Corporate Office : A16/9, Vasant Vihar, New Delhi – 110 057, India.
T: +91.11.26151853, 42591800 F: +91 11.26145222 E: delhi@llca.net W: www.llca.net
Branch Offices : Bengaluru | Mumbai | Noida

Independent Auditor's Report
To the members of GMR Hyderabad Vijayawada Expressway Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of GMR Hyderabad Vijayawada Expressway Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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

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

Auditor's Responsibility

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

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

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

Luthra & Luthra
New Delhi
Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Basis for Qualified Opinion

The Company's Intangible Assets are carried in the Balance Sheet at Rs. 214437 lacs which in our view is significantly higher than the recoverable value and hence constitutes a departure from the Indian Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

Discount rate determined by the Company to arrive at the value in use is not in accordance with Ind AS 38, Impairment of assets, accordingly in our view an amount of Rs. 38570 lacs would have been required to recognized as Impairment loss to bring down the Intangible Assets at their net realisable value. Thereby loss for the year would have been increased by Rs. 38570 lacs, and shareholders' funds would have been reduced by Rs. 38570 lacs.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the state of affairs of the Company as at 31st March, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of matter

Without qualifying our opinion, we draw attention to

a) Note 36 in the financial statement which indicates that the Company's total liabilities exceeded its total assets by Rs. 14617 crores (exclusive of impairment loss cited above) These conditions, along with other matters as set forth in Note 33, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

b) Note 33 in the financial statements explaining the basis of determination of useful life for Intangible Asset

Luthra & Luthra
New Delhi
Chartered Accountants

LUTHRA & LUTHRA
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

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

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

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

   b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts

   d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

      i. The Company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statement- Refer note 27 to financial statements.

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

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

      iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th

Luthra & Luthra New Delhi Chartered Accountants

November, 2016 to 30th December, 2016. However, as stated in notes 27 to the financial statements amounts aggregating to Rs. 15.23 lacs as represented to us by the Management have been received from transactions which are not permitted.

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

Luthra & Luthra New Delhi Chartered Accountants

Akhilesh Gupta
Partner
M.No: 89909

Place: New Delhi
Date: May 01, 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017

1. a. The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

   b. As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and no discrepancy was noticed.

   c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties.

2. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in the books of accounts.

3. In our opinion and according to the information and explanation given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013.

4. In our opinion and according to the information and explanations given to us, the Company has not given/make any loan, investment, guarantee and security and accordingly provisions of section 185 and 186 of the Act are not applicable.

5. According to the information and explanations given to us the company has not accepted deposits.

6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

7. a. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities during the year.

   There were no undisputed amounts payable on account of the above dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable

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

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8. As per our verification of books of account and confirmations received from banks, the Company has delayed in repayment of loans or borrowing to banks and financial institutions during the year, refer details below. Further the Company has defaulted in repayment of Rs. 194.5 lacs to Bank of Baroda out of which Rs. 97.25 lacs was overdue since 36 days and Rs. 97.25 lacs was overdue since 8 days as on balance sheet date.

Bank Name	Due on	Rs. In lacs	Paid on	Delay (in Days)
Andhra Bank	01-Apr-16	60.00	28-Jun-16	88
Andhra Bank	01-Jul-16	60.00	28-Sep-16	89
Andhra Bank	01-Oct-16	60.00	28-Dec-16	88
Andhra Bank	01-Jan-17	60.00	28-Mar-17	86
Bank of Baroda	01-Apr-16	75.00	28-Jun-16	88
Bank of Baroda	31-Jul-16	75.00	27-Oct-16	88
Bank of Baroda	31-Oct-16	75.00	25-Jan-17	86
Bank of Baroda	31-Jan-17	75.00	17-Apr-17	76
Dena Bank	01-Apr-16	60.00	28-Jun-16	88
Dena Bank	01-Jul-16	60.00	28-Sep-16	89
Dena Bank	01-Oct-16	60.00	28-Dec-16	88
Dena Bank	01-Jan-17	60.00	28-Mar-17	86
IDBI Bank	01-Apr-16	240.00	14-Jun-16	74
IDBI Bank	01-Jul-16	240.00	28-Sep-16	89
IDBI Bank	01-Oct-16	240.00	28-Dec-16	88
IDBI Bank	01-Jan-17	240.00	27-Mar-17	85
IIFCL	01-Apr-16	112.50	28-Jun-16	88
IIFCL	01-Jul-16	112.50	28-Sep-16	89
IIFCL	01-Oct-16	112.50	28-Dec-16	88
IIFCL	01-Jan-17	112.50	28-Mar-17	86
Indian Bank	01-Apr-16	112.50	15-Jun-16	75
Indian Bank	01-Jul-16	112.50	29-Sep-16	90
Indian Bank	01-Oct-16	112.50	29-Dec-16	89
Indian Bank	01-Jan-17	112.50	28-Mar-17	86
Indian Overseas Bank	01-Apr-16	225.00	28-Jun-16	88
Indian Overseas Bank	01-Jul-16	225.00	28-Sep-16	89
Indian Overseas Bank	01-Oct-16	225.00	28-Dec-16	88
Indian Overseas Bank	01-Jan-17	225.00	28-Mar-17	86
Oriental Bank of Commerce	01-Apr-16	75.00	14-Jun-16	74
Oriental Bank of Commerce	01-Jul-16	75.00	28-Sep-16	89
Oriental Bank of Commerce	01-Oct-16	75.00	28-Dec-16	88
Oriental Bank of Commerce	01-Jan-17	75.00	28-Mar-17	86
Punjab & Sind Bank	01-Apr-16	60.00	21-Jun-16	81
Punjab & Sind Bank	01-Apr-16	60.00	28-Sep-16	89
Punjab & Sind Bank	01-Jul-16	60.00	28-Dec-16	88
Punjab & Sind Bank	01-Oct-16	60.00	28-Mar-17	86
State Bank of Bikaner & Jaipur	01-Apr-17	60.00	28-Jun-16	88
State Bank of Bikaner & Jaipur	01-July-16	60.00	28-Sep-16	89
State Bank of Bikaner & Jaipur	01-Oct-16	60.00	28-Dec-16	88

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Bank Name	Due on	Rs. In lacs	Paid on	Delay (in Days)
State Bank of Bikaner & Jaipur	01-Jan-17	60.00	28-Mar-17	86
United Bank of India	01-Apr-16	75.00	14-Jun-16	74
United Bank of India	01-Jul-16	75.00	28-Sep-16	89
United Bank of India	01-Oct-16	75.00	28-Dec-16	88
United Bank of India	01-Jan-17	75.00	28-Mar-17	86
Vijaya Bank	01-Apr-16	112.50	28-Jun-16	88
Vijaya Bank	01-Jul-16	112.50	28-Sep-16	89
Vijaya Bank	01-Oct-16	112.50	28-Dec-16	88
Vijaya Bank	01-Jan-17	112.50	28-Mar-17	86
Bank of Baroda WC Loan	24-Mar-16	97.25	01-Apr-16	8
Bank of Baroda WC Loan	24-Apr-16	97.25	02-Jun-16	39
Bank of Baroda WC Loan	24-May-16	97.25	15-Jul-16	52
Bank of Baroda WC Loan	24-Jun-16	97.25	31-Aug-16	68
Bank of Baroda WC Loan	24-Jul-16	97.25	04-Oct-16	72
Bank of Baroda WC Loan	24-Aug-16	97.25	03-Nov-16	71
Bank of Baroda WC Loan	24-Sep-16	97.25	09-Dec-16	76
Bank of Baroda WC Loan	24-Oct-16	97.25	23-Jan-17	91
Bank of Baroda WC Loan	24-Nov-16	97.25	21-Feb-17	89
Bank of Baroda WC Loan	31-Dec-16	97.25	24-Mar-17	83
Bank of Baroda WC Loan	24-Jan-17	97.25	07-Apr-17	66

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

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

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

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

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

Luthra & Luthra
New Delhi
Chartered Accountants

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

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

For Luthra & Luthra
Chartered Accountants
FRN: 002081N

Luthra & Luthra Chartered Accountants New Delhi

Akhilesh Gupta
Partner
M.No: 89909

Place: New Delhi
Date: May 01, 2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GMR Hyderabad Vijayawada Expressway Private Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Luthra & Luthra * New Delhi * Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 Luthra & Luthra
Chartered Accountants
FRN: 002081N

Luthra & Luthra Chartered Accountants New Delhi

Akhilesh Gupta
Partner
M.No: 89909

Place: New Delhi
Date: May 01, 2017

GMR Hyderabad Vijayawada Expressways Private Limited

April 1, 2016 to March 31, 2017

REGISTERED OFFICE

25/1, SKIP HOUSE

MUSEUM ROAD

BANGALORE - 560 025.

