GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN NO U45200KA2005PLC049327
Registered Office: 25/1, SKIP House, Museum Road, Bangalore – 560 025, Karnataka
E-mail: highways.secretarial@gmrgroup.in
Phone No.: 011 - 42537003; Fax No.: 011 - 42532706

Notice of
Thirteenth Annual General Meeting

Day, Date & Time

Monday, the 27th day of August, 2018

At

10.30 AM

Venue

25/1, SKIP House,
Museum Road,
Bangalore–560 025,
Karnataka

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of **GMR Pochanpalli Expressways Limited** will be held on **Monday, the 27th day of August 2018** at **10.30 AM** at the Registered Office of the Company situated at 25/1, SKIP House, Museum Road, Bangalore–560025 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended March 31, 2018 together with the Reports of the Directors and the Auditors thereon.

2. To appoint Director in place of Mr. Arun Kumar Sharma (DIN 02281905) who is liable to be retire by rotation and being eligible to offers himself for re-appointment.

3. To appoint Statutory Auditors and to fix their remuneration and in this connection, to consider, and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary resolution:**

   "**RESOLVED THAT** M/s. Chaturvedi & Shah, Chartered Accountants, (*Firm Registration No. 101720W*) be and are hereby appointed as Statutory Auditors of the Company for a period of 5 (five) years and are entitled to hold office from the conclusion of this Annual General Meeting to the conclusion of 18th Annual General Meeting of the Company, on such remuneration, as may be determined by the Board of Directors or any Committee/ any person authorized by the Board on its behalf."

   "**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof be and is hereby authorized to negotiate and agree upon the remuneration with M/s. Chaturvedi & Shah, Chartered Accountants and approve the remuneration payable to them including any out of pocket expenses as may be incurred by them in the course of audit."

Special Business

To consider and, if thought fit, to pass with or without modification(s), the following Resolutions as an Ordinary Resolution.

4. **To ratify the remuneration of M/s. G. R. & Co., Cost Auditor of the Company for the financial year 2018-19.**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Shareholders hereby ratify the remuneration of Rs. 50,000 plus applicable taxes and out of pocket expenses payable to M/s. G. R. & Co., Cost Accountants, appointed by the Board of Directors as Cost Auditors of the Company to conduct the audit of cost records of the Company for the financial year 2018-19."

GMR Pochanpalli Expressways Limited

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"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By the Order of the Board of Directors
For GMR Pochanapalli Expressways Limited

GMR Pochanapalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Place: New Delhi
Date: 20th July, 2018

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NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business is annexed hereto

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, provided that, a member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

4. Members and/or proxies are requested to bring their copy of the notice to the meeting and should bring the attendance slips duly filled in at the meeting to avoid any inconvenience.

5. Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representative(s) to attend and vote at the General Meeting.

6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. In terms of the requirements of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, Route Map for the location of the aforesaid meeting is enclosed.

8. In terms of Section 20 of the Companies Act, 2013, the Notice is being sent to all the Members on the electronic mail address as provided by the Registrar or the Member from time to time for sending communications to the Member unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copy of the Notice is being sent by courier. Members are requested to register their E-mail Id with their Depository Participant and inform them of any changes to the same from time to time. However, Members who prefer

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physical copy to be delivered may write to the Company at its Registered Office by providing their DP Id and Client Id as reference.

9. Members are requested to notify any change in their registered address along with pin code and quote their respective ledger folio number on every communication with the Company.

10. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are Interested maintained under Section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.

11. All documents referred to in accompanying Notice and Explanatory statement are open for inspection at the registered office of the Company during the office hours on all working days except Saturdays/Sundays and holidays between 11.00 A.M. and 1.00 P.M.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 FOR THE ITEMS SET OUT IN THE ACCOMPANYING NOTICE ARE AS UNDER:

Item No 4:

To ratify the remuneration of M/s. G.R. & Co., Cost Auditor of the Company for the financial year 2018-19

The Board, on the recommendation of the Audit Committee, has approved the reappointment and remuneration of M/s. G.R. & Co., Cost Accountant to conduct the audit of the cost records of the Company for the financial year 2018-19 at remuneration as detailed in the resolution.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is being sought for approval of the remuneration payable to the Cost Auditors for the financial year ending 2018-19.

Save and except M/s. G.R. & Co., Cost Accountant, none of the other Directors and Key Managerial Personnel of the Company & their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolutions at Item No. 4 for approval of the members.

