

GMR HIGHWAYS LIMITED

CIN: U45203MH2006PLC287171

**Financial Statement for the Year Ended
31 March 2021**

Board of Directors

B V N Rao, Director

O Bangaru Raju, Managing Director

Madhva B. Terdal , Director

K. Parameswara Rao, Independent Director

Kavitha Gudapati, Independent Director

S. Rajagopal, Independent Director

Vikas Bansal, Chief Financial Officer

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GMR HIGHWAYS LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **GMR Highways Limited**(the “**Company**”), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash flows and 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, 2021 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, 2021, 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, 2021.

- A. We draw the attention to Note no 37 of the accompanying financial statements for the year ended March 31, 2021, 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, and the networth is negative, based on the management’s assessment and the legal opinion on the tenability of appeal before Delhi High Court, in respect 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 your attention to Note no.38 of the accompanying financial statements for the year ended March 31, 2021, 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, 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.
- C. We draw your attention to Note no.38 of the accompanying financial statements for the year ended March 31, 2020, relating to uncertainty in the matter of restriction of concessionaire period by NHAI to 15 years as against the initially envisaged period of 25 years, which the subsidiary intends to contest before appropriate courts and based on independent legal

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opinion is confident on getting relief. However, the financials of the subsidiary does not carry any adjustments in the financial statements on account of the above. In line with the same view, the company has not made any adjustments to the carrying of investments in the financial statements of the Company.

Our opinion is not qualified in respect of the aforesaid matter.

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 safe guarding 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

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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 skepticism 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.
- 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.

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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.

Other matters

- a. The entire audit finalization process was carried from remote location i.e. other than the office of the Company where books of account and other records are kept, based on the data / details or financial information provided to us through digital medium, owing to complete lockdown imposed by the State Governments to restrict the spread of COVID 19. Thus, our physical attendance was impracticable under the circumstances. We being constrained, resorted to and relied upon the results of the alternative audit procedures to obtain sufficient and appropriate audit evidence for significant matters in the course of our audit.

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.
 - (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, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its managerial personnel during the year and accordingly reporting in accordance with the requirements of section 197 (16) of the Act is not required.

- (h) 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 the information and explanation given to us the company did not have any pending litigations against the company or by the company which would have impact on its financial position.-Refer Note 34 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

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A.V.SATISH KUMAR
Partner
Membership number: 26526

Place: Bangalore
Date: 09 June 2021
UDIN: 21026526AAAADM6372

Annexure A as referred to in clause 1 of paragraph on report on other legal and regulatory requirements of our report of even date.

Re: **GMRHighways Limited**

- 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. The management has carried out physical verification of fixed assets during the year and has reported no material discrepancies in such report.

(c)The company is having an immovable property in the form of land, whose title is in the name of 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. We have broadly reviewed the books of account maintained by the Company, pursuant to the Rules made by the Central Government of India, the maintenance of cost records as prescribed under sub-section (1) of section 148 of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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 service 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, customs duty, wealth tax, service tax, value added tax, cess, goods and service tax and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

viii. *Based on our audit procedure and as per the information and explanation given by the Management, we have noticed that the company has defaulted in the repayment of loan and in payment of interest on loans taken from the banks during the year. Also during the year, there were delays in repayment of instalments to its lending bank which have been made good by the end of the year.*

The delays reported above, exclude interest funded during the year by bank to the extent of Rs.59 crores, in terms of RBI Circular on Covid 19 Regulatory Package.

ix. Further, the company has not issued any debentures at any point of time and as such there are no dues outstanding at the end of the year to debenture holders.

x. 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.

xi. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xii. 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.

xiii. 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.

xiv. 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.

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 made any preferential allotment or private placement of shares or fully of partly convertible debentures during the year.

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

FOR GIRISH MURTHY & KUMAR
Chartered Accountants

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A V Satish Kumar
Partner.

Membership No: 26526
FRN No.000934S

Place: Bangalore
Date: 09th June2021
UDIN: 21026526AAAADM6372

Annexure B to Auditors' Report of even date

Report on the Internal Controls on Financial Reporting under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")

Re: **GMR Highways Limited**

We have audited the internal financial controls over financial reporting of **GMR Highways Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the 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.

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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 2021, 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 & KUMAR

Chartered Accountants
FRN No.000934S

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A V Satish Kumar
Partner.

Membership No: 26526

Date: 09th June 2021

Place: Bangalore

UDIN: 21026526AAAADM6372

GMR Highways Limited
CIN: U45203MH2006PLC287171
Balance Sheet as at March 31, 2021

Amount in Rupees

	Note	As At March 31, 2021	As At March 31, 2020
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	80,836	177,432
(b) Investment property	5	160,574,120	160,574,120
(c) Other Intangible assets	4	14	14
(d) Financial Assets			
(i) Investments	6	8,508,021,488	8,508,021,488
(ii) Loans	7(i)	5,059,924,399	6,157,640,574
(iii) Other Financial Assets	8(i)	1,915,976,308	1,731,201,924
(e) Non Current Tax Assets (Net)	11	29,724,918	78,744,338
(f) Other Non Current Assets	13 (i)	6,803,266	4,488,122
Total Non-Current Assets		15,681,105,351	16,640,848,012
Current Assets			
(a) Financial Assets			
(i) Current Investments	6 (i)	-	-
(ii) Loans	7 (ii)	4,386,407,705	4,213,719,507
(iii) Trade Receivables	9	322,392,171	435,696,977
(iv) Cash & Cash Equivalents	10 (i)	19,512,926	15,560,275
(v) Bank balances other than cash and cash equivalents	10 (ii)	77,955,094	-
(vi) Other Financial Assets	8(ii)	557,882,140	1,377,111,005
(b) Other Current Assets	13 (ii)	121,373,386	85,180,386
Total Current Assets		5,485,523,422	6,127,268,149
Assets Classified as held for Sale			
	49	2,290,671,947	-
TOTAL ASSETS		23,457,300,720	22,768,116,161
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	7,754,405,100	7,754,405,100
(b) Other Equity	15	2,136,526,583	3,041,172,713
Total Equity		9,890,931,683	10,795,577,813
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	9,418,004,475	9,073,484,763
(ii) Other Financial Liabilities	19 (i)	2,732,717	3,572,099
(b) Provisions	20 (i)	425,219	2,296,493
(c) Deferred Tax Liabilities (Net)	12	-	-
Total Non-Current Liabilities		9,421,162,411	9,079,353,355

GMR Highways Limited
CIN: U45203MH2006PLC287171
Balance Sheet as at March 31, 2021

Amount in Rupees

	Note	As At March 31, 2021	As At March 31, 2020
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,179,609,326	1,174,604,755
(ii) Trade payables			
(a) Total Outstanding dues of micro enterprises and small enterprises	17 (A)	286,246,095	306,979,503
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprise	17 (B)	661,350,521	389,522,469
(iii) Other Financial Liabilities	19 (ii)	1,043,172,337	688,897,626
(b) Provisions	20 (ii)	3,847,940	378,479
(c) Current Tax Liabilities (net)	21	-	-
(d) Other current liabilities	22	254,608,460	332,802,161
Total Current Liabilities		3,428,834,679	2,893,184,993
Liabilities directly associated with assets held for Sale	49	716,371,947	-
TOTAL EQUITY AND LIABILITIES		23,457,300,720	22,768,116,161
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

As per our Report of even date

For Girish Murthy & Kumar
Firm registration number: 0934S
Chartered Accountants

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

For and on behalf of
GMR Highways Limited

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O Bangaru Raju
Managing Director
DIN:00082228

BODA VENKATA
NAGESWARA
RAO

B V N Rao
Director
DIN:00051167

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Vikas Bansal
Chief Financial Officer

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Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 09th June 2021

GMR Highways Limited
CIN: U45203MH2006PLC287171
Statement of Profit & Loss for the Year Ended March 31, 2021

Amount in Rupees

	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from Operation	23	1,415,079,325	1,895,220,929
Other Income	24	1,070,525,972	1,319,703,780
Total Income		2,485,605,297	3,214,924,709
Expenses			
Sub contracting	25	364,007,947	563,711,085
Operation & maintenance expenses	25	1,052,239,001	1,303,976,485
Employee benefits expense	26	8,436,083	20,128,935
Finance costs	27	1,583,201,865	1,447,509,990
Depreciation and amortization expense	28	96,596	411,958
Other expenses	29	27,664,347	29,466,815
Total Expenses		3,035,645,839	3,365,205,268
Profit / (Loss) for the year before exceptional items and taxation		(550,040,541)	(150,280,560)
Exceptional Item - (Loss on Receivables of CCDs as per discounted values)	45	(292,942,713)	-
Profit / (Loss) for the year before taxation		(842,983,254)	(150,280,560)
Tax Expense:			
(1) Current Tax		-	30,495,642
(2) Tax adjustments of prior years		62,765,820	59,494
(3) Deferred Tax Expense / (Credit)		-	-
		62,765,820	30,555,136
Profit / (Loss) for the year after tax		(905,749,075)	(180,835,695)
Other Comprehensive Income			
Actuarial gain/(loss) in respect of defined benefit plan		1,102,944	24,049
		1,102,944	24,049
Total comprehensive Income for the period		(904,646,131)	(180,811,646)
Profit / (Loss) for the period attributable to;			
-Owners of the Company		(904,646,131)	(180,811,646)
-Non-controlling interests		-	-
		(904,646,131)	(180,811,646)
Earning per Equity Share:			
- Basic & Diluted	30	(1.17)	(0.09)
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