GMR Hyderabad Vijayawada Expressways Private Limited

Board of Directors:

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

Auditors:
Luthra & Luthra
Chartered Accountants
New Delhi

Chief Financial Officer
Brajesh Kumar Tiwary

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

Company Secretary
Shweta Mahajan

Manager
Mr. B. Chandra Sekhar

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

GMR Hyderabad Vijayawada Expressways Private Limited

Balance Sheet as at March 31, 2017

U45201KA2009PTC050109

Amount in INR (Lakhs)

	Note	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
ASSETS				
Non Current Assets				
(a) Property, plant and equipment	3	92.08	115.51	152.73
(b) Other Intangible assets	4	214,437.17	217,803.31	220,727.28
(c) Financial Assets		-	-	-
(i) Other Financial Assets	7 (i)	73.13	68.58	58.54
(d) Other Non Current Assets	8 (i)	86.00	6.58	388.49
Total Non-Current Assets		**214,688.38**	**217,993.98**	**221,327.04**
		-	-	-
Current Assets		-	-	-
(a) Inventories	9	77.38	112.32	80.36
(b) Financial Assets		-	-	-
(i) Cash & Cash Equivalents	5	1,343.23	636.95	706.66
(ii) Loans	6	1.28	1.49	2.76
(iii) Other Financial Assets	7 (ii)	251.83	254.47	254.50
(c) Current Tax Assets (Net)	10	31.83	22.79	81.29
(d) Other Current Assets	8 (ii)	1,864.66	604.96	653.22
Total Current Assets		**3,570.21**	**1,632.98**	**1,778.79**
		-	-	-
TOTAL ASSETS		**218,258.59**	**219,626.96**	**223,105.83**
		-	-	-
EQUITY AND LIABILITIES		-	-	-
Equity		-	-	-
(a) Equity Share Capital	11	500.00	500.00	500.00
(b) Other Equity	12	(15,117.66)	(652.83)	15,163.36
Total Equity		**(14,617.66)**	**(152.83)**	**15,663.36**
		-	-	-
Liabilities		-	-	-
Non-Current Liablities		-	-	-
(a) Financial Liabilities		-	-	-
(i) Borrowings	13	189,113.46	188,351.84	191,335.39
(b) Provisions	16 (i)	12,164.75	8,637.36	5,475.56
Total Non-Current Liablities		**201,278.21**	**196,989.20**	**196,810.95**
Current Liabilities		-	-	-
(a) Financial Liabilities		-	-	-
(i) Trade payables	14	19,876.01	10,273.08	2,440.14
(ii) Other Financial Liabilities	15	11,204.36	12,168.53	7,908.71
(b) Other current liabilities	17	447.04	274.76	161.71
(c) Provisions	16 (ii)	70.63	74.23	120.95
Total Current Liabilities		**31,598.04**	**22,790.60**	**10,631.52**
		-	-	-
TOTAL EQUITY AND LIABILITIES		**218,258.59**	**219,626.96**	**223,105.83**
Notes forming part of the financial statements	1-47			

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

Luthra & Luthra New Delhi Chartered Accountants

Akhilesh Gupta
Partner
(M.No.89909)

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

Place: New Delhi
Date: 01.05.2017

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited

Statement of Profit & Loss for the Year ended March 31, 2017

U45201KA2009PTC050109

Amount in INR(Lakhs)

	Note	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operation	18	22,702.26	23,614.91
Other Income	19	65.59	75.40
Total Income		**22,767.86**	**23,690.31**
		-	-
Expenses		-	-
Operating expenses	20	11,983.46	12,093.81
Employee benefits expense	21	308.53	298.94
Finance costs	22	23,299.48	23,616.73
Depreciation and amortization expense	23	3,482.20	3,191.86
Other expenses	24	1,146.47	1,232.04
Total Expenses		**40,220.14**	**40,433.38**
		-	-
Profit for the year before taxation		**(17,452.29)**	**(16,743.08)**
		-	-
Tax Expense:		-	-
(1) Current Tax		-	-
(2) Deferred Tax		-	-
		-	-
		-	-
Profit for the year after tax		(17,452.29)	(16,743.08)
		-	-
Other Comprehensive Income		-	-
Unrealised gain on Investment		-	-
Actuarial (gain)/loss in respect of defined benefit plan		(0.20)	1.49
		(0.20)	**1.49**
		-	-
Total comprehensive Income for the period		**(17,452.49)**	**(16,741.58)**
		-	-
Earning per Equity Share:		-	-
- Basic	26	(349.05)	(334.86)
- Diluted	26	(349.05)	(334.86)
		-	-
Notes forming part of the financial statements	1-47	-	-

The accompanying notes are an integral part of the financial statements

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

Akhilesh Gupta
Partner
(M.No.89909)

Luthra & Luthra New Delhi Chartered Accountants

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

Place: New Delhi
Date: 01.05.2017

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited
Cash Flow Statement for the Year ended March 31, 2017
U45201KA2009PTC050109

Amount in INR(Lakhs)

	Year ended March 31, 2017 Rupees	Year ended March 31, 2016 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	(17,452.49)	(16,741.58)
Adjustments For :	-	-
Depreciation and Amortisation	3,482.20	3,191.86
Finance Charges	23,299.48	23,616.73
Overlay Expenses	2,599.13	2,582.96
Interest Income on Bank deposit and others	(17.43)	(39.84)
Unrealised Profit on Construction Cost	(8.27)	(20.96)
	11,902.63	12,589.17
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	(83.97)	371.87
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	(1,221.55)	17.87
Increase / (Decrease) in Trade Payables	8,196.54	7,197.98
Increase / (Decrease) in Provision	3.95	(50.46)
Increase / (Decrease) in Other Current Liablities and Retention Money	(450.36)	(831.35)
Cash From/(Used In) Operating activities	**18,347.23**	**19,295.09**
Tax (Paid)/Refund	(9.04)	58.50
Net Cash From/(Used In) Operating activities	**18,338.19**	**19,353.58**
	-	-
B. CASH FLOW FROM INVESTING ACTIVITIES:	-	-
Purchase / Addition to Fixed Assets	(84.36)	(209.72)
Interest Income on Bank deposit and others	17.07	39.57
Cash From/(Used In) Investing Activities	**(67.29)**	**(170.15)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Equity Portion of Loan from Related Party	2,987.66	925.39
Increase/(Decrease) in Loan from Group Companies (Net)	2,097.34	769.61
Interest paid on Rupee Term Loan	(16,376.01)	(16,474.79)
Other Finance Charges Paid	(231.11)	(248.35)
Repayment of Term Loan and Working Capital Loan	(6,042.50)	(4,225.00)
Cash From/(Used In) Financing Activities	**(17,564.62)**	**(19,253.14)**
	-	-
Net Increase /Decrese in Cash and Cash Equivalents	706.28	(69.71)
Cash and Cash Equivalents as at beginning of the period	636.95	706.66
Cash and Cash Equivalents as at end of the period	1,343.23	636.95

Components of Cash and Cash Equivelants as at:	March 31, 2017	March 31, 2016
Cash in hand	138.69	165.66
Balances with the scheduled banks:	-	-
- In Current accounts	642.22	373.89
- In Deposit accounts	562.32	97.40
	1,343.23	**636.95**

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

Akhilesh Gupta
Partner
(M.No.89909)

Place: New Delhi
Date: 01.05.2017

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

Luthra & Luthra Chartered Accountants New Delhi

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited
U45201KA2009PTC050109

Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101
1. Equity as at April 1, 2015, March 31, 2016.
2. Net profit for the year ended March 31, 2016