By the Order of the Board of Directors
For GMR Pochanpalli Expressways Limited

GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN: 02281905

Place: New Delhi
Date: 20th July, 2018

GMR POCHANPALLI EXPRESSWAYS LIMITED

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Phone No.: 011 - 42537003; Fax No.: 011 - 42532706

ATTENDANCE SLIP

DP ID		FOLIO NO. / CLIENT ID		No. of shares	

Name(s) and address of the member in full:

____

I/We hereby record my/our presence at the 13th Annual General Meeting of the Company to be held **on Monday, the 27th day of August 2018 at 10.30 AM at the Registered Office of the Company at**, 25/1, Skip House, Museum Road, Bangalore – 560025, Karnataka.

☐ MEMBER ☐ PROXY

Signature of Member / Proxy

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FORM NO.MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule, 2014)

CIN	U45200KA2005PLC049327
Name of the Company	GMR POCHANPALLI EXPRESSWAYS LIMITED
Registered Address	25/1, Skip House, Museum Road, Bangalore – 560 025, Karnataka

Name of the member(s)	
Registered Address	
E-Mail ID	
DPID and Client ID /Folio No	

I/We, being the member(s) holding _______ shares of the above named Company, hereby appoint

1	Name			
	Address			
	E-Mail ID		Signature	

or failing him

2	Name			
	Address			
	E-mail ID		Signature	

or failing him

3	Name			
	Address			
	E-Mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual General Meeting of the Company, to be held on Monday, August 27, 2018 at 10.30 AM at 25/1, Skip House, Museum Road, Bangalore – 560025, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	
1.	To receive, consider and adopt the audited Financial Statements for the year ended March 31, 2018 together with the Reports of the Directors' and the Auditors' thereon.
2.	To appoint Director in place of Mr. Arun Kumar Sharma (DIN 02281905) who is liable to retire by rotation and being eligible to offers himself for re-appointment.
3.	To appoint Statutory Auditors and fix their remuneration and in this connection, to consider, and, if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution
Special Business	
4.	To ratify the remuneration of M/s. G.R. & Co., Cost Auditor of the Company for the financial year 2018-19

