 2018
Deferred Tax Assets		
On unabsorbed Business Loss	-	-
On Interest Expense of Amortised financial Instrument	-	-
On Financial Guarantee	-	-
Total	-	-
Deferred Tax Liablities		
On Interest Income of Amortised financial Instrument	-	-
On Equity component of Loan taken	-	-
On unamortised upfront Fee on Loan from external parties	0	0.00
Total	**0**	**0**
Net Deferred Tax Assets/(Liablities)	**0**	**0**

GMR HIGHWAYS LIMITED

4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

GMR Highways Limited
CIN: U45203MH2006PLC287171
Notes forming part of Financial Statements for the Year ended March 31,2019

13. Other Current/Non Current Assets	**As At March 31, 2019**	**As At March 31, 2018**
(i) Other Non Current Assets (Considered Good)		
Prepaid Expenses pertains to Gratuity	1,634,487	1,028,035
	1,634,487	**1,028,035**
(ii) Other Current Assets (Considered Good)		
Prepaid Expenses	344,404	231,563
* Advances recoverable in cash or kind	131,082,178	386,167,066
Balance with government authorities	29,905,470	25,064,732
	161,332,052	**411,463,361**

* As per SPA Agreement on 13 Feb 2013, Clause no. 3.2 (v) " Existing shareholders shall have obtained an undertaking executed by GHWL and GIL in favor of company (JEPL) confirming and undertaking that during the currency of concession agreement (a) as and when the company (JEPL) instructed by NHAI, the company may instruct to GHWL and GIL to execute the pending work, and in such event GHWL and GIL shall ensure that within a reasonable time as permitted by NHAI the pending work executed in accordance with terms of EPC contract and the concession agreement".
Advance recoverable in cash or kind includes Advance of Rs. 6,59,75,837 (March.18 - Rs. 38,50,00,000) given to Ashoka Buildcon Limited for completion of pending works petain to Jadcherla project site.

GMR HIGHWAYS LIMITED

4502, High Point IV 45, Palace Road, Bangalore-1. CHARTERED ACCOUNTANTS

14. Share capital	As At March 31, 2019	As At March 31, 2018
Authorised		
(i) 2,20,00,00,000 equity shares of Rs. 10 each fully paid up (March 31, 2018: 2,20,00,00,000 equity shares of Rs. 10 each)	22,000,000,000	22,000,000,000
(ii) 10,50,00,000 Preference Shares of Rs. 100 each (March 31, 2018: 10,50,00,000 preference shares of Rs. 100 each)	10,500,000,000	10,500,000,000
	32,500,000,000	**32,500,000,000**
Issued, Subscribed & Paid-Up		
(i) 2,052,929,749 equity shares of Rs. 10 each fully paid up (March 31, 2018: 2,052,929,749 equity shares of Rs. 10 each)	20,529,297,490	20,529,297,490
	20,529,297,490	**20,529,297,490**

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

	As At March 31, 2019		As At March 31, 2018	
	Number	Rupees	Number	Rupees
Equity Shares				
Shares outstanding at the beginning of the year	2,052,929,749	20,529,297,490	1,852,929,749	18,529,297,490
Shares Issued during the year	-	-	200,000,000	2,000,000,000
Shares outstanding at the end of the year	**2,052,929,749**	**20,529,297,490**	**2,052,929,749**	**20,529,297,490**

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

	As At March 31, 2019		As At March 31, 2018	
	Number	Rupees	Number	Rupees
Prefernce Shares				
At the beginning of the period				
Shares outstanding at the beginning of the year	-	-	20,000,000	2,000,000,000
Shares Issued during the year	-	-	-	-
Shares Converted into Eqyity Shares during the year	-	-	20,000,000	2,000,000,000
Shares outstanding at the end of the year	-	-	-	-

Note: -
i) Converted 2,00,00,000 preference shares of Rs 100/- each into 20,00,00,000 equity shares of Rs 10/- each held by Dhruvi Securities Private Limited on 18th Jan 2018

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

	As At March 31, 2019		As At March 31, 2018	
	No of Share	%	No of Share	%
Equity Shares				
GMR Infrastructure Limited	1,852,929,743	90.26%	1,852,929,743	90.26%
Dhruvi Securities Private Limited	200,000,001	9.74%	200,000,001	9.74%

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(vi) **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, 2019 Number	As At March 31, 2019 Rupees	As At March 31, 2018 Number	As At March 31, 2018 Rupees
GMR Infrastructure Limited 185,29,29,743 (March 31, 2018: 185,29,29,743) equity shares of Rs. 10 each fully paid up	1,852,929,743	18,529,297,430	1,852,929,743	18,529,297,430
GMR Infrastructure Limited jointly with Mr. G.M. Rao NIL (March 31, 2018: 1) equity shares of Rs. 10 each fully paid up	-	-	1	10
GMR Infrastructure Limited jointly with Mr.Srinivas Bommidala NIL (March 31, 2018: 1) equity shares of Rs. 10 each fully paid up	-	-	1	10
GMR Infrastructure Limited jointly with Mr. GBS Raju NIL (March 31, 2018: 1) equity shares of rs. 10 each fully paid up	-	-	1	10
Dhruvi Securities Pvt Limited jointly with Mr. G.Kiran Kumar NIL (March 31, 2018: 1) equity shares of Rs. 10 each fully paid up	-	-	1	10
Dhruvi Securities Pvt Limited jointly with Mr. O.Bangaru Raju NIL (March 31, 2018: 1) equity shares of Rs. 10 each fully paid up	-	-	1	10
GMR Business Process and Services P Ltd representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2018: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
GMR Corporate Affairs P Ltd representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2018: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
GMR Aerostructure Services Ltd representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2018: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
Mr. Kiran Kumar Grandhi representing and for the benefit of Dhruvi Securities Private Limited 1 (March 31, 2018: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
Mr. O Bangaru Raju representing and for the benefit of Dhruvi Securities Private Limited 1 (March 31, 2018: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
Dhruvi Securities Private Limited 20,00,00,001 (March 31, 2018: 20,00,00,001) equity shares of Rs. 10 each fully paid up	200,000,001	2,000,000,010	200000001	2,000,000,010

15. Other Equity

		As At March 31, 2019		As At March 31, 2018	
(i)	Equity component of Preference shares				
	Opening Balance	1,696,822,991		1,491,677,590	
	Add : Adjustment for the year	-	1,696,822,991	205,145,400	1,696,822,991
(ii)	Equity component of Loans from group companies				
	Opening Balance	1,650,262,689		1,231,699,857	
	Add : Adjustment for the year	-	1,650,262,689	418,562,831	1,650,262,689
(iii)	**Surplus / (Deficit) in the Statement of Profit and Loss**				
	Opening Balance	(12,641,048,689)		(10,238,528,731)	
	Add : Profit/ (Loss) for the year	(308,423,485)		(680,856,012)	
	Less : Reversal of Investment in Assoicate (Financial Guarantee & Loan)	-		(1,721,663,947)	
			(12,949,472,174)		(12,641,048,689)
(iii)	**Other Comprehensive Income**				
	Opening Balance	466,332		60,260	
	Add : Addition during the year	2,181,282	2,647,614	406,072	466,332
			(9,599,738,881)		**(9,293,496,678)**