As per our Report of even date

For Girish Murthy & Kumar

Firm registration number: 0934S

Chartered Accountants

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SATISH KUMAR
Date: 2021.06.09
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A.V. Satish Kumar

Partner

Membership no.: 26526

For and on behalf of

GMR Highways Limited

BANGARU
RAJU
OBBILISSETTY

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BANGARU RAJU
OBBILISSETTY
Date: 2021.06.09 21:11:54
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O Bangaru Raju
Managing Director
DIN:00082228

VIKAS
BANSAL
Vikas Bansal
Chief Financial Officer

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VIKAS BANSAL
Date: 2021.06.09
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BODA VENKATA
NAGESWARA
RAO

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NAGESWARA
Date: 2021.06.09 21:12:13 +05'30'

B V N Rao
Director

DIN:00051167
**PARAMJEET SINGH
ET SINGH**
Paramjeet Singh
Company Secretary

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PARAMJEET SINGH
Date: 2021.06.09
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Place: New Delhi

Date: 09th June 2021

GMR Highways Limited

CIN: U45203MH2006PLC287171

Cash Flow Statement for the Year Ended March 31, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	(842,983,254)	(150,280,560)
Adjustments For :		
Depreciation and Amortisation	96,596	411,958
Finance Charges	1,583,201,865	1,447,509,990
Loss on disposal of assets (net)	-	110
Loss/ (profit) on sale of stake	-	-
Loss on Receivables of CCDs as per discounted values	292,942,713	-
Interest Income on Financial Assets	(532,746,458)	(482,619,392)
Interest Income on Bank deposit and others	(532,227,073)	(813,410,497)
Provisions/Liability no longer required written back	(4,510,152)	-
Remeasurements of the defined benefit plans	1,102,944	24,049
Profit on sale of Investment	(49,728)	(196,915)
	(35,172,548)	1,438,744
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	816,879,344	(590,411,942)
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	(1,107,026,679)	659,596,498
Decrease / (Increase) in Trade Receivables	113,304,806	109,098,962
Increase / (Decrease) in Trade Payables	251,094,644	193,399,898
Increase / (Decrease) in Other Finance Liabilities	11,680,937	(65,745,688)
Increase / (Decrease) in Provision	6,108,338	(65,784,852)
Increase / (Decrease) in Other Current Liabilities and Retention Money	(78,193,701)	100,194,259
Cash From/(Used In) Operating activities	(21,324,860)	341,785,879
Tax (Paid)/Refund	(13,746,401)	(26,299,279)
Net Cash From/(Used In) Operating activities	(35,071,261)	315,486,600
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Addition) / Deletion to Fixed Assets	-	(0)
Decrease/(Increase) in Investment other than Shares	716,371,947	884,164
Interest Income on Bank deposit and others	157,037,498	230,177,415
Decrease/(Increase) in Loan to related parties	135,443,021	(222,528,760)
Decrease/(Increase) in Investment in Equities Share (Net)	-	-
Profit / (Loss) on Sale of Investment in Shares	-	-
Decrease/(Increase) in Other Bank Balance	(77,955,094)	-
Profit on Sale of Investment	49,728	196,915
Decrease/(Increase) in Investment in Preference Shares	-	-
Cash From/(Used In) Investing Activities	930,947,101	8,729,733
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Equity Share Capital	-	(127,748,924)
Increase/(Decrease) in Loan from external parties	(94,626,398)	(177,000,000)
Increase/(Decrease) in Loan from Group Companies (Net)	(10,964,498)	1,341,321,997
Interest paid on Loan	(780,127,750)	(1,359,162,242)
Other Finance Charges Paid	(6,063,366)	(808,283)
Increase/(Decrease) in Short Term Borrowings	(141,177)	(1,295,244)
Cash From/(Used In) Financing Activities	(891,923,190)	(324,692,696)
Net Increase /Decrease in Cash and Cash Equivalents	3,952,650	(476,363)
Cash and Cash Equivalents as at beginning of the period	15,560,275	16,036,638
Cash and Cash Equivalents as at end of the period	19,512,926	15,560,275

GMR Highways Limited
 CIN: U45203MH2006PLC287171
 Cash Flow Statement for the Year Ended March 31, 2021

Components of Cash and Cash Equivalents as at:	March 31, 2021	March 31, 2020
Balances with the scheduled banks:		
- In Current accounts	19,512,926	15,560,275
	19,512,926	15,560,275

Particulars	April 1, 2020	Non Cash Changes			March 31, 2021
		Cash Flow	Fair Value Changes	Others	
Long Term External Borrowing	8,119,747,890	(94,626,398)	83,117,900	591,333,068	8,699,572,461
Related Parties Borrowing	2,328,080,997	(10,964,498)	-		2,317,116,499
Short term borrowings from External	68,704,755	(141,177)			68,563,578

As per our Report of even date

For **Girish Murthy & Kumar**
 Firm registration number: 09345
 Chartered Accountants

ACHYUTHAVE
 NKATA SATISH
 KUMAR

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 ACHYUTHAVENKAT
 A SATISH KUMAR
 Date: 2021.06.09
 21:45:13 +05'30'

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

For and on behalf of
GMR Highways Limited

**BANGARU
 RAJU
 OBBILISSETTY**

Digitally signed by
 BANGARU RAJU
 OBBILISSETTY
 Date: 2021.06.09
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O Bangaru Raju
 Managing Director
 DIN:00082228

**BODA
 VENKATA
 NAGESWARA
 RAO**

Digitally signed by BODA VENKATA
 NAGESWARA RAO
 Date: 2021.06.09
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B V N Rao
 Director
 DIN:00051167

**VIKAS
 BANSAL**

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 by VIKAS BANSAL
 Date: 2021.06.09
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Vikas Bansal
 Chief Financial Officer

**PARAMJEE
 T SINGH**

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 PARAMJEET SINGH
 Date: 2021.06.09
 21:13:03 +05'30'

Paramjeet Singh
 Company Secretary

Place: New Delhi
 Date: 09th June 2021

GMR Highways Limited
CIN: U45203MH2006PLC287171
Statement of Change in Equity for the Year Ended March 31, 2021

A. Equity Share Capital		Amount in Rs.
	Share capital	Rs.
As at March 31, 2019		20,529,297,490
Share Capital Issued during the year		-
Capital Redution during the Year		(12,774,892,390)
As at March 31, 2020		7,754,405,100
Share Capital Issued during the year		-
Capital Redution during the Year		-
As at March 31, 2021		7,754,405,100

	Equity component of financial instrument		Retained Earning	Other Comprehensive Income	Total
	Preference shares	Related Party Loans			
As at March 31, 2019	1,696,822,991	1,650,262,689	(12,774,892,399)	2,647,614	(9,425,159,106)
Net Profit / (Loss)	-	-	(180,835,695)	-	(180,835,695)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	24,049	24,049
Reserves arising on account of Capital Reduction	-	-	12,647,143,466	-	12,647,143,466
As at March 31, 2020	1,696,822,991	1,650,262,689	(308,584,629)	2,671,663	3,041,172,714
Net Profit / (Loss)	-	-	(905,749,075)	-	(905,749,075)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	1,102,944	1,102,944
As at March 31, 2021	1,696,822,991	1,650,262,689	(1,214,333,703)	3,774,607	2,136,526,583

The accompanying notes are an integral part of the financial statements

As per our Report of even date
For Girish Murthy & Kumar
 Firm registration number: 0934S
 Chartered Accountants

ACHYUTHAVE
 NKATA SATISH
 KUMAR

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

Place: New Delhi
 Date: 09th June 2021

For and on behalf of
GMR Highways Limited

BANGARU RAJU
OBIBILISSETTY

O Bangaru Raju
 Managing Director
 DIN:00082228

VIKAS
BANSAL
Vikas Bansal
 Chief Financial Officer

BODA VENKATA
NAGESWARA
RAO

B V N Rao
 Director
 DIN:00051167

PARAMJEET
SINGH
Paramjeet Singh
 Company Secretary

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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.

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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 of that asset.

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

f) Intangible assets

Intangible assets 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.

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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.

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

i) Borrowing costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

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

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 on an accrual basis as per the terms of agreements entered into with lessees.

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

Operating Leases:

Where the Company is the lessee

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

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

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

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

GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2021

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

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

impairment losses of continuing operations are recognized in the statement of profit and loss, except for previously revalued 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 reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

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 disclosed when it is probable that the economic benefits will flow to the entity.

Provisions

Provisions are recognised when the Company's has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company's expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

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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 for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences

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

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

Defined benefit plans

Gratuity

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

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

Remeasurements

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

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

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

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

o) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

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Subsequent measurement

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

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Derecognition

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

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

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

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

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial guarantee contracts which are not measured as at FVTPL

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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 are possible within 12 months after the reporting date.