Signed this ________________ day of ________________2018

____
Signature of Member

____
Signature of Proxy holder(s)

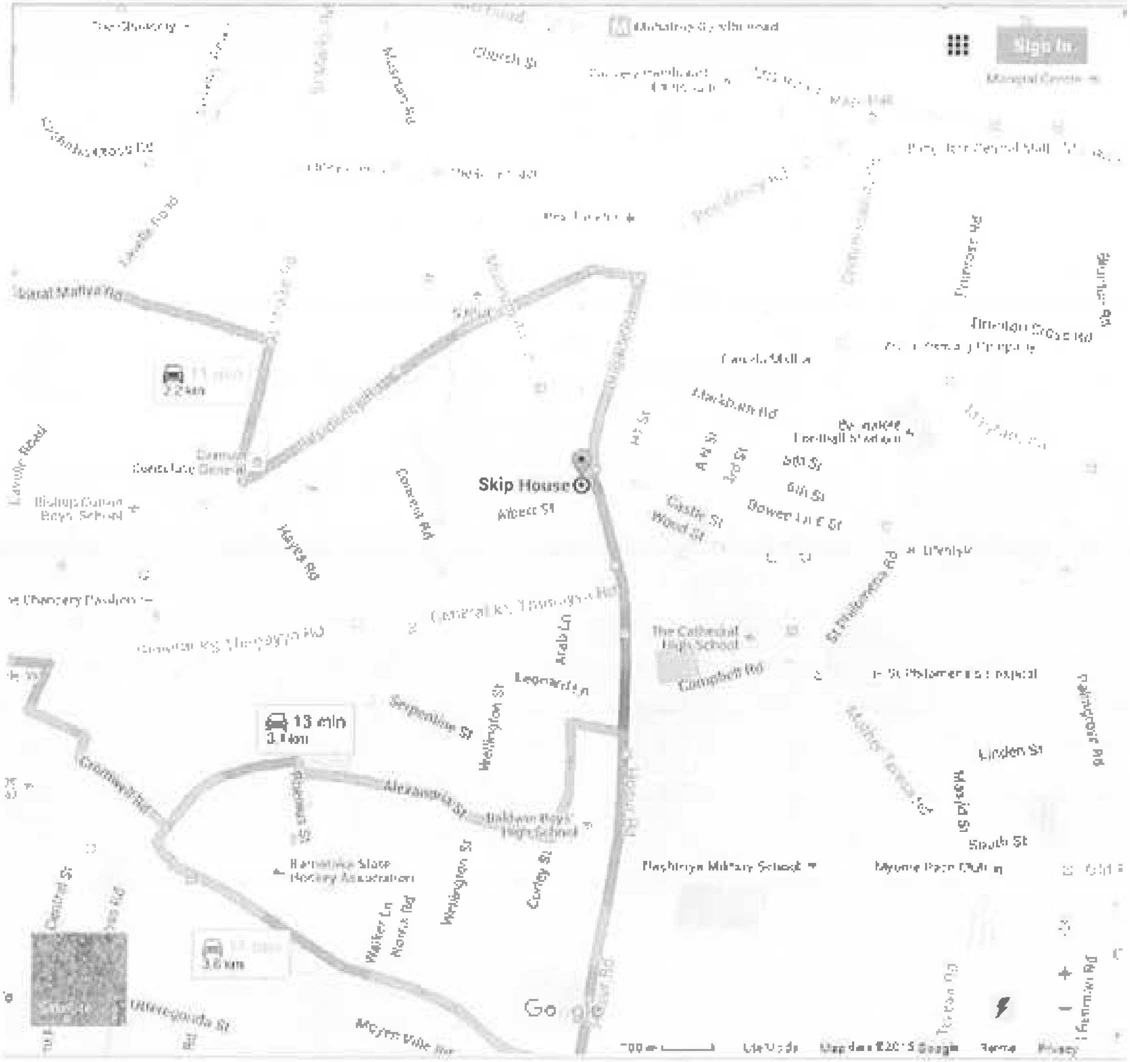
Affix Revenue Stamp of Re.1

Notes:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2. **A proxy need not be a member of the Company.**

ROUTE MAP OF THE VENUE



GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN: U45200KA2005PLC049327
Registered Office: 25/1, SKIP House, Museum Road, Bangalore – 560 025, Karnataka
E-mail: highways.secretarial@gmrgroup.in
Website: www.gmrgroup.in
Phone No.: 011-47197003; Fax No.: 011-42532706

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 13th Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31.03.2018.

Financial Performance Summary

The financial statements for the year ended 31.03.2018, has been prepared in accordance with IND-AS compared to periods up to and including the year ended 31.03.2018.

The financial highlights of your Company, for the year ended 31.03.2018 are as presented below:

(Rs. in Lakh)

Particulars	31.03.2018	31.03.2017
Gross Income	10,398.97	9,985.38
Expenditure	3,811.15	3,014.40
Earnings before interest, depreciation and tax	6,587.82	6,970.98
Depreciation & amortization expense	8.01	8.43
Profit before Interest	6,579.81	6,962.55
Finance costs	4,924.85	4,836.75
Profit/ (Loss) before Tax	**1,654.96**	**2,125.80**
Current Tax	538.82	375.30
Profit/ (Loss) after Tax	**1,116.14**	**1,750.50**

During the year ended 31.03.2018, your Company has earned a profit of Rs. 1,116.14 Lakh as compared to Rs. 1,750.50 Lakh during the previous year. Reduction in profits during the financial year 2017-18 is mainly on account of increase in provision for major maintenance expenditure.

The State of the Company's Affairs

GMR Pochanpalli Expressways Limited (the Company) has entered into 10th year of commercial operations. The riding quality is appreciable and within limit specified under the Concession Agreement. Initiative taken by Company for creating green highway throughout the road stretch is very good and widely appreciated in print media.

The Company is making continuous efforts to enhance the safety of road users by involving various stake holders. One underpass and service road works have commenced under Change of

GMR Pochanpalli Expressways Limited

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Scope Order from NHAI to improve safety. Road user surveys are conducted periodically to receive the feedback and to improve the performance standards. The Company has achieved 100 % Lane Availability and the Operations of the Company were satisfactory.

Change in the nature of business, if any

During the year under review, there is no change in the nature of business of the Company.

Dividend

To augment the resources for the Company's business and as a matter of prudence, the Board of Directors have not recommended any dividend for the financial year 2017-18.

Transfer to Reserves

Amount, if any, which Company proposes to carry to any Reserves: NIL

Changes in Share Capital

During the year under review, there was no change in the Authorized and Paid up Share Capital of the Company.

Listing with Stock Exchange

The Non-Convertible Debentures issued by your Company in the month of March 2010 are listed on NSE and CARE has assigned A- ratings to the debentures issued by the company. Currently debentures of Rs. 40,980 Lakh were outstanding at the end of the year.

Subsidiaries/ Joint Ventures/ Associate Companies

Your Company does not have any Subsidiary, Joint Ventures or Associate Companies of its own and hence the statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures, as required to be provided in Form-AOC 1, is not applicable.

Names of the Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year

Since your Company does not have Subsidiary, Joint Venture or Associate Company, this section is not applicable.