16. Long Term Borrowings	As At March 31, 2019	As At March 31, 2018
Secured		
Term loans (Indian rupee term loan from bank)	8,105,904,671	8,194,540,561
Unsecured		
Loans from group company	369,759,000	582,105,237
Long term deposits from related parties	(0)	2,000,000
Liablities portion of Preference Shares	-	-
	8,475,663,671	**8,778,645,797**

(i). Secured Indian rupee term loan from Yes bank of Rs. 742,50,00,000 (March 31, 2018: 750,00,00,000) is secured by First charge over current assets and movable fixed assets (present and future) of the Borrower, First Charge on the assets created out of YBL facility to provide minimum cover of 1.0x, Pledge over 20% shares of GMR Energy Limited (GEL) along with all beneficial/economic voting rights, Pledge over 23.5% Shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights to be pledged by GIL, Unconditional and Irrevocable Corporate Guarantee of GMR Infrastrcuture Limited, and Margin of 6% of outstanding amount (in form of FD/cash or any other instrument to the satisfaction of YBL). The margin shall be lien marked/pledged to YBL prior to first disbursement.
The loan carries an interest rate 3.20% p.a ("Spread") over and above the YBL 1 Year MCLR and is repayable in 14 half yearly installments after the moratorium period or 12 months.

(ii). Secured Indian rupee term loan from Yes bank of Rs. 135,00,00,000 (March 31, 2018: 135,00,00,000) is secured by First charge over current assets and movable fixed assets (present and future) of the Borrower, First Charge on the assets created out of YBL facility to provide minimum cover of 1.0x, Pledge over 20% shares of GMR Energy Limited (GEL) along with all beneficial/economic voting rights, Pledge over 8% Shares of GEL along with all beneficial/economic voting rights and NDU over 2% shares of GEL (Prior to Disbursment) , Pledge over 23.5% Shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights (Prior to Disbursment) , Unconditional and Irrevocable Corporate Guarantee of GMR Infrastrcuture Limited and Margin of 19.14% of outstanding amount (in form of FD/cash or any other instrument to the satisfaction of YBL). The margin shall be lien marked/pledged to YBL prior to first disbursement.
The loan carries an interest rate 3.10% p.a ("Spread") over and above the YBL 1 Year MCLR and is repayable in 14 half yearly installments after the moratorium period or 12 months

(iii) An unsecured loan of Rs. 36,97,59,000 (as at March 31, 2018: NIL) from GMR Infrastructure Ltd. shall be repayable within 3 yrs from date of agreement i.e. 12th Nov 2018. This loan carries an interest rate of 12.25% p.a.

(iv) An unsecured loan of Nil (as at March 31, 2018: 22,67,45,237) from GMR Infrastructure Ltd. shall be repayable within 3 yrs from date of agreement i.e. 1st Sep 2017. This loan carries an interest rate of 12.25% p.a. However the company has paid Rs. 22,67,45,237 during year ended 31 March 2019.

(v) An unsecured loan of Nil (as at March 31, 2018: 25,00,00,000) from GMR Infrastructure Ltd. shall be repayable within 3 yrs from date of agreement i.e. 26th Feb 2018. This loan carries an interest rate of 12.25% p.a. However the company has paid Rs. 25,00,00,000 during year ended 31 March 2019.

(vi) An unsecured loan of NIL (as at March 31, 2018: 10,53,60,000) from GMR Infrastructure Ltd. shall be repayable within 3 yrs from date of agreement i.e. 15th March 2018. This loan carries an interest rate of 12.25% p.a. However the company has paid Rs. 10,53,60,000 during year ended 31 March 2019

GMR HIGHWAYS LIMITED

GIRISH MURTHY & KUMAR
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17. Trade Payables	As At March 31, 2019	As At March 31, 2018
Trade Payables		
A. Total Outstanding dues of micro enterprises and small enterprises	121,647,557	8,969,951
B. Total Outstanding dues of creditors other than micro enterprises and small enterprise	381,454,518	108,552,250
	503,102,075	**117,522,201**

18 (i). Short Term Borrowings	As At March 31, 2019	As At March 31, 2018
Secured		
(a) Short term borowings from Bank	70,000,000	70,000,000
Unsecured		
(a) Shot term Loan from related parties	617,000,000	608,000,000
	687,000,000	**678,000,000**

(i) Overdue Facility has been obtained of Rs. 7,00,00,000 (as at March 31, 2018: Rs. 7,00,00,000) from IDBI Bank Ltd. The same is secured by way of Pledge of Fixed Deposits of GMR TuniAnakapalli Expressways Ltd of Rs.4,23,40,450, GMR Tambaram Tindivanam Expressways Ltd of Rs. 4,22,35,120. This facility carries an interst rate of Bank base Rate + 2% i.e effective rate is 10.85% p.a. payable monthly on last day of every month commencing from the first month of disbursement. The principle is repayable as per tenure of 2 months on demand/out of internal accruals/on due dates or bullet repayment.

(ii) An unsecured loan of Rs. 15.00 Crore (as at March 31, 2018: Rs. 15 crore) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement i.e. 20th March 2017. This loan carries an interest rate of 11% p.a. Agreement renewed till March.20.

(iii) An unsecured loan of Rs. 45.80 Crore (as at March 31, 2018: 45.80 crore) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement i.e. 20th October 2015. This loan carries an interest rate of 11% p.a. Agreement renewed till Oct.19.

(iv) An unsecured loan of Rs. 0.90 Crore (as at March 31, 2018: NIL) from Raxa Security Service Ltd. shall be repayable within 12 months from date of agreement i.e. 14th February 2019. This loan carries an interest rate of 12.50% p.a.