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

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

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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 received.

Derecognition

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

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

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

3 Property, Plant and Equipment (In Rupees)

Sr.No.	PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK			
		As At April 01, 2020	Additions	Deductions	As At March 31, 2021	As At April 01, 2020	For the period	Deductions	As At March 31, 2021	As At March 31, 2020
1	Computers	128,992	-	-	128,992	128,969	-	-	128,969	23
2	Office Equipments	532,652	-	-	532,652	526,663	-	-	526,663	5,989
3	Furniture & Fixtures	192,234	-	-	192,234	128,358	36,104	-	164,463	27,771
4	Plant and Machinery	68,482	-	-	68,482	14,282	7,147	-	21,429	47,052
5	Vehicles	698,632	-	-	698,632	645,286	53,344	-	698,631	1
	Total	1,620,990	-	-	1,620,990	1,443,559	96,596	-	1,540,154	80,836

Sr.No.	PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK			
		As At April 01, 2019	Additions	Deductions	As At March 31, 2020	As At April 01, 2019	For the period	Deductions	As At March 31, 2020	As At March 31, 2019
1	Computers	129,014	-	(22)	128,992	128,969	-	-	128,969	23
2	Office Equipments	532,681	-	(29)	532,652	526,663	-	-	526,663	5,989
3	Furniture & Fixtures	192,290	-	(56)	192,234	89,793	38,565	-	128,358	63,875
4	Plant and Machinery	68,482	-	-	68,482	7,136	7,147	-	14,282	54,199
5	Vehicles	698,632	-	-	698,632	326,088	319,198	-	645,286	53,345
	Total	1,621,097	-	(107)	1,620,990	1,078,648	364,910	-	1,443,559	177,432

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(In Rupees)

4 Other Intangible Assets

Sr.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As At April 01, 2020	Additions	Deductions	As At March 31, 2021	As At April 01, 2020	For the period	Deductions	As At March 31, 2021	As At March 31, 2020	As At March 31, 2020
1	Software	478,592	-	-	478,592	478,578	-	-	478,578	478,578	14
	Total	478,592	-	-	478,592	478,578	-	-	478,578	478,578	14

Sr.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As At April 01, 2019	Additions	Deductions	As At March 31, 2020	As At April 01, 2019	For the period	Deductions	As At March 31, 2020	As At March 31, 2019	As At March 31, 2019
1	Software	478,595	-	(3)	478,592	431,530	47,048	-	478,578	478,578	47,065
	Total	478,595	-	(3)	478,592	431,530	47,048	-	478,578	478,578	47,065

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5 Investment property	Amount in Rupees	
	As At March 31, 2021	As At March 31, 2020
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, 2021	As At March 31, 2020
Investment in Equities Shares	2,583,888,155	2,583,888,155
Equity part of Investment in Preference Shares	2,241,754,623	2,241,754,623
Equity portion of related party loans	3,674,439,533	3,674,439,533
Investment in financial guarantees	7,939,177	7,939,177
	8,508,021,488	8,508,021,488

Breakup of Investment in Equities at Cost	As At March 31, 2021	As At March 31, 2020
(a) Investment in subsidiaries		
(i) 13,59,30,000 (March 31, 2020: 13,59,30,000) Equity Shares of Rs. 10 Each in GMR Pochanpalli Expressways Limited	1,359,300,022	1,359,300,022
(ii) 7,30,000 (March 31, 2020: 7,30,000) Equity Shares of Rs. 10 Each in GMR Tambarm Tindivanam Expressways Ltd	302,504,599	302,504,599
(iii) 7,30,000 (March 31, 2020: 7,30,000) Equity Shares of Rs. 10 Each in GMR Tuni Anakapalli Expressways Ltd	237,602,634	237,602,634
(iv) 5,07,42,720 (March 31, 2020: 5,07,42,720) Equity Shares of Rs. 10 Each in GMR Ambala Chandigarh Expressways Private Limited	507,427,200	507,427,200
(v) 24,50,000 (March 31, 2020: 24,50,000) Equity Shares of Rs. 10 each in GMR Hyderabad Vijayawada Expressways Private Limited	24,500,000	24,500,000
(vi) 1,47,00,000 (March 31, 2020: 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) Other Investment - Equity		
(i) 5,55,370 (March 31, 2020: 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	2,583,888,155	2,583,888,155
Less: - Impairment in Investment of Shares		
Impairment in Investment	-	-
Net Total Investment in Equity	2,583,888,155	2,583,888,155

6(i) Current investments	As At March 31, 2021	As At March 31, 2020
Investment in Quoted mutual funds	-	-
Investment in debentures (CCDs)	-	-
	-	-

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Notes forming part of Financial Statements for the Year ended March 31, 2021

7 Loans (Unsecured, considered good)	As At March 31, 2021	As At March 31, 2020
(i) Non Current		
(a) Loans and advance to related parties		
Loan Receivables considered good - Secured		
Loan Receivables considered good - UnSecured	5,059,924,399	6,157,640,574
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - Credit impaired	-	-
	5,059,924,399	6,157,640,574
(ii) Current		
Loan Receivables considered good - Secured	-	-
Loan Receivables considered good - UnSecured		
(a) Loans to related parties	4,386,227,488	4,213,719,507
(b) Loan to employees	180,217	-
Loan Receivables which have significant increase in Credit Risk		
Loan Receivables - Credit impaired		
	4,386,407,705	4,213,719,507

Loan to related parties / others considered good include :

(i) Non Current

GHVEPL	2,877,177,212	2,599,486,798
GCORR	287,539,036	375,541,509
GACEPL	490,832,325	443,459,702
Kakinada Sez Private Limited	-	2,361,797,214
Namitha Real Estates Private Limited	10,000,000	10,000,000
UEPL (Others)	390,118,549	367,355,352
GMR Krishnagiri SIR Limited (KUA)	826,717,839	
GMR SEZ AND PORT HOLDING LIMITED (KUA)	177,539,439	
	5,059,924,399	6,157,640,574

(ii) Current

GTAEL	247,025,963	294,466,511
GTTEL	592,642,250	592,642,250
GACEPL	-	-
GMR Krishnagiri SIR Limited (KUA)	-	670,753,831
KAKINADA SEZ LIMITED (KUA)	2,666,659,275	1,631,956,915
GMR SEZ AND PORT HOLDING LIMITED (KUA)	-	144,000,000
GHVEPL	879,900,000	879,900,000
	4,386,227,488	4,213,719,507

8 Other Financial Assets	As At March 31, 2021	As At March 31, 2020
(I) -Non Current		
Security Deposit	-	-
Others	-	145,840
Financial Asset of Invest. in preference shares issued by related parties	1,915,976,308	1,731,056,084
	1,915,976,308	1,731,201,924
(II) - Current		
Security Deposit	-	-
Non trade receivable- related party	39,432,094	-
Receivable Other than trade - considered good	11,160,283	6,181,072
Unbilled revenue - related party	207,193,509	-
Interest accrued on fixed deposit	338,037	1,682
Interest accrued on Inter corporate loans and deposits	299,758,218	1,370,928,251
	557,882,140	1,377,111,005

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Notes forming part of Financial Statements for the Year ended March 31, 2021

9 Trade Receivables	As At March 31, 2021	As At March 31, 2020
Unsecured, considered good		
Trade Receivables considered good - Secured		
Trade Receivables considered good - UnSecured	322,392,171	435,696,977
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit impaired	-	-
	322,392,171	435,696,977

(i) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person.

10 Cash and cash equivalents	As At March 31, 2021	As At March 31, 2020
(i) Balances with banks		
- In Current Account	19,512,926	15,560,275
(ii) Bank balances other than cash and cash equivalents		
- Margin money*	77,955,094	-
	97,468,020	15,560,275

*Note:

i. Fixed deposit held with IDBI to the extent of 7.78 crore (Mar.20- NIL) are under lien to IDBI Bank towards FODD facility made available to company

Breakup of financial assets	As At March 31, 2021	As At March 31, 2020
At Cost		
Investment in Equities	2,583,888,155	2,583,888,155
At amortised cost		
Investment in Unquoted CCDs	-	-
Equity portion of Investment in Preference Shares	2,241,754,623	2,241,754,623
Equity portion of related party loans	3,674,439,533	3,674,439,533
Investment in financial guarantees	7,939,177	7,939,177
Financial Asset of Invest. in preference shares issued by related parties	1,915,976,308	1,731,056,084
Loans to Related parties	9,446,151,887	10,371,360,081
Loans to Employees	180,217	-
Cash & Cash Equivalent	97,468,020	15,560,275
Trade Receivables	322,392,171	435,696,977
Other Financial Assets	557,882,140	1,377,256,845
Total	20,848,072,231	22,438,951,750

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Notes forming part of Financial Statements for the Year ended March 31, 2021

11 Income Tax-Non Current	As At March 31, 2021	As At March 31, 2020
Advance income tax (net of provision for current tax)	29,724,918	78,744,338
	29,724,918	78,744,338