1. Reconciliation of equity as previously reported under IGAAP to Ind AS **Amount in INR (Lakhs)**

Particulars	Note	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS							
Non Current Assets							
(a) Property, plant and equipment		152.73	-	152.73	115.51	-	115.51
(b) Other Intangible assets	A	220,727.28	-	220,727.28	217,782.61	20.70	217,803.31
(c) Financial Assets		-	-	-	-	-	-
(i) Other Financial Assets		58.54	-	58.54	68.58	-	68.58
(d) Other Non Current Assets		388.49	-	388.49	6.58	-	6.58
Total Non-Current Assets		221,327.04	-	221,327.04	217,973.28	20.70	217,993.98
		-	-	-	-	-	-
Current Assets		-	-	-	-	-	-
(a) Inventories		80.36	-	80.36	112.32	-	112.32
(b) Financial Assets		-	-	-	-	-	-
(i) Cash & Cash Equivalents		706.66	-	706.66	636.95	-	636.95
(ii) Loans		2.76	-	2.76	1.49	-	1.49
(iii) Other Financial Assets		254.50	-	254.50	254.47	-	254.47
(c) Current Tax assets		81.29	-	81.29	22.79	-	22.79
(d) Other Current Assets		653.22	-	653.22	604.96	-	604.96
Total Cnrrent Assets		1,778.79	-	1,778.79	1,632.98	-	1,632.98
		-	-	-	-	-	-
TOTAL ASSETS		223,105.82	-	223,105.82	219,606.26	20.70	219,626.96
		-	-	-	-	-	-
EQUITY AND LIABILITIES		-	-	-	-	-	-
Equity		-	-	-	-	-	-
(a) Equity Share Capital		500.00	-	500.00	500.00	-	500.00
(b) Other Equity	D	8,748.07	6,415.29	15,163.36	(2,204.02)	1,551.19	(652.83)
Total Equity		9,248.07	6,415.29	15,663.36	(1,704.02)	1,551.19	(152.83)
		-	-	-	-	-	-
Liabilities		-	-	-	-	-	-
Non-Current Liablities		-	-	-	-	-	-
(a) Financial Liabilities		-	-	-	-	-	-
(i) Borrowings	B	203,228.30	(11,892.91)	191,335.39	198,526.30	(10,174.45)	188,351.84
(b) Provisions	C	22.04	5,453.51	5,475.56	18.31	8,619.05	8,637.36
Total Non-Current Liablities		203,250.34	(6,439.39)	196,810.95	198,544.61	(1,555.41)	196,989.20
Current Liabilities		-	-	-	-	-	-
(a) Financial Liabilities		-	-	-	-	-	-
(i) Trade payables		2,440.14	-	2,440.14	10,273.08	-	10,273.08
(ii) Other Financial Liabilities	B	7,884.61	24.10	7,908.71	12,143.61	24.92	12,168.53
(b) Provisions		120.95	-	120.95	74.23	-	74.23
(c) Other current liabilities		161.71	-	161.71	274.76	-	274.76
Total Current Liabilities		10,607.41	24.10	10,631.51	22,765.67	24.92	22,790.59
		-	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES		223,105.82	-	223,105.82	219,606.26	20.70	219,626.96
		-	-	-	-	-	-
		-	-	-	-	-	-

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

A. Other Intangible assets

1. Under IGAAP, addition to carrigway is capitalised however in IND AS same has been booked as expense and Revenue is recognised by adding a suitable margin in the cost and difference between revenue and cost is also capitalised in Carrgigway and amortised over the period.

B. Borrowings and Other Financial Liablities

1. In IND AS, Non Cumulative non convertible preference shares are classified as financial liability and measured at amortised cost. Difference recorded in Other Equity.
2. In IND AS, Interest free Loan from related party is measured at amortised cost considering increment rate of borrowing. Difference recorded in Other Equity.
3. In IND AS, Upfront cost paid on loan is amortised over the period of loan.

C. Provision

1. In Ind AS, provision for resurfacing is recognised based on discounted value of estimated expenses to its present value at a pre-tax rate while in IGAAP, such discounting was not allowed

D. Other equity

1. Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

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GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited
U45201KA2009PTC050109

2. Reconciliation Statement of Profit and loss as previously reported under IGAAP to Ind AS — Amount in INR (Lakhs)

	Note	Year ended March 31 2016		
		IGAAP	Effects of transition to Ind-AS	Ind AS
Revenue from Operation	A	23,384.38	230.54	23,614.91
Other Income		75.40	-	75.40
Total Income		**23,459.77**	**230.54**	**23,690.31**
Expenses				
Operating expenses	B	9,301.27	2,792.54	12,093.81
Employee benefits expense	C	297.44	1.49	298.94
Finance costs	D	20,389.49	3,227.24	23,616.73
Depreciation and amortization expense	A	3,191.60	0.26	3,191.86
Other expenses		1,232.04	-	1,232.04
Total Expenses		**34,411.85**	**6,021.53**	**40,433.38**
		-	-	-
Profit for the year before taxation		**(10,952.08)**	**(5,790.99)**	**(16,743.08)**
Tax Expense:				
(1) Current Tax		-	-	-
(2) Deferred Tax		-	-	-
		-	-	-
Profit for the year after tax		(10,952.08)	(5,790.99)	(16,743.08)
Other Comprehensive Income				
Actuarial (gain)/loss in respect of defined benefit plan	D	-	-	1.49
		-	-	**1.49**
		-	-	-
Total comprehensive Income for the period		**(10,952.08)**	**(5,790.99)**	**(16,741.58)**

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

A. Revenue from operation and Amortisation of Carriagway

1. Under IGAAP, addition to carriagway is capitalised however in IND AS same has been booked as expense and Revenue is recognised by adding a suitable margin in the cost and difference between revenue and cost is also capitalised in Carrgigway and amortised over

B. Operating Expenses

1. In Ind AS, provision for resurfacing is recognised based on discounted value of estimated expenses to its present value at a pre-tax rate while in IGAAP, such discounting was not allowed

C. Employee benefits expense

1. Acturial Gain/Loss is reclassified to Other Comprehensive Income

D. Finance Cost

1. Interest on financial liability portion of preference Shares,Interest free Loan from related parties and further amortisation of Upfront fee on Loan.

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GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited

Statement of Change in Equity for the Year ended March 31, 2017

U45201KA2009PTC050109

A. Equity Share Capital — Amount in INR

	Equity Share Capital
As at April 01, 2015	500
Share Capital Issued during the year	-
As at March 31,2016	500
Share Capital Issued during the period	-
As at March 31,2017	500

B. Other Equity — Amount in INR.(Lakhs)

	Equity component of financial instrument		Retained Earning	Other Comprehensive Income	Total
	Preference shares	Related Party Loans			
As at April 01, 2015	22,052.27	25,178.98	(32,067.88)	-	**15,163.36**
Share Capital Issued during the year	-	-	-	-	-
Net Profit/(Loss)	-	-	(16,743.08)	-	(16,743.08)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	1.49	1.49
Equity component of Loan taken during the period	-	925.39	-	-	925.39
As at March 31,2016	22,052.27	26,104.37	(48,810.96)	1.49	**(652.83)**
Net Profit	-	-	(17,452.29)	-	(17,452.29)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	(0.20)	(0.20)
Equity component of Loan taken during the period	-	2,987.66	-	-	2,987.66
As at March 31,2017	22,052.27	29,092.03	(66,263.25)	1.29	**(15,117.66)**

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

Luthra & Luthra
New Delhi
Chartered A

Akhilesh Gupta
Partner
(M.No.89909)

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

Place: New Delhi
Date: 01.05.2017

GMR Hyderabad Vijayawada Expressways Private Limited

1 Corporate information

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

As of Mar 31, 2017 GMR Infrastructure Limited along with GMR Highways Limited holds 90% of the equity share capital in the Company and the balance 10% is held by Punj Lloyd Limited.

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

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company's has prepared in accordance with Ind AS. Refer to note 26 for information on how the Company's adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

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

An asset has been classified as current if

(a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or

(b) it is held primarily for the purpose of being traded; or

(c) it is expected to be realized within twelve months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non--current.

A liability has been classified as current when

(a) it is expected to be settled in the Company's normal operating cycle; or

(b) it is held primarily for the purpose of being traded; or

(c) it is due to be settled within twelve months after the reporting date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non--current.

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

b) Foreign currency and derivative transactions

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

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

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GMR Hyderabad Vijayawada Expressways Private Limited

Monetary foreign currency assets and liabilities remaining unsettled at the Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains / losses arising on account of realisation / settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit and Loss.
Exchange differences arising on the settlement of monetary items or on reporting 's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

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

The gain or loss arising on translation of non monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.
(b) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before 31 March 2016:
Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets . In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long-term foreign currency monetary item by recognition as income or expense in each of such periods.

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

c) **Fair value measurement**
The Company's measures financial instruments at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
i) In the principal market for the asset or liability, or
ii) In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible by the Company's
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company's uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3 — Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

d) **Revenue Recognition**

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GMR Hyderabad Vijayawada Expressways Private Limited

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements.