18 (ii). Other Financial Liability	As At March 31, 2019	As At March 31, 2018
(i) Non Current		
(a) Financial guarantee contracts	4,564,536	5,731,195
	4,564,536	**5,731,195**
(ii) Current		
(c) Current Maturities of long term debt others	101,404,397	7,105,131
(d) Interest accrued but not due on borrowings	401,095,752	182,934,780
(f) Financial guarantee contracts	1,166,659	1,331,308
(g) Earnest Money Deposit from Vendor	500,000	500,000
(h) Non trade payables	14,215,556	9,480,361
(i) Deposit from Customers	70,000,000	-
	588,382,364	**201,351,581**

GMR HIGHWAYS LIMITED

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Breakup of financial liablities category wise	As At March 31, 2019	As At March 31, 2018
At amortised cost		
Secured Loan from Banks	8,277,309,068	8,271,645,692
Loans from related parties	986,759,000	1,190,105,237
Long term deposits from related parties	(0)	2,000,000
Interest accrued but not due on borrowings	401,095,752	182,934,780
Financial guarantee contracts	1,166,659	1,331,308
Trade Payables	503,102,075	117,522,201
Financial guarantee contracts	4,564,536	5,731,195
Earnest Money Deposit from Vendor	500,000	500,000
Non trade payables	14,215,556	9,480,361
Deposit from Customers	70,000,000	-
	10,258,712,646	**9,781,250,774**

19. Provisions	As At March 31, 2019	As At March 31, 2018
(i) Non Current		
(a) Provision for Leave Benefits	2,005,535	256,150
(b) Provision for Gratuity	-	-
	2,005,535	**256,150**
(ii) Current		
(a) Provision for Leave benefits	230,546	2,749,863
(b) Provision for Other Employee Benefit	44,328	9,401
(c) Other Provision *	66,179,413	385,038,084
	66,454,286	**387,797,348**

20 Non current tax liabilities	As At March 31, 2019	As At March 31, 2018
Provision for taxation (net)	-	-
	-	-

21. Other current liabilities	As At March 31, 2019	As At March 31, 2018
Advances from customers & others	321,343,368	256,984,883
TDS Payable	15,367,405	2,057,093
Other Statutory dues	183,055	48,002
	336,893,829	**259,089,978**

* As per SPA Agreement on 13 Feb 2013, Clause no. 3.2 (v) " Existing shareholders shall have obtained an undertaking executed by GHL and GIL in favor of company (JEPL) confirming and undertaking that during the currency of concession agreement (a) as and when the company (JEPL) instructed by NHAI, the company may instruct to GHL and GIL to execute the pending work, and in such event GHL and GIL shall ensure that within a reasonable time as permitted by NHAI the pending work executed in accordance with terms of EPC contract and the concession agreement".
Pertains to above mentioned clause, GHWL given contract to Ashoka Buildcon Limited for completion of pending works petain to Jadcherla project site.
GHWL appointed ABL as sub-contractor for finishing of pending works and as per contract the amount received of Rs. 38,50,00,000 out of total sale consideration has been earmarked for the obligation under taken and same is considered as Provision under current liability. Out of this provision, invoice of Rs 31,90,00,000 has accounted and adjusted with provision.

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	Year ended March 31,2019	Year ended March 31,2018
22. Revenue from operations		
(a) Operation and maintenance	1,009,935,756	289,521,486
(b) Highway Maintenance Fees	39,200,004	39,200,004
	1,049,135,760	**328,721,490**
23. Other income		
(a) Interest Income on Bank Deposit and Others	291,403	8,586
(b) Interest Income of Financial Assets	434,748,545	442,890,259
(c) Interest Income on Inter Corporate Loans	560,759,848	270,855,185
(d) Profit on sale of Mutual Fund	204,988	18,321,357
(e) Other non-operating income	6,782,959	6,770,156
	1,002,787,742	**738,845,543**

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24. Operating expenses	Year ended March 31,2019	Year ended March 31,2018
(a) Sub contracting	412,354,807	-
(b) Operation & maintenance expenses	597,580,941	289,521,603
	1,009,935,748	**289,521,603**

25. Employee benefit expense	Year ended March 31,2019	Year ended March 31,2018
(a) Salaries, Perquisites & Allowance	21,632,940	11,074,864
(b) Contribution to provident and other funds	1,607,998	903,756
(c) Gratuity expense	3,027,303	1,312,920
(d) Staff welfare expenses	457,700	983,716
	26,725,941	**14,275,256**

26. Finance costs	Year ended March 31,2019	Year ended March 31,2018
(a) Interest	1,219,773,044	1,123,646,602
(b) Bank Finance Charges	81,401,131	264,390,219
	1,301,174,175	**1,388,036,822**

27. Depreciation and amortisation expense	Year ended March 31,2019	Year ended March 31,2018
(a) Depreciation on property, plant and equipment	27,879	49,928
(b) Amortisation of intangible assets	70,389	70,389
	98,269	**120,317**

28. Other expenses	Year ended March 31,2019	Year ended March 31,2018
Electricity and water charges	502,955	603,352
Rent	2,813,588	3,038,007
Rates and taxes	53,949	54,811
Repairs and maintenance Others	791,882	5,447,075
Travelling and conveyance	1,911,937	1,251,723
Communication costs	595,810	644,555
Printing and stationery	50,755	191,790
Membership	103,740	115,000
Bidding Expenses	5,000	1,300,000
Legal and professional fees	13,282,653	42,696,617
Directors' sitting fees	375,000	259,000
Payment to auditor	525,250	356,250
Miscellaneous expenses	1,400,334	24,037,885
	22,412,853	**79,996,066**

Payment to auditor

Particulars	March 31, 2019 in Rs.	March 31, 2018 in Rs.
As auditor:		
Audit fee	298,750	212,500
Tax audit fee	59,000	42,500
Other services (certification fees)	167,500	101,250
Total	**525,250**	**356,250**

GMR HIGHWAYS LIMITED

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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 (after adjusting for interest on the convertible preference shares) 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.

	Year ended March 31, 2019	Year ended March 31, 2018
Profit attributable to equity holders of the parent	(306,242,203)	(680,449,940)
Profit attributable to equity holders of the parent for basic earnings	(306,242,203)	(680,449,940)
Profit attributable to equity holders of the parent for diluted earnings	(306,242,203)	(680,449,940)
Weighted Average number of equity shares for computing Earning Per Share (Basic)	2,052,929,749	1,892,929,749
Weighted average number of Equity shares adjusted for the effect of dilution	2,052,929,749	1,892,929,749
Earning Per Share (Basic) (Rs)	(0.15)	(0.36)
Earning Per Share (Diluted) (Rs)	(0.15)	(0.36)
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.

31 Capital Commitments

Capital commitments : Estimated amount of Contracts remaining to be executed on capital account and not provided for Rs. Nil (March 2018: Rs. NIL).

32 Contingent Liabilities

Amount in INR.