12 Deferred Tax Assets/(Liability)	As At March 31, 2021	As At March 31, 2020
Deferred Tax Assets		
On unabsorbed Business Loss	-	-
On Equity portion of Loan given to related parties	-	-
On Equity portion of Preference Share Investment	-	-
On Interest Expense of Amortised financial Instrument	-	-
On Financial Guarantee	-	-
Total	-	-
Deferred Tax Liabilities		
On Interest Income of Amortised financial Instrument	-	-
On Equity component of Loan taken	-	-
On unamortised upfront Fee on Loan from external parties	-	-
Total	-	-
Net Deferred Tax Assets/(Liabilities)	-	-

13 Other Current/Non Current Assets	As At March 31, 2021	As At March 31, 2020
(i) Other Non Current Assets (Considered Good)		
Prepaid Expenses pertains to Gratuity	6,803,266	4,488,122
	6,803,266	4,488,122
(ii) Other Current Assets (Considered Good)		
Prepaid Expenses	1,788,248	2,140,690
Advances recoverable in cash or kind	61,527,635	48,046,593
Balance with government authorities	58,057,503	34,993,103
	121,373,386	85,180,386

14 Share capital	Amount in Rs	
	As At March 31, 2021	As At March 31, 2020
Authorised		
(i) 234,00,00,000 equity shares of Rs. 10 each fully paid up (March 31, 2020: 234,00,00,000 equity shares of Rs. 10 each)	23,400,000,000	23,400,000,000
(ii) 16,10,00,000 Preference Shares of Rs. 100 each (March 31, 2020: 16,10,00,000 preference shares of Rs. 100 each)	16,100,000,000	16,100,000,000
	39,500,000,000	39,500,000,000
Issued, Subscribed & Paid-Up		
(i) 775,440,510 equity shares of Rs. 10 each fully paid up (March 31, 2020: 775,440,510 equity shares of Rs. 10 each)	7,754,405,100	7,754,405,100
	7,754,405,100	7,754,405,100

NOTES :

(i) **Terms to Equity Shares**

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

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

(ii) **Reconciliation of the Equity shares outstanding at beginning and at end of the period**

	As At March 31, 2021		As At March 31, 2020	
	Number	Rupees	Number	Rupees
Equity Shares				
Shares outstanding at the beginning of the year	775,440,510	7,754,405,100	2,052,929,749	20,529,297,490
Capital Reduciton during the period	-	-	(1,277,489,239)	(12,774,892,390)
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	775,440,510	7,754,405,100	775,440,510	7,754,405,100

Capital Reduction

After getting approval of shareholders and creditors and confirmation from National Company Law Tribunal (NCLT) vide the order dated March 20, 2020 to reduce the Company's issued, subscribed and paid-up equity share capital from INR 20,52,92,97,490 (Indian Rupees Two Thousand Fifty Two Crores Ninety Two Lakhs Ninety Seven Thousand Four Hundred and Ninety Only) comprising 2,05,29,29,749 fully paid up equity shares of INR 10/- (Indian Rupees Ten Only) each to INR 7,75,44,05,100 (Indian Rupees Seven Hundred Seventy Five Crores Forty Four Lakhs Five Thousand One Hundred Only), comprising of 77,54,40,510 fully paid up equity shares of INR 10/- (Indian Rupees Ten Only), each and that such reduction effected by cancelling and extinguishing 62.23% of the total issued, subscribed and paid up equity share capital of the Company (the "Capital Reduction").

The shareholders whose share capital has been reduced has paid a sum of 10 Paise (Ten Paise Only) per equity share as the consideration by the Company.

(iii) **Reconciliation of the Preference shares outstanding at beginning and at end of the period**

	As At March 31, 2021		As At March 31, 2020	
	Number	Rupees	Number	Rupees
Preference Shares				
At the beginning of the period				
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares Converted into Eqyity Shares during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

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

	As At March 31, 2021		As At March 31, 2020	
	No of Share	%	No of Share	%
Equity Shares				
GMR Infrastructure Limited	699,895,741	90.26%	699,895,741	90.26%
Dhruvi Securities Private Limited	75,544,769	9.74%	75,544,769	9.74%

(v) **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, 2021		As At March 31, 2020	
	Number	Rupees	Number	Rupees
GMR Infrastructure Limited 699,895,737 (March 31, 2020: 699,895,740) equity shares of Rs. 10 each fully paid up	699,895,737	6,998,957,370	699,895,740	6,998,957,400
GMR Business Process and Services P Ltd representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2020: 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, 2020: 1) equity shares of Rs. 10 each fully paid up	1	10	1	10
GMR Aerostructure Services Ltd representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2020: 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, 2020: 1) equity shares of Rs. 10 each fully paid up	1	10	1	10
GMR Infra Developers Limited representing and for the benefit of GMR Infrastructure Limited 1 (March 31, 2020: NIL) equity shares of Rs. 10 each fully paid up	1	10	-	-
Dhruvi Securities Private Limited 75,544,768 (March 31, 2020: 75,544,768) equity shares of Rs. 10 each fully paid up	75,544,768	755,447,680	75,544,768	755,447,680

		Amount in Rs	
15 Other Equity	As At March 31, 2021	As At March 31, 2020	
(i) Equity component of Preference shares			
Opening Balance	1,696,822,991	1,696,822,991	
Add : Adjustment for the year	-	-	1,696,822,991
(ii) Equity component of Loans from group companies			
Opening Balance	1,650,262,689	1,650,262,689	
Add : Adjustment for the year	-	-	1,650,262,689
(iii) Surplus / (Deficit) in the Statement of Profit and Loss			
Opening Balance	(308,584,629)	(12,774,892,399)	
Add : Profit/ (Loss) for the year	(905,749,075)	(180,835,695)	
Add : Reserve arising on account of Capital Reduction	-	12,647,143,466	
	(1,214,333,704)		(308,584,629)
(iii) Other Comprehensive Income			
Opening Balance	2,671,663	2,647,614	
Add : Addition during the year	1,102,944	24,049	2,671,663
	2,136,526,583		3,041,172,713

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Notes forming part of Financial Statements for the Year ended March 31, 2021

16 Long Term Borrowings	Amount in Rs	
	As At March 31, 2021	As At March 31, 2020
Secured		
Term loans (Indian rupee term loan from bank)	8,211,933,724	7,851,303,766
Unsecured		
Loans from group company	1,206,070,751	1,222,180,997
	9,418,004,475	9,073,484,763

(i). Secured Indian rupee term loan from Yes bank of Rs. 7,694,956,578 (March 31, 2020: 727,50,00,000) 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 Infrastructure 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. 1,399,750,092 (March 31, 2020: 132,30,00,000) 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 Disbursement) , Pledge over 23.5% Shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights (Prior to Disbursement) , Unconditional and Irrevocable Corporate Guarantee of GMR Infrastructure Limited 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. 120,60,70,751 (as at March 31, 2020: 122,21,80,997) from GMR Infrastructure Ltd. shall be repayable within 3 yrs from date of agreement. This loan carries an interest rate of 12.25% p.a.

17 Trade Payables	Amount in Rs	
	As At March 31, 2021	As At March 31, 2020
Trade Payables		
A. Due to micro small and medium enterprise	286,246,095	306,979,503
B. Due to creditors other than micro small and medium enterprise	661,350,521	389,522,469
	947,596,616	696,501,973

18 Short Term Borrowings	As At March 31, 2021	As At March 31, 2020
Secured		
(a) Short term borrowings from Bank	68,563,578	68,704,755
Unsecured		
(a) Short term Loan from related parties	1,111,045,748	1,105,900,000
	1,179,609,326	1,174,604,755

(i) ODFD Facility has been obtained of Rs. 6,85,63,578 (as at March 31, 2020: Rs. 6,87,04,755) from IDBI Bank Ltd. The same is secured by way of Pledge of Fixed Deposits of Rs 7,78,00,000. This facility carries an interest rate of Bank base Rate + 2% i.e effective rate is 10.65% 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. 59.31 Crore (as at March 31, 2020: Rs. 60.80 crore) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 11% p.a.

(iii) An unsecured loan of Rs. 48.89 Crore (as at March 31, 2020: Rs. 48.89 Crore) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 10% p.a.

(iv) An unsecured loan of Rs. 2.90 Crore (as at March 31, 2020: Rs 0.90 Crore) from Raxa Security Service Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 12.50% p.a.