Directors or Key Managerial Personnel

During the year under review, the following Directors/Key Managerial Personnel were appointed/ resigned:

Changes in Directors	Mr. K A Somayajulu ceased to be an Independent Director w.e.f. 25.08.2017. He was again reappointed as Independent Director on 08.09.2017 at the Extra-Ordinary General Meeting of the Company.
Changes in KMP's	• Mr. Satinder Singh resigned as Company Secretary w.e.f. 14.04.2017. • Mr. Paramjeet Singh appointed as Company Secretary w.e.f. 02.05.2017.

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Proposals for forthcoming AGM	Mr. Arun Kumar Sharma, Director, would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The proposal for his re-appointment has also been included in the Notice of the ensuing Annual General Meeting.

Number of Meetings of the Board

During the year under review, **5 (Five)** meetings of the Board of Directors were held-

Date of Meeting	Director Attendance Details				
	Mr. Arun Kumar Sharma	**Mr. Mohan Rao M.**	**Mr. K. A. Somayajulu***	**Mr. B. L Gupta**	**Mrs. Grandhi Ragini**
02.05.2017	Present	Present	Present	Present	Not Present
15.07.2017	Present	Present	Present	Present	Not Present
05.09.2017	Present	Not Present	NA	Present	Not Present
17.10.2017	Present	Present	Present	Present	Not Present
18.01.2018	Present	Present	Present	Present	Present

*Ceased w.e.f. 25.08.2017 and re-appointed on 08.09.2017

The intervening gap between the meetings was within the period prescribed (i.e. Maximum One hundred and twenty days between any two consecutive meetings), under the Companies Act, 2013.

Extract of the Annual Return

The extract of the Annual Return, in prescribed Form MGT-9, is annexed as **Annexure – I**.

Declaration given by Independent Directors

All the Independent Directors have provided declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Deposits

Since Company has not accepted any deposits covered under Chapter V (Acceptance of Deposits by the Companies) of the Companies Act, 2013 read with the Rules framed thereunder; the details required to be given in terms of Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014 are not applicable.

Particulars of Employees and related disclosures

In accordance with the provisions as prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding the disclosure of names of the top ten employees in terms of remuneration drawn and the name of every employees who- was in receipt of remuneration not less than one crore and two lakh rupees, if employed throughout the year or remuneration not less than eight lakh and fifty thousand rupees per month , if employed for any part of that year and other details are provided under **Annexure-II.**

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Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The details of Conservation of Energy, Technology absorption and Foreign Exchange earnings or outgo are given in **Annexure III**.

Qualification / Reservation/ Adverse Remark or Disclaimer in the Auditors' Report

There are no qualifications, reservations or adverse remarks in the report of the Statutory Auditors' which require any clarification/explanation.

Auditors

Auditors and Auditors' Report

Statutory Auditors

M/s Luthra & Luthra, Chartered Accountants, were Statutory Auditors of the Company since financial year 2008-09 and have completed 10 years at the end of financial year 2017-18. Hence, as per Section 139 (2) of the Companies Act, 2013 read with rules made there under, they ceased to be eligible for appointment as Statutory Auditors of the Company until the completion of 5 years starting from the financial year 2018-19.

Pursuant to that and based on the recommendation of the Audit Committee, the Board of Directors in their meeting held on 24th April, 2018 proposed the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years commencing from financial year 2018-19.

Now the Board hereby recommend to the Shareholders in the ensuing Annual General Meeting, the appointment of M/s. Chaturvedi & Shah, as Company's Auditors for a period of 5 years from the financial year 2018-19. If appointed, they shall hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 18th Annual General Meeting. The item for obtaining requisite approval of the shareholders for the appointment of M/s. Chaturvedi & Shah, has been included in the notice of Annual General Meeting.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. VAPN & Associates, Company Secretaries in practice, New Delhi to conduct the Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report, in the Form MR-3, for the Financial Year 2017-18, is annexed as **Annexure IV.**

There are no qualifications, reservations or adverse remarks in the report of the Secretarial Auditor which require any clarification/explanation.

The Board of Directors, based on the recommendation of the Audit Committee, had appointed M/s. VAPN & Associates, Company Secretaries, New Delhi, to conduct the Secretarial Audit of the Company for the Financial Year 2018-19.

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Cost Auditors

The Board of Directors, based on the recommendation of the Audit Committee, had appointed M/s G.R. & Co., Cost Accountant as the Cost Auditor for the financial year 2017-18 for auditing the cost records of the Company. M/s G.R. & Co. has submitted the Cost Audit Report for financial year 2017-18 which is annexed as **Annexure V**. There are no qualifications, reservations or adverse remarks in the said Cost Audit Report.