Particulars	March 31, 2019	March 31, 2018
Irrevocable Corporate Guarantee in favor of IDBI Trusteeship Services Limited for the benefit of GMR Chennai Outer Ring Road Pvt Ltd (Borrower)	555,000,000	555,000,000

33 Litigation: The company does not have any pending litigations which would impact its financial position.

34 The company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

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35 Investment Pledge details

Particulars	March 31, 2019			March 31, 2018		
	Total Shares Held (In No.)	Shares Pledged (In No.)	In favour of	Total Shares Held (In No.)	Shares Pledged (In No.)	In favour of
GMR Hyderabad Vijayawada Expressways Private Limited (Equity shares of Rs.10 each fully paid up)	2,450,000	1,300,000	IDBI Trusteeship Services Ltd	2,450,000	1,300,000	IDBI Trusteeship Services Ltd
GMR Chennai Outer Ring Road Private Limited (Equity shares of Rs.10 each fully paid up)	14,700,000	5,512,500	IDBI Trusteeship Services Ltd	14,700,000	5,512,500	IDBI Trusteeship Services Ltd
GMR OSE Hungund Hospet Highways Pvt Ltd (Equity shares of Rs.10 each fully paid up)	23,021,308	21,308	IDBI Trusteeship Services Ltd	23,021,308	21,308	IDBI Trusteeship Services Ltd
GMR Hyderabad Vijayawada Expressways Private Limited (Preference shares of Rs.100 each fully paid up)	21,600,000	7,735,713	IDBI Trusteeship Services Ltd	21,600,000	7,735,713	IDBI Trusteeship Services Ltd
GMR Kishangarh Udaipur Ahmedabad Expressways Ltd.(Equity shares of Rs.10 each fully paid up)	140,000,000	NIL	IDBI Trusteeship Services Ltd	134,950,000	36,400,000	IDBI Trusteeship Services Ltd
GMR Kishangarh Udaipur Ahmedabad Expressways Ltd.(Preference shares of Rs.100 each fully paid up)	56,000,000	NIL	IDBI Trusteeship Services Ltd	55,805,000	14,560,000	IDBI Trusteeship Services Ltd
GMR Tambaram Tindivanam Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	729,998	260,000	IDBI Trusteeship Services Ltd	729,998	260,000	IDBI Trusteeship Services Ltd
GMR Ambala Chandigarh Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	50,742,720	50,742,720	IDBI Trusteeship Services Ltd	50,742,720	50,742,720	IDBI Trusteeship Services Ltd
GMR Tuni Anakapalli Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	729,998	260,000	IDBI Trusteeship Services Ltd	729,998	260,000	IDBI Trusteeship Services Ltd

The above shares have been pledged as per the condition provided in the Rupee Term Loan Agreement.

36 The Company has made an investment of Rs. 2,740,731,200 (March 31 2018: Rs. 2,740,731,200) [including loans of Rs.775,300,000 (March 31 2018: Rs. 775,300,000) share application money pending allotment of Rs. NIL (March 31 2018: NIL) and investment in equity / preference shares of Rs. 1,965,431,200 (March 31 2018: Rs. 1,965,431,200) made by the Company and its subsidiaries] 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 divesrion 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 the investment in GACEPL has been carried at cost.

37 GMR Kishangarh Udaipur Ahmedabad Expressways Limited ('GKUAEL'), a subsidiary of the Company has entered into a Concession Agreement with National Highways Authority of India ('NHAI') on November 30, 2011 for Six laning of Kishangarh Udaipur Ahmedabad section of NH79A, NH79, NH76 and NH8 including new Udaipur bypass (approx. length 555.50 kms) in the states of Rajasthan and Gujarat under NHDP Phase V on Design Build Finance Operate and Transfer (DBFOT) basis. As NHAI was not able to comply with certain material condition precedents for achieving Appointed Date, Company has issued Termination Notice dated January 7, 2013 as per the provisions of the Concession Agreement and law terminating the Concession Agreement which has been disputed by NHAI. Subsequently Company has submitted a proposal for continuation with project subject to certain conditions and held discussions with NHAI for revival of the project. As the discussions on revival of the project was taking longer time, on February 16, 2015 Company has issued a notice of dispute invoking the arbitration.

The Company has made an investment of Rs. 6,959,534,708 (March 31 2018: Rs. 7,728,704,708) [including loans of Rs. 5,104,708 (March 31 2018: Rs. 798,704,708) and investment in equity / preference shares of Rs. 6,954,430,000 (March 31 2018: Rs. 6,930,000,000) made by the Company] in GKUAEL which is primarily utilized towards payment of capital advance of Rs. 590 Crore (March 31 2018: Rs. 590.00 Crore) to its EPC Contractors.

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During Qtr-1 2017, GKUAEL has entered into an amicable settlement with NHAI where in GKUAEL has agreed to pay an amount of Rs. 542,870,000 to NHAI towards amicable settlement. Under amicable settlement, GKUAEL and NHAI will withdraw their respective claims filed before the Arbitration Tribunal and NHAI will return the performance Bank Guarantee of Rs. 269.36 Crore to the GKUAEL. GKUAEL and NHAI made a joint application before the tribunal and tribunal has passed the orders for amicable settlement and hence Arbitration has come to an end. Accordingly, GKUAEL has written off the claims receivable amount of Rs. 1,374,681,661 and has provides for the amount of Rs. 542,870,000 paid to NHAI under amicable settlement.

Pursuant to the issue of notice of dispute, GKUAEL has terminated the EPC Contract entered into with GMR Projects Private Limited (GPPL) and received a consolidated claim of Rs. 840.76 Crore towards expenses incurred by the EPC Contractor, its sub-contractor and for loss of profit which was enhanced to Rs. 898.26 crore consisting of Rs.335.17 Crore towards sub-contractor claims and Rs. 563.09 Crore towards its own claim. GKUAEL has not acknowledged this claim and is in the process of discussions with the EPC Contractors and its sub-contractors for settlement of the claim. After various round of discussion, the EPC Contractor was advised to refer the sub-contractor claims to independent experts. The independent experts, after examination of claims & supporting documents and discussions with parties , have evaluated the sub-contractor claims on the EPC Contractor and finalized the sub-contractor claims at Rs. 254.13 Crore being the actual expenditure incurred by the sub-contractors. The Company held a detailed discussion with GEPL and could convince GEPL not to press for its own claims towards Loss of Profit relating to its sub-contractors and its own claim. However, it has been agreed to compensate GEPL for Rs 5.00 Crore towards the time and efforts spent over various years on the condition that it does not have any further claims relating to its sub contractors later. The sub-contractor claims of Rs. 254.13 Crore as determined by the external experts and the EPC contractor claim of Rs 5.00 Crore (Total – Rs 259.13 Crore) have been considered in preparing the attached Profit & Loss Account.To the extent of amount of claim receivable of Rs. 137.47 Crore, which has been charged off by GKUAEL, Rs. 54.287 Crore paid to NHAI by GKUAEL under amicable settlement and settlement of EPC Contractor claim of Rs. 259.13 crore has been impaired its investment in GKUAEL.