19 Other Financial Liability	As At March 31, 2021	As At March 31, 2020
(i) Non Current		
(a) Financial guarantee contracts	2,732,717	3,572,099
	2,732,717	3,572,099
(ii) Current		
(a) Current Maturities of long term debt others	487,638,736	268,444,124
(b) Interest Accrued & Due on Loans	92,752,812	-
(c) Interest accrued but not due on borrowings	429,003,363	399,196,395
(d) Financial guarantee contracts	839,382	992,437
(e) Earnest Money Deposit from Vendor	500,000	500,000
(f) Non trade payables	32,438,044	19,764,670
	1,043,172,337	688,897,626

Breakup of financial liabilities category wise	As At March 31, 2021	As At March 31, 2020
At amortised cost		
Secured Loan from Banks	8,768,136,038	8,188,452,645
Loans from related parties	2,317,116,499	2,328,080,997
Interest accrued on borrowings	521,756,175	399,196,395
Financial guarantee contracts	839,382	992,437
Trade Payables	947,596,616	696,501,973
Financial guarantee contracts	2,732,717	3,572,099
Earnest Money Deposit from Vendor	500,000	500,000
Non trade payables	32,438,044	19,764,670
	12,591,115,472	11,637,061,216

20 Provisions	As At March 31, 2021	As At March 31, 2020
(i) Non Current		
(a) Provision for Leave Benefits	425,219	2,296,493
(b) Provision for Gratuity	-	-
	425,219	2,296,493
(ii) Current		
(a) Provision for Leave benefits	45,522	288,167
(b) Provision for Other Employee Benefit	6,484	45,659
(c) Other Provision	3,795,934	44,653
	3,847,940	378,479

21 Non current tax liabilities	As At March 31, 2021	As At March 31, 2020
Provision for taxation (net)	-	-
	-	-

22 Other current liabilities	As At March 31, 2021	As At March 31, 2020
Advances from customers & others	249,753,600	320,088,858
TDS Payable	4,705,195	12,557,880
Other Statutory dues	149,665	155,423
	254,608,460	332,802,161

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Notes forming part of Financial Statements for the Year ended March 31, 2021

	Amount in Rs	
	Year ended March 31, 2021	Year ended March 31, 2020
23 Revenue from operations		
(a) Operation and maintenance	1,410,879,325	1,867,687,594
(b) Highway Maintenance Fees	4,200,000	27,533,335
	1,415,079,325	1,895,220,929
24 Other income		
(a) Interest Income on Bank Deposit and Others	373,137	2,166,612
(b) Interest Income of Financial Assets	532,746,458	482,619,392
(c) Interest Income on Inter Corporate Loans	531,853,936	811,243,885
(d) Profit on sale of Mutual Fund	49,728	196,915
(e) Provisions/Liability no longer required written back	4,510,152	21,673,409
(f) Other non-operating income	992,561	1,803,567
	1,070,525,972	1,319,703,780

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Notes forming part of Financial Statements for the Year ended March 31, 2021

Amount in Rs

	Year ended March 31, 2021	Year ended March 31,2020
25 Operating expenses		
(a) Sub contracting	364,007,947	563,711,085
(b) Operation & maintenance expenses	1,052,239,001	1,303,976,485
	1,416,246,948	1,867,687,570

	Year ended March 31, 2021	Year ended March 31,2020
26 Employee benefit expense		
(a) Salaries, Perquisites & Allowance	6,628,552	18,286,491
(b) Contribution to provident and other funds	520,653	1,355,403
(c) Gratuity expense	1,102,944	2,977
(d) Staff welfare expenses	183,934	484,063
	8,436,083	20,128,935

	Year ended March 31, 2021	Year ended March 31,2020
27 Finance costs		
(a) Interest on debts and borrowings	1,216,202,263	1,185,091,744
(b) Interest on intercompany debt and borrowings	277,818,335	172,171,141
(c) Interest Others	3,989,947	-
(d) Other borrowing cost	85,191,320	90,247,105
	1,583,201,865	1,447,509,990

	Year ended March 31, 2021	Year ended March 31,2020
28 Depreciation and amortisation expense		
(a) Depreciation on property, plant and equipment	96,596	364,910
(b) Amortisation of intangible assets	-	47,048
	96,596	411,958

29 Other expenses	Year ended March 31, 2021	Year ended March 31,2020
Electricity and water charges	129,982	477,857
Rent	1,125,489	2,385,651
Rates and taxes	39,582	91,162
Insurance	13,886	18,783
Fixed assets writeoff	-	110
Repairs and maintenance Others	4,941,702	2,012,952
Travelling and conveyance	119,059	1,770,878
Communication costs	139,616	587,041
Printing and stationery	10,593	25,357
Membership	146,947	1,562,342
Bidding Expenses	61,987	-
Legal and professional fees	18,041,974	17,649,508
Directors' sitting fees	865,000	446,300
Advertising and business promotion	113,877	574,870
Recruitment expenses	4,900	9,322
Manpower hire charges	369,030	466,753
Meeting and seminar	-	35,859
Bank charges	142	839
Remuneration to auditor	537,000	427,500
Miscellaneous expenses	1,003,583	923,731
	27,664,347	29,466,815

Payment to auditor

Particulars	March 31, 2021 in Rs.	March 31, 2020 in Rs.
As auditor:		
Audit fee	250,000	257,500
Tax audit fee	50,000	50,000
Other services (certification fees)	237,000	120,000
Total	537,000	427,500

30 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	Year ended
	March 31, 2021	March 31, 2020
Profit / (Loss) attributable to equity holders of the parent	(905,749,075)	(180,835,695)
Profit / (Loss) attributable to equity holders of the parent for basic earnings	(905,749,075)	(180,835,695)
Profit / (Loss) attributable to equity holders of the parent for diluted earnings	(905,749,075)	(180,835,695)
Weighted Average number of equity shares for computing Earning Per Share (Basic)	775,440,510	2,049,429,778
Weighted average number of Equity shares adjusted for the effect of dilution	775,440,510	2,049,429,778
Earning Per Share (Basic) (Rs)	(1.17)	(0.09)
Earning Per Share (Diluted) (Rs)	(1.17)	(0.09)
Face value per share (Rs)	10	10

31 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.

32 Capital Commitments

Capital commitments : Estimated amount of Contracts remaining to be executed on capital account and not provided for Rs. Nil (March 2020: Rs. NIL).

33 Contingent Liabilities

Amount in INR.

(i) Particulars	March 31, 2021	March 31, 2020
	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

(ii) A Show Cause notice has been issued by Commissioner of Custom (DRI Matters) to its earlier subsidiary GOHHPL whereby a penalty of Rs 15,90,733 has been imposed by the authority, against which company has filed appeal before CESTAT after depositing 7.5% of penalty amount i.e. Rs 1,19,305, which is pending as on date for adjudication.

(iii) Company has received rectification order u/s 154 for AY 16-17 and a demand of Rs 41,01,928 has been imposed by income tax department after making necessary rectification. Company has filed appeal before the Appellate Authority. However the said demand has been adjusted with refund of AY 18-19 by the department and which is considered as receivable in books of GHWL as Appeal is pending with the authority.

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

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

36 Investment Pledge details

Particulars	March 31, 2021			March 31, 2020		
	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 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 Tambaram Tindivanam Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	729,998	NIL		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 Anapakalli Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	729,998	NIL		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.

* Company has pledged Equity shares held by it in GMR Ambala Chandigarh Expressways Pvt. Ltd., in favor of IDBI Trusteeship Services Ltd for securing the term loan of Rs. 282 Crores availed by GMR Ambala Chandigarh Expressways Pvt. Ltd. its subsidiary company. Company has created the charge through Deed of Hypothecation dated October 05 2015 and the charge is registered with Registrar of Companies Mumbai vide Charge Certificate No. 10610945.

37 The Company has made an investment of Rs. 2,740,731,200 (March 31 2020: Rs. 2,740,731,200) [including loans of Rs.775,300,000 (March 31 2020: Rs. 775,300,000) share application money pending allotment of Rs. NIL (March 31 2020: NIL) and investment in equity / preference shares of Rs. 1,965,431,200 (March 31 2020: 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 believes that these losses are due to loss of revenue arising as a result of diversion of partial traffic on parallel 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 diversion of traffic and accordingly the investment in GACEPL has been carried at cost.

The three member Hon'ble Tribunal vide its order dated 26th August, 2020, has pronounced the awards wherein majority of the Tribunal has disagreed with the contention of the company and has rejected all the claim of the company whereas the minority Tribunal has upheld the claims of the company.

Subsequently, NHAI vide letter dated 03.09.2020 has asked the Company to deposit the amount along with the interest. NHAI has also written to Central Bank of India, Escrow Bank to remit the amount.

Aggrieved by rejection of all of its claims, GMR had filed two applications each in both Punjab and Haryana matters before Delhi High Court – one u/s 34 of AA seeking setting aside of the award of Arbitral Tribunal and another application u/s 9 seeking stay on the letters of NHAI demanding payment of the instalments of Negative Grant along with interest. GMR had also filed an application under section 36 for stay of operation of the Award till the time its challenge u/s 34 is decided. The Court vide its order dated 24.09.2020 had admitted the challenge to Award and issued notice in section 34 application but the other two applications filed u/s 9 and 36 were rejected. Section 34 application of GMR is now listed on 06.05.2021 before Justice C. Hari Shankar for final arguments.

Against dismissal of its application u/s 9 (for interim protection from recovery of Negative Grant) as well as section 36 applications (for stay of operation of Award), GMR has filed 4 SLP's both in Haryana and Punjab matters before the Hon'ble Supreme Court.