The Board of Directors, based on the recommendation of the Audit Committee, had appointed M/s G.R. & Co. for the financial year 2018-19 for auditing the cost records of the Company pursuant to Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended.

The item for obtaining requisite approval of the shareholders for the fees payable to the Cost Auditors for conducting the audit for the financial year 2018-19 has been included in the notice of Annual General Meeting.

Particulars of Loans, Guarantees or Investments under Section 186

The Company is engaged in the business of providing Infrastructural facilities and hence, it is exempted from Section 186, except sub-section (1), of the Companies Act, 2013 under sub-section (11) of the said section w.r.t. loans made, guarantee given and security provided by it.

Further, the Company has not made any new Investments during the period under review.

Particulars of Contracts or arrangements with related parties

The Company presents a detailed landscape of all related party transactions (RPT) before the Audit Committee, specifying the nature, value, and terms and conditions of the transactions. All the transactions with related parties were reviewed and approved by the Audit Committee. Transactions with related parties are conducted in a transparent manner keeping the interest of the Company and Stakeholders at utmost priority. The Company has framed a Policy on Related Party Transaction for the purpose of identification and monitoring of such transactions.

During the period under review, all the transactions entered with related parties were in accordance with the RPT Policy of the Company and in ordinary course of business and are generally at arm's length basis in their context does not attract the provisions of Section 188 of the Companies Act, 2013 read with the Rules framed thereunder. The particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC- 2, is enclosed herewith as **Annexure-VI**.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Directors Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors, based on their knowledge and belief and according to the information and explanation/ certifications obtained from the operating management, confirm in respect of the audited financial statements for the year ended 31.03.2018 that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had had laid down proper internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.

Statement indicating Development and Implementation of risk management policy for the company including identification of elements of risk, in any, which in the board may threaten the existence of the company.

The Company has a detailed Risk Management Policy duly approved by the Audit Committee and Board. The risk analysis is carried out with the help of Enterprises Risk Management team of the Group in line with the Risk Management Policy of the Company. The Company's Risk Management framework is in line with the current best practices and effectively addresses the emerging challenges in a dynamic business environment which incorporate therein the specific elements of risk associated with the business of the Company. In today's challenging and competitive environment strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative.

As a matter of Policy, risks are assessed and steps as appropriate are taken to mitigate the same.

Disclosure on Corporate Social Responsibility

During the year under review, the **Corporate Social Responsibility Committee (CSR Committee)** of the Board duly complied with the requirements of the Companies Act, 2013 read with Rules framed thereunder.

During the year, the CSR Committee of the Company was re-constituted on 05.09.2017 comprising of the following members viz., Mr. K. A Somayajulu (Chairman), Mr. Mohan Rao M (Member), and Mr. Arun Kumar Sharma (Member).

The CSR Committee met one time during the year, the details of which are given below:

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Date of Meeting	Committee Member's Attendance Details		
	Mr. Arun Kumar Sharma	Mr. Mohan Rao M.	Mr. K. A. Somayajulu (Chairman)
02.05.2017	Present	Present	Present

Details about the Policy developed & implemented

The Corporate Social Responsibility Policy, formulated and recommended by the CSR Committee, as approved by the Board is annexed as **Annexure VII.** The Corporate Social Responsibility Policy is also available on the website of the Company at www.gmrgroup.in.

Corporate Social Responsibility initiatives

Due to average loss during the 3 (three) immediately preceding financial year i.e. 2014-15, 2015-16 & 2016-17, the Company was not required to spend any amount on CSR activities in terms of Section 135(5) of the Companies Act, 2013 read with the Rules framed thereunder, for the financial year 2017-18. The requisite disclosures as prescribed under the provision of Section 135 of the Companies Act, 2013 read with rules made there under is annexed as **Annexure VIII.**

Audit Committee

During the year under review, the Audit Committee of the Board duly complied the requirements of Section 177 of the Companies Act, 2013 read with Rules framed thereunder and all recommendations made by the Audit Committee were accepted by the Board.

During the year, the Audit Committee of the Company was reconstituted on 05.09.2017 comprising of the following members viz., Mr. K. A Somayajulu (Chairman), Mr. B. L. Gupta (Member), and Mr. Arun Kumar Sharma (Member).

The Audit Committee met four (4) times during the year, the details of which are given below:

Date of Meeting	Director Attendance Details		
	Mr. Arun Kumar Sharma	Mr. K. A. Somayajulu	Mr. B. L Gupta
02.05.2017	Present	Present	Present
15.07.2017	Present	Present	Present
17.10.2017	Present	Present	Present
18.01.2018	Present	Present	Present

All recommendations made by the Audit Committee have been duly adopted/approved by the Board.