38 The Company has made an investment of Rs. 650.37 Crore (March 31 2018: Rs. 650.37 Crores) [including loans of Rs.431.92 Crore (March 31 2018: Rs. 431.92 Crores) share application money pending allotment of Rs. NIL (March 31 2018: NIL) and investment in equity / preference shares of Rs. 218.45 Crore (March 31 2018: Rs. 218.45 Crores) made by the Company and its subsidiaries] in GMR Hyderabad Vijaywada Expressways Private Limited ('GHVEPL') an subsidiary of the Company. GHVEPL has been incurring losses since the commencement of commercial operations. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and same has been agreed by NHAI and has also agreed to pay compensation, however there was no agreement on the quantification of the claim amount. GHVEPL has invoked Arbitration and has filed a claim of Rs. 752 Crore (Based on values upto March 31, 2017) before the Tribunal. GHVEPL has also obtained a legal opinion which confirms that these events are Change in Law and it is entitled to the claim for losses suffered on this account. Based on internal assessment and the legal opinion, GHVEPL is confident that it will be able to claim compensation for the losses suffered on account of Change in Law and accordingly the investment in GHVEPL has been carried at cost.

39 **Leases**

The Company has entered into certain cancellable operating lease agreements for office premises.
The lease rentals paid during the year and the maximum obligation on the long term cancellable operating lease payable are as follows:

Particulars	March 31, 2019	March 31, 2018
Lease rentals under cancellable and non-cancellable leases	2,813,588	3,038,007

40 Based on information available with the Company, suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2019 has been classified under note no. 17A.

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41 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 year when the contributions to the respective funds are due.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contribution to provident fund	960,956	547,778
Contribution to superannuation fund	646,652	355,978
	1,607,608	**903,756**

(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

Components of defined benefit costs recognised in profit or loss	Year ended March 31, 2019 Rs.	Year ended March 31, 2018 Rs.
Current service cost	51,865	261,441
Past Service Cost - plan amendments	-	1,000,000
Interest cost on benefit obligation	(78,570)	(124,474)
Expected return on plan assets	-	-
Total	**(26,705)**	**1,136,967**

Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gains) / loss due to DBO experience	(2,203,977)	(323,802)
Actuarial (gains) / loss due to DBO assumption changes	-	(6,751)
Return on Plan assets (greater)/less than discount rate	22,695	(75,519)
Total	**(2,181,282)**	**(406,072)**

	As at March 31, 2019	As at March 31, 2018
Benefit Asset/ (Liability)		
Defined benefit obligation	(1,730,584)	2,109,296
Fair value of plan assets	3,365,071	3,137,331
Benefit Asset/ (Liability)	1,634,487	1,028,035

Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	2,109,296	2,094,824
Interest cost	160,306	112,216
Current service cost	51,865	261,441
Past Service Cost - plan amendments	-	1,000,000
Benefits Paid	-	(1,028,632)
Net actuarial(gain)/loss recognised in year	(2,203,977)	(330,553)
Acquisition adjustment	1,613,094	-
Closing defined benefit obligation	1,730,584	2,109,296

Changes in the fair value of plan assets:	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Opening fair value of plan assets	3,137,331	3,842,195
Acquisition adjustment	-	-
Interest Income on Plan Assets	238,876	236,690
Contributions by employer	11,559	11,559
Expected return	(22,695)	75,519
Benefits paid	-	(1,028,632)
Closing fair value of plan assets	**3,365,071**	**3,137,331**

	As at March 31, 2019	**As at March 31, 2018**
The major categories of plan assets as a percentage of total		
Insurer managed funds	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%	7.60%
Future salary increases	6.00%	6.00%
Mortality table used	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	5.00%	5.00%

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. 11,559 (previous year Rs. 11,559)

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, 2019					
	Discount rate		**Future salary increases**		**Withdrawal Rate**	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(150,390)	173,056	174,271	(153,988)	15,454	(17,613)

	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	(11,960)	14,083	14,181	(12,242)	(502)	308

Maturity Plan of defined benefit obligation:	**Amount in INR.**
Within 1 year	100,345
1-2 year	124,369
2-3 year	132,560
3-4 year	158,740
4-5 year	173,740
5-10 year	1,217,709

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42 **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) (Holding Company) GMR Enterprises Pvt Ltd. (GEPL) (the Parent Company)
Subsidiary Companies of the reporting enterprise	GMR Pochanpalli Expressways Ltd (GPEL) GMR Kishangarh Udaipur Ahmedabad Expressways Ltd.(GKUAEL) GMR Tuni-Anakapalli Expressways Limited (GTAEL) GMR Tambaram Tindivanam Expressways Limited (GTTEL) GMR Ambala-Chandigarh Expressways Private Limited (GACE) GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL) GMR Chennai Outer Ring Road Private Limited (GCORRPL)
Fellow Subsidiaries / Associates	GMR Airport Developers Limited (GADL) GMR Energy Ltd (GEL) GMR Airports Limited (erstwhile GVL Investments Private Limited) (GAL) GMR OSE Hungund Hospet Highways Pvt Ltd(GOHHHPL) GMR Corporate Affairs Private Limited (GCAPL) GMR Krishnagiri SIR Limited Kakinada SEZ Limited Namitha Real Estate Private Limited GMR Hyderabad International Airport Ltd (GHIAL) Raxa Security Services Ltd Dhruvi Securities Pvt Ltd.(DSPL)
Key Management Personnel	Mr. B V N Rao, Director Mr. O.Bangaru Raju Managing Director Mr. K. Parameswara Rao, Independent Director Ms. Kavitha Gudapati, Independent Director Mr. Madhva B. Terdal , Director Mr S. Rajagopal, Independent Director (w.e.f. 27th Nov. 2018)

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

Name of Entity	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Transaction with Enterprises that control the Company / exercise significant influence			
GIL	Interest on Unsecured Loan	18,496,962	80,211,454
	Unsecured Loan taken / (Refund) - net	(212,346,237)	(2,463,378,288)
	Managements Support Services-Expense	1,196,826	1,502,381
	Rent Charges of Registered Office - Expenses	-	629,200
	Short Term Loan Given / (Refund)	98,300,000	-
	Interest Income on Loan given	6,702,911	-
GEPL	Interest on Unsecured Loan	-	433,616
	Logo Fees and Trade Mark	1,000	1,000
Transaction with Subsidiaries			
GACEPL	Charges for Repair & Maintenance Work- Income	16,565,141	15,962,234
	Charges for Major Maintenance Work- Income	163,500,742	52,622,046
	Equity Share Subsribed/(Sold)	-	-
	Interest on Financial Assets of Preference Share Investment	564,395	509,922
	Interest Income on Loan given	38,658,827	34,927,675
GPEL	Charges for Repair & Maintenance Work- Income	26,947,285	25,585,352
	Charges for Major Maintenance Work- Income	420,000	10,519,920
	Charges for COS Work- Income	184,201,490	-
	Advance received on account of R & M/ COS / MMR Work	51,762,923	-
	Interest on Financial Liablity portion of Security Deposit	-	193,030
	Investment in Equity Share Capital	62,48	
	Unsecured Loan taken	-	30,000,000
	Interest on Unsecured Loan	66,880,000	65,469,589