All SLPs were listed on 18.11.2020 before the Bench of Hon'ble Chief Justice of India when the Court directed that SLPs of GMR be listed with 3 other SLPs pending in the Court on the same issue. Next date of hearing is yet to be fixed.

As per the internal assessment by the management, on the reasonable certainty of inflows of the claims discussed above, company has considered that there would be no cash outflow related to negative grant or that there will be net cash inflow even if the negative grant outflows are considered and expects realisability of company's claim in the near future.

38 The Company has made an investment of Rs. 650.37 Crore (March 31 2020: Rs. 650.37 Crores) [including loans of Rs.431.92 Crore (March 31 2020: Rs. 431.92 Crores) share application money pending allotment of Rs. NIL (March 31 2020: NIL) and investment in equity / preference shares of Rs. 218.45 Crore (March 31 2020: Rs. 218.45 Crores) made by the Company and its subsidiaries] in GMR Hyderabad Vijayawada 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. 1676 Crore (Based on values upto March 31, 2020) before the Tribunal. Tribunal vide its order dated March 31, 2020 has pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. However, on the quantum of the claim amount, majority of the Tribunal members has directed NHAI to constitute a committee for determining the claim amount based on data / record available with GHVEPL and NHAI.

Company had filed two applications u/s 34 (challenge to Award to limited ground that NHAI cannot be judge of its own cause) and u/s 9 of the Arbitration Act [seeking stay on recovery of Negative Grant till claims are quantified]. NHAI also filed its challenge u/s 34 of the Arbitration Act to the arbitration award.

Delhi High Court vide order dated 4.08.2020 had upheld the Change in Law and struck down the directions of constitution of Committee by NHAI and instead had appointed HMJ D.K. Jain, retired judge of Supreme Court to quantify the claims of GMR.

The challenge of NHAI was dismissed and the Court also stayed the recovery of negative grant till 15.03.2021. The matter was listed on 15.03.2021 when NHAI sought time to file its reply and now the matter is listed on 28.04.2021 for final arguments. Meanwhile interim order dated 04.08.2020 will continue.

On May 8, 2020, GHVEPL has received a notice from NHAI restricting the concession period to 15 years pursuant to clause 3.2.2. of the Concession Agreement by stating that NHAI is satisfied that 6-laning of the project is not required. GHVEPL has sought material on record from NHAI and has further obtained legal opinion. Aggrieved by the action of NHAI, the Company has invoked arbitration under Dispute Resolution mechanism prescribed under the Concession Agreement by appointing Mr. Justice D.B. Bhosale (former Chief Justice of Allahabad High Court) as its nominee Arbitrator vide letter dated 6th April, 2021 and requested NHAI to appoint its nominee Arbitrator within 30 days hereof. The response of NHAI is awaited.

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, 2021	March 31, 2020
Lease rentals under cancellable and non-cancellable leases	1,125,489	2,385,651

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, 2021 has been classified under note no. 17A.

Provision for Rs 31,90,481 created in books on account of interest accrued and remaining unclaimed.

41 Gratuity and other post-employment benefit plans:

Valuation of Employee Benefit has been done for the period ended March 31 2021 as per INDAS 19 - Employee Benefits issued by the Institute of Chartered Accountants of India

(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, 2021	Year ended March 31, 2020
Contribution to provident fund	356,115	830,131
Contribution to superannuation fund	164,413	525,227
	520,528	1,355,358

(b) Defined Benefit Plans

The Company has defined benefit plan, namely gratuity. As per scheme, an employee who has completed five years or more of service gets gratuity equivalents to 15 days salary (last drawn salary) for each completed year of service.

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

Net Benefit Expenses

	Year ended March 31, 2021	Year ended March 31, 2020
	Rs.	Rs.
Components of defined benefit costs recognised in profit or loss		
Current service cost	556,336	237,203
Past Service Cost - plan amendments	-	-
Interest cost on benefit obligation	(305,563)	(231,945)
Expected return on plan assets	-	-
Total	250,773	5,258
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gains) / loss due to DBO experience	(1,105,102)	(167,935)
Actuarial (gains) / loss due to DBO assumption changes	-	149,813
Return on Plan assets (greater)/less than discount rate	2,158	(5,926)
Total	(1,102,944)	(24,048)
	As at March 31, 2021	As at March 31, 2020
Benefit Asset/ (Liability)		
Defined benefit obligation	(221,888)	(2,081,189)
Fair value of plan assets	7,025,154	6,569,311
Benefit Asset/ (Liability)	6,803,266	4,488,122
Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	2,081,189	1,730,584
Interest cost	141,521	131,524
Current service cost	556,336	237,203
Past Service Cost - plan amendments	-	-
Benefits Paid	-	-
Net actuarial(gain)/loss recognised in year	(1,105,102)	(18,122)
Acquisition adjustment	(1,452,056)	-
Closing defined benefit obligation	221,888	2,081,189

Changes in the fair value of plan assets:	Year ended	Year ended
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	6,569,311	3,365,071
Acquisition adjustment	-	-
Interest Income on Plan Assets	447,084	363,469
Contributions by employer	10,917	2,834,845
Expected return	(2,158)	5,926
Benefits paid	-	-
Closing fair value of plan assets	7,025,154	6,569,311

The major categories of plan assets as a percentage of total	As at	As at
	March 31, 2021	March 31, 2020
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	6.80%	6.80%
Future salary increases	6.00%	6.00%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Ult.	Ult.	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. NIL (previous year Rs. NIL)

Risk Faced by Company:

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

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

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

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

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

Sensitivity Analysis

Sensitivity Level	March 31, 2021					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(22,345)	25,857	25,825	(22,715)	(2,380)	2,259
Sensitivity Level	March 31, 2020					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(184,730)	212,912	212,682	(187,827)	7,256	(8,477)

Maturity Plan of defined benefit obligation:	Amount in INR.
Within 1 year	886
1-2 year	15,677
2-3 year	18,517
3-4 year	33,291
4-5 year	38,332
5-10 year	271,282

42 List of Related parties and Transactions / Outstanding Balances:

a) Name of Related Parties and description of relationship:

Enterprises that control the Company / exercise significant influence	GMR 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 Tuni-Anakapalli Expressways Limited (GTAL) 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 (GCCRPL)
Fellow Subsidiaries / Associates	GMR Airport Developers Limited (GADL) GMR Energy Ltd (GEL) GMR Airports Limited (erstwhile GVL Investments Private Limited) (GAL) GMR Corporate Affairs Private Limited (GCAPL) GMR Krishnagiri SIR Limited (GKSIR) Kakinada SEZ Limited (KSL) GMR SEZ AND PORT HOLDING LIMITED (GSPHL) Namitha Real Estate Private Limited (NREPL) 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. Madhva B. Terdal, Director Mr. K. Parameswara Rao, Independent Director Ms. Kavitha Gudapati, Independent Director Mr S. Rajagopal, Independent Director

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

Name of Entity	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Transaction with Enterprises that control the Company / exercise significant influence			
GIL	Interest Expenses on Unsecured Loan Taken	161,176,771	93,467,004
	Unsecured Loan Refunded to GIL	(727,189,246)	(449,446,739)
	Unsecured Loan taken from GIL	711,079,000	1,301,868,736
	Managements Support Services-Expense	7,537,011	5,871,615
	Short Term Loan Refund by GIL	-	(98,300,000)
	Interest Income on Loan given	-	5,379,179
GEPL	Logo Fees and Trade Mark	1,000	1,000