Toll Revenue is recognised on usage of public service.

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

e) Tangible Assets

Fixed Assets are stated at acquisition cost less accumulated depreciation and cumulative impairment. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Recognition:
The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:
(a) it is probable that future economic benefits associated with the item will flow to the entity; and
When significant parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.
The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note xx and xx regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

Gains or losses arising from de-recognition of tangible 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 fixed asset and whose use is expected to be irregular are capitalized as fixed assets.
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 fixed assets is provided on straight line method, up to the cost of the asset (net of residual value, in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 which are as below:

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

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

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

f) Intangible assets

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

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GMR Hyderabad Vijayawada Expressways Private Limited

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

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

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

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

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

g) Taxes

Tax expense comprises current and deferred tax.

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

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

h) Borrowing costs

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

i) Inventories

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

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

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GMR Hyderabad Vijayawada Expressways Private Limited *

j) Lease

Finance Leases:

Where the Company is the lessee

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

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

Operating Leases:

Where the Company is the lessee

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

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

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

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

k) Impairment

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

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

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

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

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

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

Contingent Liabilities

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

Luthra & Luthra Chartered Accountants New Delhi

GMR Hyderabad Vijayawada Expressways Private Limited

Provisions

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

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

m) **Retirement and other Employee Benefits**

Short term employee benefits and defined contribution plans.

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

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

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

Compensated absences

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

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

Defined benefit plans

Gratuity

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

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

Remeasurements

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

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

► The date of the plan amendment or curtailment, and

► The date that the Group recognises related restructuring costs

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

n) **Financial Instruments**

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

Financial assets

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GMR Hyderabad Vijayawada Expressways Private Limited

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.
Subsequent measurement
For purposes of subsequent measurement, financial assets are only classified as Debt instruments at amortised cost

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,
and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.
Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company's of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:
► The rights to receive cash flows from the asset have expired, or
► The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial guarantee contracts which are not measured as at FVTPL
The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

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

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

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

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GMR Hyderabad Vijayawada Expressways Private Limited

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

► Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

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

Subsequent measurement

Loans and borrowings

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

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

This category generally applies to borrowings and security deposits recieved.

Derecognition

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

o) Cash and cash equivalents

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

p) Earning per share

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

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

Luthra & Luthra Chartered Accountants New Delhi

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the Year ended March 31, 2017
U45201KA2009PTC050109

3. Property, Plant and Equipement

Amount in INR (Lakhs)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2016	Additions	Deductions	As At 31-03-2017	As At 1-4-2016	For the year	Deductions	As At 31-03-2017	As At 31-03-2017	As At 31-03-2016
1	Plant & Machinery	38.08	-	-	38.08	9.82	2.45	-	12.27	25.80	28.25
2	Electrical Fittings	3.49	-	-	3.49	3.09	0.08	-	3.17	0.32	0.40
3	Computers	25.17	1.10	-	26.27	19.77	0.18	-	19.95	6.32	5.40
4	Office Equipments	77.17	0.31	-	77.49	47.22	6.69	-	53.91	23.57	29.95
5	Vehicles	79.80	-	-	79.80	38.61	13.65	-	52.26	27.54	41.19
6	Furniture & Fixtures	17.49	0.29	-	17.78	7.17	2.09	-	9.26	8.52	10.32
7	Building & Roads	11.46	-	-	11.46	11.46	-	-	11.46	0.00	0.00
		-	-	-	-	-	-	-	-	-	-
	Total	252.66	1.70	-	254.36	137.14	25.13	-	162.28	92.08	115.51

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2015	Additions	Deductions	As At 31-03-2016	As At 1-4-2015	For the year	Deductions	As At 31-03-2016	As At 31-03-2016	As At 01-04-2015
1	Plant & Machinery	38.08	-	-	38.08	7.37	2.45	-	9.82	28.25	30.70
2	Electrical Fittings	3.49	-	-	3.49	3.01	0.08	-	3.09	0.40	0.48
3	Computers	25.17	-	-	25.17	16.62	3.15	-	19.77	5.40	8.55
4	Office Equipments	77.03	0.15	-	77.17	31.13	16.09	-	47.22	29.95	45.90
5	Vehicles	79.80	-	-	79.80	25.08	13.53	-	38.61	41.19	54.72
6	Furniture & Fixtures	17.49	-	-	17.49	5.11	2.06	-	7.17	10.32	12.38
7	Building & Roads	11.46	-	-	11.46	11.46	-	-	11.46	0.00	0.00
	Total	252.51	0.15	-	252.66	99.78	37.36	-	137.14	115.51	152.73

Luthra & Luthra Chartered Accountants New Delhi

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited
Notes forming part of Financial Statements for the Year ended March 31, 2017
U45201KA2009PTC050109

4. Other Intangible Assets

Amount in INR(Lakhs)

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2016	Additions	Deductions	As At 31-03-2017	As At 1-4-2016	For the year	Deductions	As At 31-03-2017	As At 31-03-2017	As At 31-03-2016
1	Carriageways	225,395.82	90.92	-	225,486.75	7,592.51	3,457.06	-	11,049.58	214,437.17	217,803.31
2	Software	22.48	-	-	22.48	22.48	-	-	22.48	0.00	0.00
		-	-	-	-	-	-	-	-	-	-
	Total	225,418.31	90.92	-	225,509.23	7,615.00	3,457.06	-	11,072.06	214,437.17	217,803.31

Sr.No-	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1-4-2015	Additions	Deductions	As At 31-03-2016	As At 1-4-2015	For the year	Deductions	As At 31-03-2016	As At 31-03-2016	As At 01-04-2015
1	Carriageways	225,165.29	230.54	-	225,395.82	4,438.01	3,154.50	-	7,592.51	217,803.31	220,727.28
2	Software	22.48	-	-	22.48	22.48	-	-	22.48	0.00	0.00
		-	-	-	-	-	-	-	-	-	-
	Total	225,187.77	230.54	-	225,418.31	4,438.01	3,154.50	-	7,615.00	217,803.31	220,727.28

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GMR Hyderabad Vijayawada Expressways Private Limited *

Amount in Rupees(Lakhs)

	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
5. Cash and cash equivalents			
(i) Balances with Local banks			
- In Current Account	642.22	373.89	545.43
- In Fixed Deposit Account (due within 3 months)	562.32	97.40	7.50
(ii) Cash on hand	138.69	165.66	153.73
	1,343.23	**636.95**	**706.66**
6. Loans (Unsecured, Considered Good)-Current			
Loan to employees	1.28	1.49	2.76
	1.28	**1.49**	**2.76**
7. Other Financial Assets			
(i) Non Current			
Security Deposit to related parties	-	9.75	9.75
Security Deposit to others	73.13	58.83	48.79
	-	-	-
	73.13	**68.58**	**58.54**
(ii) Current			
Interest accrued on fixed deposit	0.65	0.29	0.01
Security Deposit to related parties	-	247.80	247.80
Security Deposit to others	251.19	6.39	6.69
	251.83	**254.47**	**254.50**

Breakup of financial assets

	March 31, 2017	March 31, 2016	April 1, 2015
At amortised cost			
Cash & Cash Equivalent	1,343.23	636.95	706.66
Loan to Employee	1.28	1.49	2.76
Other Financial Assets	324.96	323.05	313.04
	1,669.48	**961.50**	**1,022.46**

8. Other Current Assets			
(i) Other Non Current Assets (Considered Good)			
Advances recoverable in cash or kind	86.00	-	359.53
Mobilisation Advance	-	6.58	28.97
	86.00	**6.58**	**388.49**
(ii) Other Current Assets (Considered Good)			
Advances recoverable in cash or kind	456.30	512.22	245.84
Receivable Other than trade - considered good	1,316.23	-	312.83
Mobilisation Advance	10.34	-	4.97
Prepaid Expenses	64.36	75.40	70.67
Balances with statutory / government authorities	17.43	17.34	18.90
	1,864.66	**604.96**	**653.22**
9. Inventories			
Stores & Spares	77.37	112.32	80.36
	77.37	**112.32**	**80.36**
10. Current Tax Assets			
Advance Payment against Taxes	31.83	22.79	81.29
	31.83	**22.79**	**81.29**

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GMR Hyderabad Vijayawada Expressways Private Limited