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Notes forming part of Financial Statements for the Year ended March 31,2019

GTAEPL	Charges for Repair & Maintenance Work- Income	38,820,397	38,311,235
	Charges for Major Maintenance Work- Income	166,400	-
	Financial Assets portion of Loan given / (Received Back)	-	77,348,915
	Equity portion of Loan given / (Received Back)	-	(77,348,915)
	Interest Income on Loan given	53,777,500	44,678,716
	Advance received on account of Routine Maintennace Fee / MMR Work	90,300	-
	Investment in Equity Share Capital	2,654.06	
	Deposit Taken for Major Maintenance work	40,000,000	
	Short Term Loan Given / (Refund)	-	(20,000,000)
GCORRPL	Interest on Financial Assets of Preference Share Investment	31,164,741	28,156,880
	Interest on Unsecured Loan Given	54,661,900	34,747,790
	Charges for Repair & Maintenance Work - Income	12,064,939	15,398,613
	Charges for COS Work - Income	33,183,824	-
	Advance received on account of R&M/ COS / MMR Work	40,782,900	
	Income for Financial Guarantee given	1,331,308	876,674
	Equity Portion of Sub Debts Given / (Refund)	-	(331,023,361)
	Asset Portion of Sub Debts Given / (Refund)	(55,000,000)	253,023,361
GHVEPL	Interest on Financial Assets of Preference Share Investment	119,176,568	107,674,256
	Interest Income on Loan given	226,611,597	204,399,052
	Charges for Repair & Maintenance - Income	56,374,263	48,667,669
	Charges for Major Maintennace Work - Income	6,662,500	-
	Charges for COS Work - Income	194,969,505	-
	Advance received on account of R&M/ COS / MMR Work	38,883,929	
	Equity Portion of Sub Debts Given / (Refund)	-	16,346,710
	Assets Portion of Sub Debts given / (Refund)	-	13,653,290
GKUAEL	Interest on Financial Assets of Preference Share Investment	-	-
	Short Term Loan Given / (Refund)	(420,738,108)	-
	Financial Assets portion of Loan given-Received Back	(276,701,183)	-
	Equity portion of Loan given-Received Back	(96,160,709)	-
	Investment in Equity Share Capital	17,624,499.94	
	Investment in Preference Share Capital	6,805,500	
	Interest on Loan Given	-	-
GTTEL	Interest Income on Loan given	68,722,500	56,849,425
	Financial Assets portion of Loan given / (Received Back)	-	97,812,531
	Equity portion of Loan given / (Received Back)	-	(97,812,531)
	Investment in Equity Share Capital	4,618.78	
	Advance received on account of Routine Maintennace Fee / MMR Work	1,194,979	60,000,000
	Deposit Taken for Major Maintenance work	30,000,000	-
	Charges for Major Maintenance Work- Income	263,560,534	67,639,882
	Charges for Repair & Maintenance Work- Income	51,698,741	54,014,653
Transaction with Fellow Subsidiaries / Associates/Joint Ventures			
GOHHHPL	Equity Shared Subsribed/(Sold)	-	-
	Short Term Loan Repaid	-	(143,010,000)
KSEZ	Unsecured Loan Given	1,032,477,214	1,585,000,000
	Security Deposit Receivable / (Refunded)	(1,351,600,000)	1,351,600,000
	Interest Income on Loan given	359,189,517	167,228,767
Namitha Real Estate	Unsecured Loan Given	-	-
	Interest Income on Loan given	1,225,000	1,225,000
Dhruvi	Interest on Unsecured Loan	-	22,917,219
	Financial Liablity portion of Preference share issued / (Redeemed)	-	(921,680,619)
	Equity portion of Preference share issued / (Redeemed)	-	(1,078,319,381)
	Interest on Financial Liablity of Preference Shares issued	-	72,115,850
	Unsecured Loan Taken / (repaid) Net	-	(1,327,983,507)
GHIAL	Rent and Other Charges of HIAL Space - Expense	3,150,757	3,559,886
Grandhi Enterprises Pvt Ltd	Mumbai Office Rental charges	583,038	-
Raxa Security Services Ltd	Unsecured Loan Taken	9,000,000	-
	Interest Expenses on Loan Taken	141,781	1,225,000

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

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. B V N Rao	-	-	-	-		-	-
Mr. O.Bangaru Raju	-	-	-	-		-	-
Mr. K. Parameswara Rao	-	-	-	-	165,000	-	-
Ms. Kavitha Gudapati	-	-	-	-	165,000	-	-
Mr. S. Rajagopal	-	-	-	-	45,000	-	-
Mr. Madhva B. Terdal	-	-	-	-		-	-