Transaction with Subsidiaries			
GACEPL	Charges for Repair & Maintenance Work- Income	18,133,005	17,389,359
	Charges for Major Maintenance Work- Income	5,025,230	45,383,232
	Unsecured Short Term loan Given	-	-
	Interest on Financial Assets of Preference Share Investment	691,610	626,486
	Interest Income on Loan given	47,372,623	42,911,856
GPEL	Charges for Repair & Maintenance Work- Income	23,965,922	27,351,361
	Charges for Major Maintenance Work- Income	194,950,127	7,358,695
	Charges for COS Work- Income	167,802,947	317,720,590
	Advance received / (Adjusted) on account of R & M/ COS / MMR Work	(6,921,963)	(1,207,175)
	Unsecured Loan Refunded to GPEL	(14,854,252)	-
	Unsecured Loan taken from GPEL	-	488,900,000
	Interest on Unsecured Loan	115,268,618	77,576,055
GTAEPL	Charges for Repair & Maintenance Work- Income	-	26,372,610
	Charges for Major Maintenance Work- Income	262,500	354,214,579
	Financial Assets portion of Loan Refund by GTA	-	(144,533,489)
	Interest Income on Loan given	34,860,906	53,930,735
	Advance received / (Adjusted) for Routine Maintenance Fee / MMR Work	-	(373,302)
	Deposit Taken / (Refunded) for Major Maintenance work	-	(40,000,000)
	Short Term Loan Given to GTA	-	85,100,000
	Short Term Loan Refund by GTA	(47,440,548)	(115,100,000)
GCCRPL	Interest on Financial Assets of Preference Share Investment	38,189,351	34,593,312
	Interest on Unsecured Loan Given	44,601,413	49,429,989
	Charges for Repair & Maintenance Work - Income	17,175,197	13,401,490
	Charges for Major Maintenance Work - Income	360,390,861	54,817,997
	Charges for COS Work - Income	62,358,204	146,382,138
	Advance received / (Adjusted) on account of R&M/ COS / MMR Work	(61,059,345)	125,131,931
	Income for Financial Guarantee given	992,437	1,166,659
	Asset Portion of Sub Debts Given to CORR	-	56,500,000
	Asset Portion of Sub Debts Refund by CORR	(88,002,473)	(77,000,000)
GHVEPL	Interest on Financial Assets of Preference Share Investment	146,039,262	132,287,709
	Interest Income on Loan given	277,690,414	251,542,141
	Charges for Repair & Maintenance - Income	50,552,550	55,560,089
	Charges for Major Maintenance Work - Income	378,979,775	297,725,843
	Charges for COS Work - Income	133,846,828	99,608,395
	Advance received / (Adjusted) on account of R&M/ COS / MMR Work	(2,353,950)	(19,309,437)
	Short Term Loan Given to GHVEPL	-	879,900,000
GTTTEL	Interest Income on Loan given	72,598,676	75,985,514
	Advance received / (Adjusted) for Routine Maintenance Fee / MMR Work	-	(1,194,979)
	Deposit Taken / (Refund) for Major Maintenance work	-	(30,000,000)
	Short Term Loan Given to GTT	-	101,642,250
	Short Term Loan Refund by GTT	-	(70,000,000)
	Charges for Major Maintenance Work- Income	1,636,179	372,757,668
	Charges for Repair & Maintenance Work- Income	-	59,176,884
Transaction with Fellow Subsidiaries / Associates/Joint Ventures			
GOHHHPL	Equity Shared Subscribed/(Sold)	-	(230,213,080)
KSEZ	Unsecured Loan Given to KSEZ	-	-
	Unsecured Loan Refunded by KSEZ	-	(395,680,000)
	Unsecured Loan Converted into CCDs	(1,327,094,854)	-
	Investment in CCDs issued by KSEZ	2,583,614,660	-
	Interest Income on Loan given	100,231,217	200,462,434
	Interest Income on Loan given	147,043,086	308,221,216
Namitha Real Estate	Unsecured Loan Given	-	-
	Interest Income on Loan given	1,225,000	1,228,356
GKSIR	Unsecured Loan Given	155,964,008	-
	Interest Income on Loan given	94,572,892	82,392,460
GSPHL	Unsecured Loan Given	33,539,439	-
	Interest Income on Loan given	20,240,225	17,688,329
GHIAL	Rent and Other Charges of HIAL Space - Expense	746,355	2,802,001
Grandhi Enterprises Pvt Ltd	Mumbai Office Rental charges	627,092	570,073
Raxa Security Services Ltd	Unsecured Loan Taken	20,000,000	-
	Interest Expenses on Loan Taken	1,372,945	1,128,082

* 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	-	-	-	-	200,000	-	-
Ms. Kavitha Gudapati	-	-	-	-	105,000	-	-
Mr. S. Rajagopal	-	-	-	-	200,000	-	-
Mr. Madhva B. Terdal	-	-	-	-	-	-	-

Name of Entity	Particulars	As At March 31, 2021	As At March 31, 2020
Closing Balances with Enterprises that control the Company / exercise significant influence			
GIL	Financial Liability 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	1,206,070,751	1,222,180,997
	Interest Payable on Unsecured Loan	402,753	24,814,566
	Trade and Other Payables	9,953,566	893,467
	Retention Money Payable	1,537,384	1,537,384
GEPL	Trade and Other Payables	1,000	1,020
Closing Balances with Subsidiaries			
GACEPL	Investment in Equity share capital - (Other than trade)	507,427,200	507,427,200
	Financial Assets of Investment in Preference Shares	7,165,843	6,474,233
	Equity Portion of Investment in Preference Shares	5,656,228	5,656,228
	Short term loan given	-	-
	Financials Assets portion of Loan Given	490,832,325	443,459,702
	Equity portion of Loan Given	564,161,991	564,161,991
	Trade and Other Receivables	67,429,524	67,687,479
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	287,539,036	375,541,509
	Financial Assets of Investment in Preference Shares	395,683,555	357,494,204
	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	9,841,579	27,983,707
	Advance received on account of R&M/ COS / MMR Work	105,203,596	166,262,941
Trade and Other Receivables	3,156,835	8,941,673	
GHVEPL	Financials Assets portion of Loan Given	2,877,177,212	2,599,486,798
	Financial Assets of short term loan given	879,900,000	879,900,000
	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	108,164,375	151,743,757
	Retention Money Receivable	-	-
	Equity Portion of Investment in Preference Shares	1,634,931,484	1,634,931,484
	Advance received on account of Routine Maintenance Fee / MMR Work	1,793,722	4,147,672
Financial Assets of Investment in Preference Shares	1,513,126,910	1,367,087,647	

GPEL	Financial Liability portion of Security Deposit Received	-	-
	Investment in Equity share capital - (Other than trade)	1,359,300,022	1,359,300,022
	Equity portion of Security Deposit Received	1,157,961	1,157,961
	Unsecured Loan Taken	1,082,045,748	1,096,900,000
	Interest payable on Unsecured Loan	324,679,647	274,787,314
	Advance received on account of Routine Maintenance Fee / MMR Work	142,756,282	149,678,245
	Trade and Other Receivables	181,437,352	115,006,331
GTAEL	Trade and Other Receivables	-	90,273,619
	Short term Unsecured Loan Given	247,025,963	294,466,511
	Equity portion of Loan Given	56,940,040	56,940,040
	Investment in Equity share capital - (Other than trade)	237,602,634	237,602,634
	Interest receivable	12,132,975	9,085,785
GTTEL	Trade and Other Receivables	1,636,179	2,044,118
	Investment in Equity share capital - (Other than trade)	302,504,599	302,504,599
	Interest receivable	127,765,406	113,001,690
	Short Term Loan Given	592,642,250	592,642,250
	Equity portion of Loan Given	73,030,682	73,030,682
Closing Balances with Fellow Subsidiaries/ Associates/Joint Ventures			
Dhruvi	Equity portion of Preference Shares	197,247,146	197,247,146
GHIAL	Trade and Other Payables	2,498,845	2,558,748
KSEZ	Interest receivable	-	642,630,334
	Interest receivable	-	369,087,912
	Investment in CCDs	2,583,614,660	-
	Short Term Loan Given	304,862,061	1,631,956,915
	Financials Assets portion of Loan Given	2,361,797,214	2,361,797,214
Namitha Real Estate	Interest receivable	6,067,139	4,854,389
	Financials Assets portion of Loan Given	10,000,000	10,000,000
GMR Sez and Port Holding	Interest receivable	13,457,514	27,128,145
	Short Term Loan Given	-	144,000,000
	Long Term Loan Given	177,539,439	-
Krishnagiri SIR Ltd	Interest receivable	64,294,102	127,437,307
	Short Term Loan Given	-	670,753,831
	Long Term Loan Given	826,717,839	-
Raxa Security Services Ltd	Unsecured Loan Taken	29,000,000	9,000,000
	Interest payable on Unsecured Loan	2,531,223	1,233,123
Grandhi Enterprises Pvt Ltd	Mumbai Office Rental charges	48,935	43,481

Commitments with related parties: As at period ended March 31, 2021, 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 2021, 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.

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 2021	At 31 March 2020
Borrowings- External	8,962,048,408	8,286,814,036
Borrowings- Related party	2,644,960,304	2,628,916,001
Net debts	11,607,008,712	10,915,730,037
Capital Components		
Share Capital	7,754,405,100	7,754,405,100
Other Equity	2,136,526,583	3,041,172,713
Total Capital	9,890,931,683	10,795,577,813
Capital and net debt	21,497,940,395	21,711,307,850
Gearing ratio (%)	53.99%	50.28%

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, 2021 and March 31, 2020.

44 Financial Instrument by Category

Particulars	As at March 31, 2021			As at March 31, 2020		
	At Amortised Cost	At FVTPL		At Amortised Cost	At FVTPL	
		Cost	Fair Value		Cost	Fair Value
Assets						
Investment in Unquoted CCDs	-	-	-	-	-	-
Equity portion of compound financial instruments	2,241,754,623	-	-	2,241,754,623	-	-
Investment in related party loans	3,674,439,533	-	-	3,674,439,533	-	-
Investment in financial guarantees	7,939,177	-	-	7,939,177	-	-
Investment in preference shares issued to related parties	1,915,976,308	-	-	1,731,056,084	-	-
Loans to Related parties	9,446,151,887	-	-	10,371,360,081	-	-
Loans to Employees	180,217	-	-	-	-	-
Cash & Cash Equivalent	97,468,020	-	-	15,560,275	-	-
Trade Receivables	322,392,171	-	-	435,696,977	-	-
Other Financial Assets	557,882,140	-	-	1,377,256,845	-	-
Total	18,264,184,076	-	-	19,855,063,594	-	-
Liabilities						
Loans from related parties	2,317,116,499	-	-	2,328,080,997	-	-
Loan from external parties	8,768,136,038	-	-	8,188,452,645	-	-
Interest accrued but not due on borrowings	521,756,175	-	-	399,196,395	-	-
Financial guarantee contracts	839,382	-	-	992,437	-	-
Trade Payables	947,596,616	-	-	696,501,973	-	-
Financial guarantee contracts	2,732,717	-	-	3,572,099	-	-
Earnest Money Deposit from Vendor	500,000	-	-	500,000	-	-
Non trade payables	32,438,044	-	-	19,764,670	-	-
Total	12,591,115,472	-	-	11,637,061,216	-	-

45 Exceptional Items

Break-up of Exceptional Item is as under:

(Amount in Rupees)

Particulars	As at March 31, 2021	As at March 31, 2020
Gain / (Loss) on Receivables of CCDs as per discounted values FVTPL	(292,942,713)	-
	-	-
Total	(292,942,713)	-

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 December 31, 2020:

Particulars	As at March 31, 2021	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, 2020:

Particulars	As at March 31, 2020	Fair Value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

47 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, 2021 and March 31, 2020

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, 2021 and March 31, 2020.