11. Share capital

		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015 (In Lacs)
	Authorised			
(i)	50 Lakhs equity shares of Rs. 10 each (March 31, 2017: 50 Lakhs equity shares of Rs. 10 each) (March 31, 2016: 50 Lakhs equity shares of Rs. 10 each) (April 1, 2015: 50 Lakhs equity shares of Rs. 10 each)	500.00	500.00	500.00
(ii)	298 Lakhs Preference Shares of Rs. 100 each (March 31, 2017: 298 Lakhs preference shares of Rs. 100 each) (March 31, 2016: 298 Lakhs preference shares of Rs. 100 each) (April 1, 2015: 298 Lakhs preference shares of Rs. 100 each)	29,800.00	29,800.00	29,800.00
		30,300.00	**30,300.00**	**30,300.00**
	Issued, Subscribed & Paid-Up			
(i)	50 Lakhs equity shares of Rs. 10 each (March 31, 2017: 50 Lakhs equity shares of Rs. 10 each) (March 31, 2016: 50 Lakhs equity shares of Rs. 10 each) (April 1, 2015: 50 Lakhs equity shares of Rs. 10 each)	500.00	500.00	500.00
		500.00	**500.00**	**500.00**

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 prefrential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(ii) **Terms to Preference Shares**

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

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

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

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number	Rupees	Number	Rupees	Number	Rupees
Equity Shares						
Shares outstanding at the beginning of the year	50.00	500.00	50.00	500.00	50.00	500.00
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	50.00	500.00	50.00	500.00	50.00	500.00

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

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number	Rupees	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	297.53	29,752.74	297.53	29,752.74	297.53	29,752.74
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	297.53	29,752.74	297.53	29,752.74	297.53	29,752.74

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

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
Equity	No of Share	%	No of Share	%	No of Share	%
GMR Highways Limited	24.50	0.49	24.50	0.49	24.50	0.49
GMR Infrastructure Limited, the Parent company	20.50	0.41	20.50	0.41	20.50	0.41
Punj Lloyd Limited	5.00	0.10	5.00	0.10	5.00	0.10

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
Preference Share	No of Share	%	No of Share	%	No of Share	%
GMR Highways Limited	216.00	0.73	216.00	0.73	216.00	0.73
GMR Infrastructure Limited, the Parent company	81.53	0.27	81.53	0.27	81.53	0.27

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

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number	Rupees	Number	Rupees	Number	Rupees
Equity						
GMR Highways Limited	24.50	245.00	24.50	245.00	24.50	245.00
GMR Infrastructure Limited, the Parent company	20.50	205.00	20.50	205.00	20.50	205.00

	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Number	Rupees	Number	Rupees	Number	Rupees
Preference Share						
GMR Highways Limited	216.00	2,160.00	216.00	2,160.00	216.00	2,160.00
GMR Infrastructure Limited, the Parent company	81.53	815.27	81.53	815.27	81.53	815.27

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

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GMR Hyderabad Vijayawada Expressways Private Limited

12. Other Equity

		As At March 31, 2017		As At March 31, 2016	
(i)	Equity component of Preference shares				
	Opening Balance	22,052.27	-	22,052.27	-
	Add : Adjustment for the year	-	22,052.27	-	22,052.27
		-	-	-	-
(ii)	Equity component of Loans from Related Party	-	-	-	-
	Opening Balance	26,104.37	-	25,178.98	-
	Add : Adjustment for the year	2,987.66	29,092.03	925.39	26,104.37
		-	-	-	-
(iii)	Profit & Loss Account (Credit/(Debit) Balance)	-	-	-	-
	Opening Balance	(48,810.96)	-	(32,067.88)	-
	Add : Profit/ (Loss) for the year	(17,452.29)	-	(16,743.08)	-
		-	(66,263.25)	-	(48,810.96)
(iv)	Other Comprehensive Income	-	-	-	-
	Opening Balance	1.49	-	-	-
	Add : Addition during the year	(0.20)	1.29	1.49	1.49
		-	-	-	-
		-	(15,117.66)	-	(652.83)

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GMR Hyderabad Vijayawada Expressways Private Limited

	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015
13. Borrowings			
Secured			
Secured Loan from Banks & Financial Institution including Working Capital Loan	156,196.74	160,714.85	166,928.57
Unsecured	-	-	-
Loans from group company	19,032.81	15,093.08	13,076.74
Liablities portion of Preference Shares	13,883.91	12,543.91	11,330.08
	-	-	-
	189,113.46	**188,351.84**	**191,335.39**

(a) The loan is repayable in 46 unequal quarterly installments. Secured by ways of pari passu first charge over company's movable properties, both present and future, including plant and machinery. Further secured by the rights, title, interest, benefit, claims, of the company in respect of the project agreements executed / to be executed, insurance policies both present and future, and all rights, title, interest, benefit, claims, demands of the company in respect of monies lying to the credit of trust and retention account and other accounts and substitution agreements and Collection of tolls unless restricted by NHAI under the Concession Agreement, and by way of pledge of 13,00,000 equity shares of face value Rs 10/- each fully paid up, and 77,33,000 preference shares of Rs. 100/- each fully paid up, held by GMR Highways Limited.

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

(c) Loans from group Company (unsecured) includes
i. an Interest free unsecured term loan of Rs. 201.60 Cr. from GMR Highways Limited and shall be repayable after final settlement date of Rupee Term Loans as per the financial agreements entered into with Lenders as per point No. 'a' above.
ii. an Interest free unsecured term loan of Rs.Rs. 13.79 Crores from GMR Highways Limited to meet the Cost over run of the Project Construction and shall be repayable after final settlement date of Rupee Term Loans as per the financial agreements entered into with Lenders as per Point No. 'a' above.
iii. an Interest free unsecured term loan of Rs. Rs. 177.5 Crores from GMR Highways Limited and shall be repayable after 36 months from date of agreement.

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

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

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

(e) Interest on secured loan amounting to Rs. 48.69 Cr. (March 31, 2016 Rs. 35.51 Cr.) for a period of three months (aprox) is overdues for payments. Further Principal installment of Rs. 2.92 Cr. (March 31, 2016 Rs. 97.25 Lacs) against working capital loan overdue.

14. Trade Payables			
Payables to NHAI	18,337	8,704	-
Payables to Related parties	1,397	1,252	1,054
Payables to Others	143	317	1,387
	19,876	**10,273**	**2,440**

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 60 days terms

15. Other Financial Liability			
Current maturities of long term secured debt	4,860	6,359	4,346
Loan from related parties	-	160	-
Interest due but not paid on borrowings	4,870	3,552	520
Retention Money	1,475	1,970	2,132
Non trade payables	-	127	346
Payable to EPC Contractor	-	-	564
	-	-	-
	11,204	**12,169**	**7,909**

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GMR Hyderabad Vijayawada Expressways Private Limited

Breakup of financial liablities category wise

	March 31, 2017	March 31, 2016	April 1, 2015
At amortised cost			
Secured Loan from Banks & Financial Intitution including Interest o/s	165,926	170,626	171,795
Loan from Related Parties	19,033	15,253	13,077
Liablity component of Preference Shares	13,884	12,544	11,330
Trade Payables	19,876	10,273	2,440
Non Trade Payables	-	127	346
Interest accured but not due	-	-	-
Retention Money	1,475	1,970	2,132
Payable to EPC Contractor	-	-	564
	220,194	210,793	201,684

16. Provisions

(i) Non Current			
(a) Provision for Employee Benefits	26	18	22
(b) Provision for Major Maintenance	12,139	8,619	5,454
	12,165	8,637	5,470
(ii) Current			
(a) Provision for Leave benefits	9	8	14
(b) Provision for Other Employee Benefit	21	18	22
(c)Provision for Operation and Maintenance	41	48	85
	71	74	121

Provision for Major Maintenance

The Company has a contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out. Major Overlay activities have been completed and next major overlay is expected to be carried out in FY 2017-18 & 2018-19.