Name of Entity	Particulars	As At March 31, 2019	As At March 31, 2018
Closing Balances with Enterprises that control the Company / exercise significant influence			
GIL	Financial Liablity of Sub Debt	-	-
	Equity portion of Sub Debt	2,386,548,085	2,386,548,085
	Equity portion of Preference Shares	2,258,357,761	2,258,357,761
	Unsecured Loan	369,759,000	582,105,237
	Interest Payable on Unsecured Loan	13,988,084	33,768,314
	Trade and Other Payables	2,052,928	663,017
	Short Term Loan Given	98,300,000	
	Interest Receivable	6,032,620	
	Retention Money Payable	1,537,384	1,522,496
GEPL	Trade and Other Payables	900	1,020
	Other Receivable	-	28,300,000
Closing Balances with Subsidiaries			
GACEPL	Investment in Equity share capital - (Other than trade)	507,427,200	507,427,200
	Financial Assets of Investment in Preferenec Shares	5,847,747	5,283,352
	Equity Portion of Investment in Preferenec Shares	5,656,228	5,656,228
	Financials Assets portion of Loan Given	400,547,846	361,889,018
	Equity portion of Loan Given	564,161,991	564,161,991
	Trade and Other Receivables	116,429,254	12,887,051
CORR	Investment in Equity share capital - (Other than trade)	147,000,000	147,000,000
	Equity Portion of Sub Debts Given	54,757,479	54,757,479
	Assets Portion of Sub Debts given	396,041,509	451,041,509
	Financial Assets of Investment in Preferenec Shares	322,900,892	291,736,151
	Equity portion of Preference Shares Investment	601,166,910	601,166,910
	Investment as Financial Guarantee given	7,939,177	7,939,177
	Interest Receivable/ (Advance Received as Interest)	(348,110)	22,479,476
	Advance received on account of R&M/ COS / MMR Work	40,782,900	
	Trade and Other Receivables	20,136,904	1,622,001
GHVEPL	Financials Assets portion of Loan Given	2,347,944,656	2,121,333,059
	Financial Assets of short term loan given	-	-
	Equity portion of Loan Given	2,925,549,341	2,925,549,341
	Investment in Equity share capital - (Other than trade)	24,500,000	24,500,000
	Trade and Other Receivables	76,686,008	8,856,334
	Equity Portion of Investment in Preferenec Shares	1,634,931,484	1,634,931,484
	Advance received on account of Routine Maintennace Fee / MMR Work	23,457,110	
	Financial Assets of Investment in Preferenec Shares	1,234,799,938	1,115,623,370
GKUAEL	Investment in Equity share capital - (Other than trade)	1,367,124,500	1,349,500,000
	Financial Assets of Investment in Preferenec Shares	1,134,524,882	1,134,524,882
	Equity Portion of Investment in Preferenec Shares	4,850,757,759	4,843,952,259
	Financials Assets portion of Loan Given	3,868,734	280,569,917
	Equity portion of Loan Given	71,151,811	167,312,519
	Short term Unsecured Loan Given	-	420,738,108
	Trade and Other Receivables	3,551,554	6,924,944
GPEL	Financial Liablity portion of Security Deposit Received	-	2,000,000
	Investment in Equity share capital - (Other than trade)	1,359,300,022	1,359,299,960
	Equity portion of Security Deposit Received	1,157,961	1,157,961
	Unsecred Loan Taken	608,000,000	608,000,000
	Interest payable on Unsecured Loan	200,358,465	149,166,465
	Advance received on account of Routine Maintennace Fee / MMR Work	150,885,420	118,255,640
	Trade and Other Receivables	76,215,682	5,426,728
GTAEL	Trade and Other Receivables	30,036,844	9,335,299
	Financials Assets portion of Loan Given	439,000,000	439,000,000
	Short term Unsecured Loan Given	30,000,000	30,000,000
	Equity portion of Loan Given	56,940,040	56,940,040
	Investment in Equity share capital - (Other than trade)	237,602,634	237,599,980
	Advance received on account of Routine Maintennace Fee / MMR Work	373,302	283,002
	Short Term Deposit Payble for MM works	40,000,000	-
	Interest receivable	78,185,039	24,461,317

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GTTEL	Trade and Other Receivables	225,291,248	8,917,920
	Advance received on account of Routine Maintennace Fee / MMR Work	1,194,979	41,332,723
	Investment in Equity share capital - (Other than trade)	302,504,599	302,499,980
	Interest receivable	96,916,928	28,263,150
	Financials Assets portion of Loan Given	561,000,000	561,000,000
	Short Term Deposit Payble for MM works	30,000,000	-
	Equity portion of Loan Given	73,030,682	73,030,682
Closing Balances with Fellow Subsidiaries/ Associates/Joint Ventures			
GOHHHPL	Investment in Equity share capital - (Other than trade)	230,213,080	230,213,080
	Trade and Other Receivables	-	45,000
Dhruvi	Equity portion of Preference Shares	197,247,146	197,247,146
GHIAL	Trade and Other Payables	2,917,556	50,196
KSEZ	Interest receivable	344,582,791	169,149,214
	Security Deposit Receivable	-	1,351,600,000
	Financials Assets portion of Loan Given	2,757,477,214	1,725,000,000
Namitha Real Estate	Interest receivable	3,650,868	2,427,093
	Financials Assets portion of Loan Given	10,000,000	10,000,000
Raxa Security Services Ltd	Unsecred Loan Taken	9,000,000	-
	Interest payable on Unsecured Loan	127,603	-
GFFT	Security Deposit Receivable	-	3,605,790
	Other Payable	-	3,301,485
Grandhi Enterprises Pvt Ltd	Mumbai Office Rental charges	533,628	

Commitments with related parties: As at year end March 31, 2019, there is no commitment outstanding with any of the related parties

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. Guarantees provided or received for any related party receivables or payables are disclosed in Note 32. For the year ended 31 March 2019, impairment on Money receivable from 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.

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43 Capital Management

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

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

Particulars	At 31 March 2019	At 31 March 2018
Borrowings- External	8,277,309,068	8,271,645,692
Borrowings- Related party	1,387,854,752	1,375,040,016
Net debts	**9,665,163,820**	**9,646,685,708**
Capital Components		
Share Capital	20,529,297,490	20,529,297,490
Other Equity	(9,599,738,881)	(9,293,496,678)
Total Capital	**10,929,558,609**	**11,235,800,812**
Capital and net debt	**20,594,722,430**	**20,882,486,520**
Gearing ratio (%)	**46.93%**	**46.20%**

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, 2019 and March 31, 2018.

44 Financial Instrument by Category

Particulars	As at March 31, 2019			As at March 31, 2018		
	At Amortised Cost	At FVTPL		At Amortised Cost	At FVTPL	
		Cost	Fair Value		Cost	Fair Value
Assets						
Investment in Unquoted mutual funds	884,164	-	-	2,679,177	-	-
Equity portion of compound financial instruments	2,185,653,953	-	-	2,178,848,453	-	-
Investment in related party loans	3,745,591,344	-	-	3,841,752,053	-	-
Investment in financial guarantees	7,939,177	-	-	7,939,177	-	-
Investment in preference shares issued to related p	2,698,073,459	-	-	2,547,167,755	-	-
Loans to Related parties	7,390,877,423	-	-	6,728,696,660	-	-
Loans to Employees	-	-	-	604	-	-
Cash & Cash Equivalent	15,937,171	-	-	9,244,751	-	-
Trade Receivables	544,795,939	-	-	47,070,334	-	-
Other Financial Assets	3,265,062,508	-	-	4,200,361,222	-	-
Total	**19,854,815,138**	-	-	**19,563,760,185**	-	-
Liabilities						
Loans from related parties	986,759,000	-	-	1,190,105,237	-	-
Long term deposits from related parties	(0)	-	-	2,000,000	-	-
Liablities portion of Preference Shares	-	-	-	-	-	-
Loan from external parties	8,277,309,068	-	-	8,271,645,692	-	-
Interest accrued but not due on borrowings	401,095,752	-	-	182,934,780	-	-
Retention Money	-	-	-	-	-	-
Financial guarantee contracts	1,166,659	-	-	1,331,308	-	-
Trade Payables	503,102,075	-	-	117,522,201	-	-
Financial guarantee contracts	4,564,536	-	-	5,731,195	-	-
Earnest Money Deposit from Vendor	500,000			500,000		
Total	**10,174,497,090**	-	-	**9,771,770,412**	-	-