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, 2021		
INR	+50	(57,027,086)
INR	-50	57,027,086
March 31, 2020		
INR	+50	(51,288,784)
INR	-50	51,288,784

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. 23,431,686,891 and Rs. 22,438,951,749 as at March 31,2021 and March 31,2020 respectively, being the total carrying value of trade receivable, balance with bank, bank deposits, investments and other financial assets.

Liquidity risk

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

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

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Total
Year ended							
March 31, 2021							
Term Loan from Bank	208,572,966	636,080,844	945,862,110	1,891,724,220	5,675,172,660	-	9,357,412,799
Loan from Related parties		1,438,256,618		1,206,473,504			2,644,730,122
Preference Shares at amortised cost							-
Short term deposits from related parties		-					-
Trade payables		947,596,616					947,596,616
Other financial liabilities		32,938,044					32,938,044
	<u>208,572,966</u>	<u>3,054,872,122</u>	<u>945,862,110</u>	<u>3,098,197,724</u>	<u>5,675,172,660</u>	<u>-</u>	<u>12,982,677,582</u>
Year ended							
March 31, 2020							
Term Loan from Bank	13,500,000	521,066,146	708,000,000	1,327,500,000	4,867,500,000	1,327,500,000	8,765,066,146
Loan from Related parties		1,105,900,000		1,523,016,001			2,628,916,001
Preference Shares at amortised cost							-
Short term deposits from related parties		-					-
Trade payables		696,501,973					696,501,973
Other financial liabilities		20,264,670					20,264,670
	<u>13,500,000</u>	<u>2,343,732,789</u>	<u>708,000,000</u>	<u>2,850,516,001</u>	<u>4,867,500,000</u>	<u>1,327,500,000</u>	<u>12,110,748,790</u>

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.

50 Segment Reporting

The Company is 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

As per our Report of even date

For Girish Murthy & Kumar

Firm registration number: 0934S

Chartered Accountants

ACHYUTHAVENKATA SATISH KUMAR
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ACHYUTHAVENKATA SATISH KUMAR
Date: 2021.06.09
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A.V. Satish Kumar

Partner

Membership no.: 26526

For and on behalf of
GMR Highways Limited

BANGARU RAJU OBBILISETTY
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BANGARU RAJU OBBILISETTY
Date: 2021.06.09
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O Bangaru Raju

Managing Director

DIN:00082228

VIKAS BANSAL
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VIKAS BANSAL
Date: 2021.06.09
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Vikas Bansal

Chief Financial Officer

BODA VENKATA NAGESWARA RAO
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BODA VENKATA NAGESWARA RAO
DN: cn=Personal, email=gym=3554076568a078181da15c6788a123b1d8c4206c48448cc4ec6d21b29c4e.postel.Code=110057, st=TELE, serialNumber=cB3a2c549f181321a1c0f856bc-cB3a2c549f181321a1c0f856bc, 2.5.4. cn=BODA VENKATA NAGESWARA RAO
Date: 2021.06.09 20:40:30 +05'30'

B V N Rao

Director

DIN:00051167

PARAMJEET SINGH
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PARAMJEET SINGH
Date: 2021.06.09
21:15:38 +05'30'

Paramjeet Singh

Company Secretary

Place: New Delhi

Date: 09th June 2021

GMR Highways Limited

CIN: U45203MH2006PLC287171

Notes forming part of Financial Statements for the Year ended March 31, 2021

48 Income tax expenses in the statement of profit and loss consist of the following:

In Rupees

	March 31,2021	March 31,2020
Tax expenses		
(a) Current tax	-	30,495,642
(b) Adjustments of tax relating to earlier periods	62,765,820	59,494
(c) Deferred tax expense / (credit)	-	-
Total taxes	62,765,820	30,555,136
Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:		
	March 31,2021	March 31,2020
Profit before tax	(842,983,254)	(150,280,560)
Applicable tax rates in India (% Rate)	26.00%	26.00%
Computed tax charge	(219,175,646)	(39,072,946)
<u>Tax effect of income that are not taxable in determining taxable profit:</u>		
a) Exempt income not included in calculation of tax	-	-
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
(a) Adjustments on which deferred tax is not created	219,175,646	39,072,946
(b) Adjustments to current tax in respect of prior periods	62,765,820	59,494
(c) Adjustment on account of reversal of DTL created on equity component of Related Party Loan and Preference Share	-	-
(e) Tax at the applicable tax rate	-	30,495,642
Tax expense as reported	62,765,820	30,555,136

49 Assets held for sale

a) GMR Infrastructure Ltd ('GIL'/holding company') is divesting its entire 51% equity stake along with its subsidiaries held in Kakinada SEZ Ltd (KSEZ) to Aurobindo Realty & Infrastructure Pvt Ltd (ARIPL). As a part of the divestment plan, the Company along with GIL has entered Securities Sale and Purchase agreement (SSPA) with Aurobindo Realty & Infrastructure Private Limited (ARIPL), KSEZ and other group companies on September 24, 2020, as amended. In terms of divestment plan, the Company has converted a portion of existing loan and accumulated interest till 30th Sep 2020 amounting to Rs.258.36 crore into 25,83,61,466, 12% of Compulsorily Convertible Debentures (CCD's) of Rs.10 each for a period of 29 years in terms of debenture subscription agreement entered with Kakinada SEZ Limited on March 31, 2021. With regard to balance loan amount of Rs.266.67 crore, ARIPL will fund into KSEZ and the outstanding loan of from GHWL to KSEZ will be repaid subject to certain approvals.

b) The Company has also entered into Debenture Purchase Agreement (DPA) on March 31, 2021 with ARIPL and KSEZ. In terms of DPA, the company has agreed to sell 25,83,61,466 CCD's on closing date for a purchase consideration of Rs.71.64 crore subject to terms and conditions set out in DPA. Apart from purchase consideration mentioned above, the Company is also entitled for additional payment of Rs.218.06 crore in next 2 to 3 years as per Annexure I of DPA, which is contingent upon achievement of certain agreed milestones primarily related to the sale of 2,500 acres of the land parcels at specified prices during the financial years ended March 31, 2022 and March 31, 2023. These milestones are market dependent and are not under management control. The investment on CCD's have been fair valued by the Company at Rs.229.07 crore (Including upfront consideration of Rs.71.64 crore) from an expert valuer who has considered various assumptions and scenarios on achievement of milestones with probable outcomes which is significantly dependent on future development in KSEZ and Governments approvals.

Accordingly, the Company during the year, has classified the assets and liabilities pertaining to KSEZ as assets held for sale and has accounted for the fair value loss on excess of carrying value of Investment in CCD's in KSEZ over the fair value amounting to Rs.29.29 crore.

The Company expects in next 2-3 years there will be significant development in the Kakinada SEZ which includes the development of Bulk Drug Park, Commercial Sea port, establishment of various port based industries, manufacturing industries, development of new International Airport in Bhogapuram. Based on assessment of the achievement of the aforementioned milestones by an independent property consultancy agency, management of the company is confident of achieving the aforementioned milestones and is of the view that the carrying value of Investment in CCD's and Loans to KSEZ as at March 31, 2021 is appropriate.

The sale transaction shall be subject to receipt of Regulatory and other Statutory Approvals.

As per the amended terms of CCD's, the CCDs shall have an interest moratorium until May 31, 2021 and interest shall be chargeable only from June 01, 2021.

Further, the above said investments is classified as assets held for sale as the Company is confident that the settlement of sale of CCD's will be completed by May 2021 as part of KSEZ divestment plan with ARIPL.

The details of assets classified as held for sale and liabilities associated thereto are as under:

In Rupees

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Assets classified as held for sale		
Current investments		
Investment in compulsory convertible debentures (CCD's)	2,583,614,660	-
Less: Loss in receivable on CCDs as per discounted value	(292,942,713)	
	2,290,671,947	-
Liabilities directly associated with assets classified as held for sale		
Other current liabilities		
Advance received against sale of investment in CCD's	716,371,947	-
	716,371,947	-