	March 31, 2017		March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
	Non-Current	Current	Non-Current	Current
Opening Balance	8,619	-	5,454	-
Accretion during the year	3,520	-	3,166	-
Utilised during the year	-	-	-	-
Closing Balance	12,139	-	8,619	-

17. Other current liabilities

Advances from customers & others	26	38	50
Statutory dues	28	79	22
Advance received from NHAI towards COS Work	393	157	89
	447	275	162

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GMR Hyderabad Vijayawada Expressways Private Limited

	Year ended March 31,2017	Year ended March 31,2016
18. Revenue from operations		
Toll Revenue	22,611.34	23,384.38
Construction Revenue	90.92	230.54
	-	-
	22,702.26	**23,614.91**
19. Other income		
Interest Income on Bank Deposit	14.43	29.63
Interest Income on Others	2.99	10.21
Excess provision written back	27.27	21.37
Other non-operating income	20.90	14.18
	65.59	**75.40**

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GMR Hyderabad Vijayawada Expressways Private Limited

	Year ended March 31,2017	Year ended March 31,2016
20. Operating expenses		
Revenue Share to NHAI	8,189.50	8,236.39
Construction Expense	82.66	209.58
Regular Maintenance	577.16	483.40
Toll/Highway Management Services	617.71	581.48
Major Maintenance Expenses	2,599.13	2,582.96
Less: Reimburshment from NHAI	(82.68)	-
	11,983.46	12,093.81
21. Employee benefit expense		
Salaries, Perquisites & Allowance	279.77	263.04
Contribution to provident and other funds	20.91	19.02
Gratuity expense	16.32	1.49
Staff welfare expenses	13.91	15.38
Less: Reimburshment from NHAI	(22.37)	-
	308.53	298.94
22. Finance costs		
Interest on Term Loan	18,839.05	19,506.18
Interest on financial Liablities	3,943.12	3,203.14
Interest on Revenue Share to NHAI	1,406.39	634.96
Other Finance Charges	256.03	272.45
Less: Reimburshment from NHAI	(1,145.10)	-
	23,299.48	23,616.73

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

Details of Finance costs		
(a) Interest on Term Loan	18.839.05	19,506.18
(b) Interest on Loan from Related parties	1,682.38	1,406.74
(c)Interest on Loan part of Preference Shares	1,340.00	1,213.82
(d) Interest to Revenue Share to NHAI	1,406.39	634.96
(e) Interest on Overlay Provision	920.73	582.57
	24,188.55	23,344.28

23. Depreciation and amortisation expense		
Depreciation of tangible assets (note 3)	25.13	37.36
Amortization of intangible assets (note 4)	3,457.06	3,154.50
	-	-
	3,482.20	3,191.86
24. Other expenses		
Stores & Consumables	44.75	64.91
Power Charges & Water charges	358.63	395.02
Repairs & Maintenance	229.13	191.73
O&M Vehicle Costs	41.25	41.26
Rent	13.81	20.52
Rates and taxes	3.18	2.07
Insurance	88.56	73.20
Office maintenance	3.56	4.39
Advertising & Sponsorships	4.41	3.83
Travelling and conveyance	21.34	20.89
Vehicle Running and Maintenance	8.48	9.01
Communication costs	11.89	12.64
Printing and stationery	2.53	5.94
Consultancy and professional fees	340.56	308.94
Safety Items	20.93	45.04
Directors' sitting fees	3.73	6.82
Payments to auditors	6.17	6.51
Business Promotion Exp	3.21	1.54
Security Charges	1.46	0.36
Miscellaneous expenses	4.95	17.44
Less: Reimburshment from NHAI	(66.07)	-
	1,146.47	1,232.04

Payment to auditor

Particulars	March 31, 2017 in Rs.	March 31, 2016 in Rs.
As auditor:		
Audit fee	3.45	3.39
Tax audit fee	0.86	0.86
Other services (certification fees)	1.44	2.03
Reimbursement of expenses	0.42	0.23
Total	6.17	6.51

Luthra & Luthra Chartered Accountants New Delhi

GMR Hyderabad Vijayawada Expressways Private Limited

25. Income Tax

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

Particulars	March 31, 2017	March 31, 2016
Unused Tax losses		16,144.22
Unabrobed Depreciation		52,083.73
Leave Encashment		24.91
Fixed Assets		(61,392.68)

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

Income tax expense for the years ended March 31, 2017 and March 31, 2016 are:

	As at March 31, 2017	As at March 31, 2016
Accounting profit		(16,742)
Tax at the applicable tax rate		(5,173)
Deferred tax asset not recognised		5,173
Tax expense	-	-

26 **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 31-Mar-17	Year ended 31-Mar-16
Profit attributable to equity holders of the parent	(17,452.29)	(16,743.08)
Profit attributable to equity holders of the parent for basic earnings	(17,452.29)	(16,743.08)
Profit attributable to equity holders of the parent for diluted earnings	(17,452.29)	(16,743.08)
Weighted Average number of equity shares for computing Earning Per Share (Basic)	50.00	50.00
Weighted Average number of equity shares for computing Earning Per Share (Basic)	50.00	50.00
Earning Per Share (Basic) (Rs)	(349.05)	(334.86)
Earning Per Share (Diluted) (Rs)	(349.05)	(334.86)
Face value per share (Rs)	10.00	10.00

27 During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Rs. in Lacs

Particulars	SBNs	ODNs	Total
Closing cash on hand as on 08 Nov 2016	56.16	90.91	147.07
(+) Non Permitted receipts -	15.23	-	15.23
(+) Permitted receipts -	353.65	1,142.15	1,495.80
(-) Permitted payments -		1.92	1.92
(-) Amounts Deposited in Banks	425.04	1,088.89	1,513.93
Closing cash on hand as on 30 Dec 2016	-	142.25	142.25

* Directly deposited by employee out of Imprest advance made by company on various dates before November 08, 2016.

28 The Company has filed claim of Rs. 1316.22 Lacs for non collection of toll from 9th Nov 2016 onwards till the midnight of 2nd Dec 2016 in accordance with the guidelines issued by NHAI. The Company is following up with NHAI to release the claim amount. In view of certainty of recovery, such claim (being in nature of reimbursement of expenses) has been recognised and presented as deduction from respective expenses.

29 **First Time Adoption of Ind AS**

These financial statements, for the year ended 31 March 2017, are the first, the company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2015, the company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied:-

Deemed cost-Previous GAAP carrying amount: (PPE and Intangible Assets)

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its PPE and intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date after making necessary adjustments for de-commissioning liabilities.

Service concession (Ind AS 101.D22)

Ind AS 101 provides an option that when it is impracticable to apply Appendix A to Ind AS 11 retrospectively, a first-time adopter may use previous carrying amounts of financial and intangible assets, after testing for impairment, as their carrying a previous GAAP carrying amounts as at the date of transition. Ind AS 101 further provides that the First time adopter may continue accounting policy for amortisation of Intangible Assets arising from Service Concession arrangement related to toll road as per previous GAAP

The Company has recognised intangible assets as per Appendix A to Ind AS 101 on service concession arrangements, based on the previous GAAP carrying amounts as at the date of transition. The Company has also continued to apply accounting policy for amortisation of Intangible Assets arising from Service Concession arrangement related to toll road as per previous GAAP i.e. Proportionate revenue model.

30 **Significant accounting judgements, estimates and assumptions**

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

Judgements

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

i. Impairment of Intangible Assets:

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

ii. Amortisation:

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

iii. Provision for overlay:

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

31 Capital Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for as on March 31, 2017 Rs. 593.47 Lakhs (As on 31st March 2016 is Rs. 619.57 Lakhs)

32 Contingent liabilities: NIL

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GMR Hyderabad Vijayawada Expressways Private Limited

33 **Impairment of assets**

The Company has been incurring losses since the commencement of commercial operations during Financial Year 2013. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and Company has filed a claim of Rs. 1424 Lakhs, Rs. 5713 Lakhs, Rs. 6378 Lakhs and Rs. 8764 Lakhs for FY 2012-13, FY 2013-14, FY 2014-15 and FY 2015-16 respectively on NHAI. The management has also obtained a legal opinion which confirms that these events are Change in Law and Company is entitled to the claim for losses suffered on this account. NHAI has rejected these claims and consequently the Company has invoked dispute resolution process as per the provisions of the Concession Agreement. NHAI has intimated that Conciliation has failed. The Company has initiated arbitration proceeding and appointed nominee arbitrator in June 2016. NHAI has appointed its nominee arbitrator as well in the month of Dec 2016. As discussions are going on between company & NHAI on settelments of chamge in law issue, company has requested NHAI to keep arbitration in abeyance till such time.

In the interest of the stakeholders, the Company has also issued notice of force majeure (Political Event) as per article 34 of the concession agreement vide its letter dated June 13, 2016. Though NHAI has not reverted yet, based on the preliminary discussions with NHAI, the management is confident that matter will be amicably settled and the loss on account of change of law will be received in due course. Accordingly force majeure notice has not been considered for preparation of accounts.