45 Exceptional Items

There is no Exceptional Items during the year Mar-2019 (as on March 2018 - NIL)

46 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, 2019	Fair Value measurement at end of the reporting period/year		
		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, 2018	Fair Value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

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47 **Income tax expenses in the statement of profit and loss consist of the following:** **In Rupees**

	March 31,2019	March 31,2018
Tax expenses		
(a) Current tax	-	-
(b) Adjustments of tax relating to earlier periods	-	-
(c) Deferred tax expense / (credit)	-	(23,527,019)
Total taxes	**-**	**(23,527,019)**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

	March 31,2019	March 31,2018
Profit before tax	(308,423,485)	(704,383,030)
Applicable tax rates in India (% Rate)	26.00%	30.90%
Computed tax charge	**(80,190,106)**	**(217,654,356)**
Tax effect of income that are not taxable in determining taxable profit:		
a) Exempt income not included in calculation of tax	-	-
Tax effect of expenses that are not deductible in determining taxable profit:		
(a) Adjustments on which deferred tax is not created	80,190,106	217,654,356
(b) Adjustments to current tax in respect of prior periods	-	-
(c) Adjustment on account of reversal of DTL created on equity component of Related Party Loan and Preference Share	-	(23,527,019)
Tax expense as reported	**-**	**(23,527,019)**

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48 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets is cash and cash equivalents, 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, 2019 and March 31, 2018

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, 2019 and March 31, 2018.

Interest rate risk

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

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

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

	Increase/ decrease in basis points	Effect on profit before tax
March 31, 2019		
INR	+50	(48,256,814)
INR	-50	48,256,814
March 31, 2018		
INR	+50	(36,949,065)
INR	-50	36,948,843

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. 21,212,064,403 and Rs. 21,054,274,797 as at March 31,2019 and March 31,2018 respectively, being the total carrying value of trade receivable, balance with bank, bank deposits, investments and other financial assets.

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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							
March 31, 2019							
Term Loan from Bank	13,500,000	247,000,000	354,000,000	708,000,000	3,540,000,000	3,982,500,000	8,845,000,000
Loan from Related parties		617,000,000		770,854,752	-		1,387,854,752
Preference Shares at amortised cost							-
Short term deposits from related parties		70,000,000					70,000,000
Trade payables		503,102,075					503,102,075
Other financial liabilities		500,000					500,000
	13,500,000	1,437,602,075	354,000,000	1,478,854,752	3,540,000,000	3,982,500,000	10,806,456,827

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Total
Year ended							
March 31, 2018							
Term Loan from Bank		158,500,000	177,000,000	354,000,000	2,035,500,000	6,195,000,000	8,920,000,000
Loan from Related parties		608,000,000		765,040,016			1,373,040,016
Preference Shares at amortised cost							-
Long term deposits from related parties		2,000,000					2,000,000
Trade payables		60,181,644					60,181,644
Other financial liabilities		57,840,557					57,840,557
	-	886,522,201	177,000,000	1,119,040,016	2,035,500,000	6,195,000,000	10,413,062,217

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.

49 Recent accounting pronouncements

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

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 which notified Ind AS 116, Leases. The amendment rules are effective from reporting periods beginning on or after April 1, 2019. This standard replaces current guidance in Ind AS 17 and is a far reaching change in accounting by lessees in particular.

Ind AS 116 sets out the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to accounting for finance leases under Ind AS 17. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

Ind AS 116 requires lessees to recognize a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operating.

Ind AS 116 is effective for the Group in the first quarter of fiscal year 2019 using either one of two methods:

(a) 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 116 (the full retrospective method); or

(b) retrospectively with the cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (April 01, 2019) and providing certain additional disclosures as defined in Ind AS 116 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on leases resulting from the application of Ind AS 116 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 116 related to leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

A reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once the implementation project has been completed.

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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.
On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 amending the following standards:

Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12, 'Income taxes'

The appendix corresponds to IFRIC 23, Uncertainty over Income Tax Treatments issued by the IFRS Interpretations Committee.
This amendment clarifies how the recognition and measurement requirements of Ind AS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. The amendment applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.
The interpretation is effective for annual periods beginning on or after April 1, 2019.
The company is evaluating the impact of the amendment on the financial position, results of operation and cash flow.

Prepayment Features with Negative Compensation, Amendments to Ind AS 109, Financial Instruments.

This amendment enables entities to measure certain pre-payable financials assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit and loss. Negative compensation arises where the contractual terms permit the borrower to prepay the instrument before its contractual maturity, but the prepayment amount could be less than unpaid amounts of principal and interest. However, to qualify for amortised cost measurement, the negative compensation' must be 'reasonable compensation for early termination of the contract'.
That is, when a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss should be recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.
The interpretation is effective for annual periods beginning on or after April 1, 2019.
The company is evaluating the impact of the amendment on the financial position, results of operation and cash flow.

Plan Amendment, Curtailment or Settlement, Amendments to Ind AS 19, Employee Benefits.

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must:
• calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change
• any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling
• separately recognise any changes in the asset ceiling through other comprehensive income.

The interpretation is effective for annual periods beginning on or after April 1, 2019.
The company is evaluating the impact of the amendment on the financial position, results of operation and cash flow.

Annual Improvements to Ind AS

• **Ind AS 23, 'Borrowing Cost'**- clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
• **Ind AS 103, 'Business Combination'**- clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The acquirer should re-measure its previously held interest in the joint operation at fair value at the acquisition date.
• **Ind AS 111, 'Joint arrangements'**- clarified that the party obtaining joint control of a business that is a joint operation should not measure its previously held interest in joint operation.
• **Ind AS 12, 'Income Taxes'**- clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends.

Previously, it was unclear whether the income tax consequences of dividend should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.
The interpretation is effective for annual periods beginning on or after April 1, 2019.
The company is evaluating the impact of the amendment on the financial position, results of operation and cash flow.

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50 Segment Reporting

The Company in only in one segment to be reported and hence, the reporting under the provisions of INDAS 108 does not arise.

51 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

In terms of our report attached
For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

4502, High Point IV 45, Palace Road, Bangalore-1.
GIRISH MURTHY & KUMAR CHARTERED ACCOUNTANTS

A.V. Satish Kumar
Partner
Membership no.: 26526

Place: New Delhi
Date: 7th May 2019

For and on behalf of
GMR Highways Limited

B V N Rao
Director
DIN:00051167

O Bangaru Raju
Managing Director
DIN:00082228

Rajat Laddha
Chief Financial Officer

Paramjeet Singh
Company Secretary

GMR HIGHWAYS LIMITED