Establishment of Vigil Mechanism

In terms of Section 177(9) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, your Company has formulated and established a vigil mechanism for its directors and employees to report genuine concerns. Company's vigil mechanism is in the form of a 'Whistle Blower Policy'.

The Company believes in conducting the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

GMR Pochanpalli Expressways Limited

This policy provides a platform to the directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. It also provides the mechanism for stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Company's vigil mechanism provides adequate safeguard against the victimization of employees and directors who wish to avail the vigil mechanism to deal with the instance of fraud, mismanagement, unethical behaviour, if any. It is ensured that no unfair treatment is meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy.

Nomination and Remuneration Committee

During the year under review, the Nomination and Remuneration Committee duly complied with the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder.

The Nomination and Remuneration Committee of the Company was reconstituted on 05.09.2017 comprising of the following members viz., Mr. K. A. Somayajulu (Chairman) Mr. Mohan Rao M. (Member), Mr. B. L. Gupta (Member), and Mr. Arun Kumar Sharma (Member).

During the year under review, the Nomination and Remuneration Committee met Three (3) times, the details of which are given below:

Date of Meeting	Committee Member's Attendance Details			
	Mr. Arun Kumar Sharma	Mr. Mohan Rao M.	Mr. K. A. Somayajulu*	Mr. B. L Gupta
02.05.2017	Present	Present	Present	Present
15.07.2017	Present	Present	Present	Present
05.09.2017	Present	Not Present	NA	Present

*Ceased w.e.f. 25.08.2017 and re-appointed on 08.09.2017

Company's Policy on Directors' Appointment and Remuneration

The Company has formulated a Policy which, inter-alia, enumerates appointment and remuneration of the Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013 read with Rules framed thereunder.

The Nomination and Remuneration Policy is annexed as **Annexure IX** available on the Company's website at www.gmrgroup.in.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors

The Companies Act, 2013 has mandated the need to ensure effectiveness of the Board governance and requires a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors.

The mechanism to evaluate the performance of Board, its committee and Directors, as per the statutory requirement, was considered and adopted by the Board.

GMR Pochanpalli Expressways Limited

In order to do the evaluation, structured questionnaires / performance evaluations forms were considered by the Board for evaluating itself/ Committees and individual Directors, which were broadly based on certain specific parameters. During the year under review, the Board and Nomination and Remuneration committee has carried out evaluation of individual Directors and performance of their Committees.

Securities Issue, Allotment and Transfer Committee

The Board in its meeting held on 02.05.2017 dissolved the Committee and the powers for Issue, Allotment, Transfer and Transmission of Securities henceforth would be exercised by the Board.

Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There were no significant material orders passed by the Regulators/ Courts/ Tribunals which would impact the going concern status and future operations of the Company.

Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements

The Company monitors and ensures efficient communication between various sites and corporate office; efficiently manages the information system and reviews the IT systems; ensures accurate & timely recording of transactions; stringently checks the compliance with prevalent statutes, management policies & procedures in addition to securing adherence to applicable accounting standards and policies.

The internal control system of the Company provides for adherence to approved procedures, policies, guidelines and authorization. In order to ensure that all checks and balances are in place and all the internal control systems and procedures are in order, regular and exhaustive internal audit is conducted by the Management Assurance Group (MAG), an Internal Audit Wing of the Group, manned by qualified Chartered Accountants, with the assistance of M/s. M. Bhaskara Rao & Co., Chartered Accountants for Quarter 1 & 2 of Financial year 2017-18. However, to add more objectivity and meaning in evaluating the organizational governance process particularly in the area of risk management and control, M/s. M. Bhaskara Rao & Co., Chartered Accountants, were appointed as the Internal Auditors to conduct the audit of the last 2 (two) quarters of the financial year 2017-18.

Internal Audit Reports prepared by MAG and M/s. M. Bhaskara Rao & Co. were reviewed by the Audit Committee on quarterly basis which were then placed before the Board.

Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government

During the period under review, no such fraud was reported by the Statutory Auditors.