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

Based on an internal assessment, legal opinion and expected traffic flow, the management is confident about recovery of claim and 6 laning of the project. Accordingly concession period has been considered as 25 years and impairment on the Carriageways does not arise.

34 **Leases**

The Company has entered into certain cancellable operating lease agreements for accommodation. Lease rental of Rs.13.81 Lakhs (March 2016 : Rs. 20.52 Lakhs) paid during the Year ended 31st March 2017 under such agreements.

35 **Litigation**

The Company is a co-respondent to a few litigations filed by certain parties against NHAI and State Government seeking compensation for land acquisition etc. However, the Company is not having any financial obligation in such cases, similarly the Company filed a case before High Court seeking police protection in respect of a Toll Plaza. In all these litigations the Company does not have financial obligations which would impact its financial position as at March 31, 2017.

36 The total liabilities of the Company exceed its total assets by Rs. 14617 Lakhs as on March 31, 2017. The promoters of the Company has assured to provide necessary financial and other assistance to help running its operations smoothly in the ensuing years. Therefore the account of the Company has been prepared under going concern assumption.

36 As per Concession Agreement, the Company is required to pay premium in form of an additional Concession Fee to NHAI equal to 32.6% of the total Realizable Fee during 3rd year of concession period (i.e. from Appointed Date), to be increased by 1% for every subsequent year. Due to dispute on appointed date between the Company and NHAI, NHAI has demanded additional concession fees of Rs. 150.86 Lakhs pertaining to the period April 2013 to August 2013 and April 2014 to August 2014, which has been paid by the Company under protest. The Company is confident to get it resolved in its favour and according pending settlement of dispute with NHAI, such payment has been shown under current assets.

37 Revenue share payable to NHAI for the period from April 1, 2015 to March 31, 2017 amounting to Rs. 18336 Lakhs is outstanding as on the date of financial statement. Sanction letter for Deferment of revenue share payment has been withdrawn by the NHAI vide its letter dated June 08, 2016.

38 Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2017 which has been relied upon by the auditors.

39 Gratuity and other post-employment benefit plans:

(a) Defined Contribution Plans

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

A sum of Rs. 20.91 Lakhs (Previous year Rs. 19.02 Lakhs) has been charged to the Statement of Profit & Loss in this respect

(b) Defined Benefit Plans

The Company has defined benefit plan, namely gratuity.

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

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

Net Benefit Expenses

	Year ended March 31, 2017	Year ended March 31, 2016
Components of defined benefit costs recognised in profit or loss	Rs.	Rs.
Current service cost	3.41	3.42
Interest cost on benefit obligation	-	-
Expected return on plan assets	(1.78)	(2.29)
Total	1.63	1.13
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gains) / loss due to DBO experience	(1.62)	(1.34)
Actuarial (gains) / loss due to DBO assumption changes	1.68	-
Return on Plan assets (greater)/less than discount rate	0.14	(0.15)
Total	0.20	(1.49)

	As at 31-Mar-17	As at 31-Mar-16
Benefit Asset/ (Liability)		
Defined benefit obligation	(25.06)	(22.12)
Fair value of plan assets	38.70	52.29
Benefit Asset/ (Liability)	13.65	30.17

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GMR Hyderabad Vijayawada Expressways Private Limited

Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	22.12	19.25
Interest cost	1.64	1.49
Current service cost	3.41	3.42
Benefits Paid	(2.17)	(0.40)
Actuarial (gain)/loss - experience	(1.62)	(1.34)
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss - financial assumptions	1.68	-
Acquisition adjustment	-	(0.30)
Closing defined benefit obligation	25.06	22.12

Changes in the fair value of plan assets:		
Opening fair value of plan assets	52.29	48.55
Net interest on net defined benefit liabilty/ (asset)	3.42	3.78
Acquisition adjustment	(21.10)	-
Return on plan assets greater/(lesser) than discount rate	(0.14)	0.15
Contributions by employer	6.41	0.21
Benefits paid	(2.17)	(0.40)
Closing fair value of plan assets	38.70	52.29

	As at March 31, 2017	As at March 31, 2016
The major categories of plan assets as a percentage of total		
Other (including assets under Schemes of Insurance)	100%	100%

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

Discount rate	7.10%	7.80%
Future salary increases	6.00%	6.00%
Rate of interest	6.50%	6.50%
Mortality table used	Indian Assured Lives	Indian Assured Lives

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

Contributions expected to be made by the Company during the next year is Rs. 6.41 Lakhs (previous year Rs. 0.21 Lakhs)

Risk Faced by Company:

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

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

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

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

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

Sensitivity Analysis

	March 31, 2017					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(2.35)	2.75	2.40	(2.05)	0.44	(0.49)

	March 31, 2016					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in INR					
Impact on defined benefit obligation	(1.80)	2.11	1.76	(1.56)	0.41	(0.47)

Maturity Plan of defined benefit obligation:	Amount in INR.
Within 1 year	1.68
1-2 year	1.91
2-3 year	2.13
3-4 year	2.39
4-5 year	2.69
5-10 year	21.21

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GMR Hyderabad Vijayawada Expressways Private Limited

40 List of Related parties and Transactions / Outstanding Balances:

a) Name of Related Parties and description of relationship:

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

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

Name of Entity	Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Transaction with Enterprises that control the Company / exercise significant influence			
GIL	Project Management fees	157.54	181.61
	Interest on Liablity portion of Preference Shares	367.18	332.61
	EPC Work	26.10	627.85
GHWL	Interest on Sub Debt raised	1,682.38	1,406.74
	Short Term Unsecured Loan Received/(Repaid)	(160.00)	160.00
	Equity Portion of Sub Debts Received	2,987.66	925.39
	Liablity Portion of Sub Debts Received	2,257.34	586.61
	Highway Maintanance Charges	475.81	433.06
	Interest on Liablity portion of Preference Shares	972.82	881.22
GEPL	Logo Fees and Trade Mark	0.02	0.00
Transaction with Fellow Subsidiaries			
RSSL	Security Service Charges	614.05	575.28
GFFT	Rent	-	0.12

* 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. S Rajagopal	-	-	-	-	0.65	-	-
Dr.Kavitha Gudipathi	-	-	-	-	0.65	-	-
Mr. K Parameswara Rao	-	-	-	-	0.65	-	-
Mr. B.L. Gupta	-	-	-	-	0.65	-	-
Mrs Vinita Tarachandani	-	-	-	-	0.65	-	-
Mr.Chandrashekar B, Manager	18.53	-	2.08	-	-	-	-

Name of Entity	Particulars	As At March 31, 2017	As At March 31, 2016
Closing Balances with Enterprises that control the Company / exercise significant influence			
GIL	Equity Shares Outstanding	205.00	205.00
	Equity Portion of Preference Share	5,702.95	5,702.95
	Liablity Portion of Preference Share	3,804.42	3,437.24
	Trade and Other Payables	1,255.43	1,305.52
GHWL	Equity Shares Outstanding	245.00	245.00
	Subordinate Debt Payables	19,032.81	16,093.08
	Short Term Loan	-	160.00
	Equity Portion of Subordinate Debt	29,092.03	26,104.37
	Equity Portion of Preference Share	16,349.31	16,349.31
	Liablity Portion of Preference Share	10,079.49	9,106.67
	Trade and Other Payables	55.95	80.79

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GMR Hyderabad Vijayawada Expressways Private Limited

Closing Balances with Fellow Subsidiaries			
RSSL	Trade and Other Payables	114.62	98.02
	Security/Other Deposit Recoverable	9.75	9.75
GCAPL	Security/Other Deposit Recoverable	65.46	65.46
GFFT	Security/Other Deposit Recoverable	182.34	182.34
GPEL	Trade and Other Receivables	0.06	-
GKUAEL	Trade and Other Recceivables	0.06	-
GEPL	Logo Fees and Trade Mark	0.01	-
GSPHPL	Trade and Other Payables	-	65.83
GADL	Trade and Other Payables	6.23	6.90
GAL	Other Receivable	-	0.05

Commitments with related parties: As at year end March 31, 2017, there is no commitment outstanding with any of the related parties other than those mentioned in Note no 29

Terms and conditions of transactions with related parties
The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2017, the Company has not owed any amount by related parties so impairment of receivables relating to amounts owed by related parties does not arise. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
For terms and condition related to Preference Share and Borrowing please refer Note no 11 & 13

41 **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, borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
Borrowings-other than related party	165,926.19	-	170,625.83	-	171,795.34	-
Net debts	165,926.19	-	170,625.83	-	171,795.34	-
	-	-	-	-	-	-
Capital Components	-	-	-	-	-	-
Share Capital	-	0.01	-	0.01	0.01	-
Other Equity	-	(0.15)	-	(0.01)	0.15	-
Borrowings- Related party	-	32,916.72	-	27,796.99	24,406.82	-
Total Capital	32,916.57	-	27,796.99	-	24,406.97	-
Capital and net debt	198,842.76	165,926.19	198,422.82	170,625.83	196,202.32	171,795.34
Gearing ratio (%)		83%		86%		88%

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, 2017 and March 31, 2016.

42 Financial Instrument by Category

Particulars	As at March 31, 2017			As at March 31, 2016		
	At Amortised Cost	At FVTPL		At Amortised Cost	At FVTPL	
		Cost	Fair Value		Cost	Fair Value
Assets						
Investment in Mutual Funds		-	-	-	-	
Loans to Employees	1.28	-	-	1.49	-	-
Other Financial Assets	324.96	-	-	323.05	-	-
Cash and cash equivalents	1,343.23	-	-	636.95	-	-
Total	1,669.48	-	-	961.50	-	-
Liabilities						
Borrowings (including interest)	198,842.91	-	-	198,422.82	-	-
Trade Payable	19,876.01	-	-	10,273.08	-	-
Other Financial Liability	1,474.91	-	-	2,097.55	-	-
Total	220,193.83	-	-	210,793.45	-	-

43 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.

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).

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GMR Hyderabad Vijayawada Expressways Private Limited

44 **Financial Instruments**

Fair Values

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.

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, 2017 and March 31, 2016

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 31 March 2016.

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 39.

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, 2017 March 31, 2016.

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, 2017		
INR	+50	(808.58)
INR	-50	808.58
March 31, 2016		
INR	+50	(836.47)
INR	-50	836.47

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.

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, 2017							
Term Loan from Banks		4,859.70	4,547.00	14,687.00	35,289.00	101,673.74	161,056.44
Loan from Related parties		-	-	-	-	19,032.81	19,032.81
Interest due but not paid on borrowings		4,869.75	-	-	-	-	4,869.75
Preference Shares at amortised cost		-	-	-	-	13,883.91	13,883.91
Trade payables		19,876.01	-	-	-	-	19,876.01
Other financial liabilities		1,474.91	-	-	-	-	1,474.91
	-	31,080.37	4,547.00	14,687.00	35,289.00	134,590.46	220,193.83

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Total
Year ended							
March 31, 2016							
Term Loan from Banks	-	6,334.25	4,547.00	4,448.75	13,520.00	138,224.02	167,074.02
Loan from Related parties	-	160.00	-	-	-	15,093.08	15,253.08
Interest due but not paid on borrowings		3,551.81	-	-	-	-	3,551.81
Preference Shares at amortised cost	-	-	-	-	-	12,543.91	12,543.91
Trade payables	-	10,273.08	-	-	-	-	10,273.08
Other financial liabilities	-	2,097.55	-	-	-	-	2,097.55
	-	22,416.69	4,547.00	4,448.75	13,520.00	165,861.01	210,793.45

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Chartered Accountants

GMR Hyderabad Vijayawada Expressways Private Limited

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.

45 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2017.

46 **Segment Reporting**

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

47 Salient aspects of Service Concession Arrangement

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

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

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

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

-Right of Way, access and license to the Site for the purpose of and to the extent conferred by the provisions of the Concession Agreement

-finance and construct the Project Highway

-manage, Operate and maintain the Project Highway and regulate the use thereof by third parties.

-demand, collect and appropriate the Fees from vehicles and users liable to payment of Fees for using the Project Highway or any part thereof and refuse entry of any vehicle if the due is not paid.

-perform and fulfill all of the obligations under and in accordance with the Concession Agreement.

-bear and pay all costs, expenses and charges in connection with or incidental to the performance of the Obligations of the Company under this agreement.

-neither assign, transfer or sublet or create any lien or Encumbrance on the Concession Agreement, or the Concession hereby granted on the whole or any part of the Project Highway nor transfer, lease or part possession therewith save except as expressly permitted by this Agreement or the Substitution Agreement.

Fees

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

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

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

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

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GMR Hyderabad Vijayawada Expressways Private Limited

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

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

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

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

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

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

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

i) permitting safe, smooth and uninterrupted flow of traffic on the Project Highway during normal operating conditions.
ii) collecting and appropriating the Fee.
iii) minimizing disruption to traffic in the event of accidents or other incidents affecting the safety and use of the Project Highway by providing a rapid and effective response and maintaining liaison with emergency services of the State.
iv) carrying out periodic preventive maintenance of the Project Highway
v) undertaking routine maintenance including prompt repairs of potholes, cracks, Concrete joints, drains, embankments, structures, pavement marking, lighting, road signs and other traffic control devices

vi) undertaking major maintenance such as resurfacing of pavements, repairs to structures, and repairs and refurbishment of tolling system and other equipment.
vii) preventing with the assistance of concerned law enforcement agencies unauthorised entry to and exit from the Project Highway.
viii) preventing with the assistance of the concerned law enforcement agencies any encroachments on the Project Highway.
ix) protection of the environmnet and provision of equipment and materials therefore.
x) operation and maintenance of all communication, control and administrative system necessary for the efficient operation of the Project Highway.
xi) maintaining a public relations unit to interface with and attend to suggestions from users of the Project Highway, the media, Government Agencies, and other external agencies.
xii) complying with Safety Requirements in accordnace with concession agreement

Revenue Shortfall Loan
The company is eligible for Revenue Shortfall loan if "Realisable Fee in any accounting year shall fall short of the Subsistence Revenue as a result of an indirect Political Event, a political event or an authority default".
Subsistence Revenue mean the total of Fee revenue that is required by the concessionaire in an accounting year to meet the sum of
a) O&M Expenses, subject to an annual ceiling of 3% of the Total project Cost plus Grant if any during the first accounting year after COD, to be revised for each subsequent year to reflect the variation in WPI occurring between COD and commencement of such Accounting year
b) Debt Service in such Accounting year but excluding any interest paid by the Authority.

The accompanying notes are an integral part of the financial statements

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

Luthra & Luthra New Delhi Chartered Accountants

Akhilesh Gupta
Partner
(M.No.89909)

Place: New Delhi
Date: 01.05.2017

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

D Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

GMR Hyderabad Vijayawada Expressways Private Limited

GMR Hyderabad Vijayawada Expressways Private Limited

U45201KA2009PTC050109

	Statement of Standalone Unaudited / Audited Fiancial Results for theYear Ended 31/03/2017		
	Particulars	Year ended	
		3/31/2017	3/31/2016
	(Refer Notes Below)	Audited	Audited
1	**Income from operations**		
	(a) Sales/income from operations	22,702.26	23,614.91
		-	-
	Total income from operations	**22,702.26**	**23,614.91**
2	**Expenses**		
	(a) Sub-contracting expesnes	11,983.46	12,093.81
	(b) Employee benefits expense	308.53	298.94
	(c) Depreciation and amortisation expense	3,482.20	3,191.86
	(d) Other expenses	1,146.47	1,232.04
	Total expenses	**16,920.66**	**16,816.65**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	-	-
4	Other income	65.59	75.40
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)**	**5,847.19**	**6,873.65**
6	Finance costs	23,299.48	23,616.73
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)**	**(17,452.29)**	**(16,743.08)**
8	Exceptional items	-	-
9	**Profit / (Loss) from ordinary activities before tax (7 ± 8)**	(17,452.29)	(16,743.08)
10	Tax expense / (credit)	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	(17,452.29)	(16,743.08)
12	Other Comprehensive Income/ (expenses) (net of tax)	(0.20)	1.49
13	**Total Comprehensive income for the period (14 + 15)**	(17,452.49)	(16,741.58)

In terms of our report attached

In terms of our report attached

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

Luthra & Luthra New Delhi Chartered Accountants

Akhilesh Gupta
Partner
(M.No.89909)

For and on behalf of
GMR Hyderabad Vijayawada Expressways Private Limited

O Bangaru Raju
Chairman
DIN:00082228

Arun Kumar Sharma
Director
DIN.02281905

Shweta Mahajan
Company Secretary

Brajesh Kumar Tiwary
Chief Financial Officer

Place: New Delhi
Date: 01.05.2017

GMR Hyderabad Vijayawada Expressways Private Limited