Disclosure in terms of the Listing Agreement for Debt Securities

Pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the issue of Non-Convertible Debentures (NCD's) listed on National Stock Exchange (NSE), the following disclosures are being made:

GMR Pochanpalli Expressways Limited

S. No.	In the accounts of an issuer who is a-	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ investments Outstanding during the year 2017-18:
1.	Subsidiary GMR Highways Limited - (Holding Company)	Loan given and outstanding as at 31.03.2018, Rs. 6,080 Lakh
		Maximum Amount outstanding during the year, Rs. 6,080 Lakh
2.	GMR Enterprises Private Limited –(Holding Company)	Loan given and outstanding as at 31.03.2018, Rs. 1,000 Lakh
		Maximum Amount outstanding during the year, Rs. 1,000 Lakh
3.	Dhruvi Securities Pvt. Ltd-(Fellow subsidiary Company)	Loan given and outstanding as at 31.03.2018, Rs. 9,500 Lakh
		Maximum Amount outstanding during the year, Rs. 9,500 Lakh
4.	GMR Infrastructure Limited-(Holding Company)	Loan given and outstanding as at 31.03.2018, Rs. 3,732 Lakh
		Maximum Amount outstanding during the year, Rs. 3,732 Lakh

Details of Debenture Trustee:

Name of the Debenture Trustee	M/s Axis Trustee Services Limited
Address	Axis House Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai-400025. Telephone No-022-62260054/62260050
Contact Person-	Swati Borkar- Senior Manager

Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, a statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under:

Category	No. of complaints pending at the beginning of FY	No. of complaints filed during the FY	No of complaints pending as on end of FY
Sexual Harassment	Nil	Nil	Nil

GMR Pochanpalli Expressways Limited

Acknowledgements

Your Directors take this opportunity to express their sincere thanks and gratitude to the Government of India, State Government, National Highways Authority of India and other Central and State Government Agencies, Life Insurance Corporation of India, Dena Bank and Axis Trustee Services Limited for their support.

Your Directors also place on record their sincere appreciation & gratitude of the contributions made by the auditors & employees of the Company at all levels through their hard work, dedication, solidarity and support and express their gratitude to the Promoters and Holding Companies for their continual support.

For and on behalf of the Board

GMR Pochanpalli Expressways Limited

Arun Kumar Sharma	**Mohan Rao M**
Director	**Director**
DIN 02281905	DIN 02506274

Date: 20.07.2018
Place: New Delhi

Annexure - I

Form No. MGT – 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014
Extract of Annual Return as on the Financial Year ended on 31st March, 2018

I. REGISTRATION AND OTHER DETAILS:

CIN	U45200KA2005PLC049327
Registration Date	18-10-2005
Name of the Company	GMR Pochanpalli Expressways Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	25/1, SKIP House, First Floor Museum Road, Bangalore-560025, Karnataka Phone No.: 011-47197003; Fax No.: 011-42532706 Email: highways.secretarial@gmrgroup.in
Whether Listed Company	Yes, Debentures issued by the company are listed on NSE
Name, Address and Contact Details of Registrar and transfer Agent, if any	Integrated Registry Management Services Private Limited, Bangalore 30, Ramana Residency, 4th Cross, Sampaigne Road, Malleswaram, Bangalore – 560003 Contact - 011-47197003; Fax No.: 011-42532706

GMR Pochanpalli Expressways Limited

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To carry on the business, either individually or as joint venture with any other entity, whether in India or outside India, of constructing, improving, developing, strengthening, widening, operating, maintaining of roads, culverts, highways, expressways including traffic management system, bridge(s), intra-urban and or peri-urban roads like rings roads and urban by-passes, fly-overs, bus and truck terminals, sub-ways, convention centres, restaurants, motels, shopping malls, fuel yards, fuel depots, fuel stations, golf courses, amusement parks, or other activities being an integral part of the highway project(s), on any land of the Company or upon any other lands or property and to pull down, alter, rebuild, enlarge, alter and improve existing structures, buildings or works thereon to convert and appropriate any such land for the purpose of roads, streets, gardens and other conveniences and to deal with and improve the property and to charge, collect, appropriate and deploy fees, toll charges, and levies from users of the infrastructure facilities; to carry on the business as manufacturers, producers, importers, exporters, dealers, either retail or wholesale, agents, representatives, suppliers of all building materials such as cement, steel, ceramics, timber, wood, centering materials, plastics, bricks, potteries, electrical equipment and fittings, stone crushers, machines, and other inputs required for the purpose of aforesaid business.	4210	100%

GMR Pochanpalli Expressways Limited

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable section
1.	GMR Highways Limited	U45203MH2006PLC287171	Holding	98.50%	Sec 2(46)
2.	GMR Infrastructure Limited	L45203MH1996PLC281138	Holding*	100.0%	Sec 2(46)

*directly/indirectly

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
(1) Indian									
Individual/ HUF	-	4	4	0.00	-	4	4	0.00	-
Central Government	-	-	-	-	-	-	-	-	-
State Government	-	-	-	-	-	-	-	-	-
Bodies Corporate	137,999,996	-	137,999,996	100	137,999,996		137,999,996	100	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any other (Trust)						-	-	-	-
Sub Total (A)(1)	**137,999,996**	**4**	**138,000,000**	**100**	**137,999,996**	**4**	**138,000,000**	**100**	-
(2) Foreign									
NRI	-	-	-	-	-	-	-	-	-
Others – Individual	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-

Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	0	0	0	0	0	0	0	0	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	137,999,996	4	138,000,000	100	137,999,996	4	138,000,000	100	-
B. Public Shareholding									
1. Institutional									
Mutual Fund	-	-	-	-	-	-	-	-	-
Banks /FI	-	-	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Venture Capital Fund	-	-	-	-	-	-	-	-	-
Insurance Co.	-	-	-	-	-	-	-	-	-
FIIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	0	0	0	0	0	0	0	0	0
2. Non-Institutional									
a. Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b. Individual									
i. Individual shareholders holding nominal share capital uptoRs. 1 lakh	-	-	-	-	-	-	-	-	-

ii. Individual shareholders holding nominal share capital uptoRs. 1 lakh	-	-	-	-	-	-	-	-	-
C. Others	-	-	-	-	-	-	-	-	-
Sub Total (B) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (B) = (B) (1) + (B) (2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	137,999,996	4	138,000,000	100	137,999,996	4	138,000,000	100	-

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Co.	% of Shares Pledged / encumbered to total	No. of Shares	% of total Shares of the Co.	% of Shares Pledged/ encumbered to total	% change in shareholding during the
1.	GMR Infrastructure Limited	13,80,000	1.00	0.00	13,80,000	1.00	0.00	0.00
2.	GMR Energy Limited	6,90,000	0.50	0.00	6,90,000	0.50	0.00	0.00
3.	GMR Highways Limited	13,59,29,996	98.50	0.00	13,59,29,996	98.50	0.00	0.00
4.	Mr. B.V.N. Rao	1	0.00	0.00	1	0.00	0.00	0.00
5.	Mr. Govindarajulu T	1	0.00	0.00	1	0.00	0.00	0.00
6.	Mr. S. K. Kulkarni	1	0.00	0.00	1	0.00	0.00	0.00
7.	Mr. Amit Kumar	1	0.00	0.00	1	0.00	0.00	0.00

GMR Pochanpalli Expressways Limited

iii) **Change in Promoters' Shareholding: -**

There is no change in Promoters Shareholding during the year under review.

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat Equity etc):	-	-	-	-
3.	At the End of the Year.	-	-	-	-

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs:**

Not Applicable

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares, of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year.	-	-	-	-
2.	Date wise Increase / Decrease in Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
3.	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

v) **Shareholding of Directors and Key Managerial Personnel:**

None of the Directors are holding shares of the company thus not applicable

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	-	-	-	-	-
a.	At the beginning of the year	-	-	-	-
b.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/sweat equity etc.):	-	-	-	-
c.	At the end of the year	-	-	-	-

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Mr. Amit Kumar, CFO				
a.	At the beginning of the year	1	0.00	1	0.00
b.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment transfer/ bonus/ sweat equity etc.):	-	-	-	-
c.	At the end of the year	1	0.00	1	0.00

GMR Pochanpalli Expressways Limited

b

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	4,419,545,908	-	-	4,419,545,908
ii. Int. due but not paid	-	-	-	-
iii. Interest accrued but not due	192,523,885	-	-	192,523,885
Total (i+ii+iii)	**4,612,069,793**	**-**	**-**	**4,612,069,793**
Change in Indebtedness during the Financial Year		-	-	
Addition	-	-	-	-
Reduction	349,475,128			349,475,128
Net Change	**(349,475,128)**		-	**(349,475,128)**
Indebtedness at the end of the financial year				
i. Principal Amount	4,085,729,290	-	-	4,085,729,290
ii. Int. due but not paid	-	-	-	-
iii. Interest accrued but not due	176,865,375	-	-	176,865,375
Total (i+ii+iii)	**4,262,594,665**	**-**	**-**	**4,262,594,665**

GMR Pochanpalli Expressways Limited

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:-

(Rs. In Lakh)

Sr. no.	Particulars of Remuneration	NAME OF DIRECTOR/KMP		Total Amount (Rs.)
	Particulars	Ms. Grandhi Ragini, Whole Time Director	Mr. Janagani Pothalaiah, Manager	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	50.00	23.20	73.20
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	0.09	-	0.09
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission – as % of profit - other, specify	-	-	-
5	Other, please specify – Contribution to provident fund	2.4	1.14	3.54
	Total (A)	52.49	24.34	76.83

GMR Pochampalli Expressways Limited

B. Remuneration to other directors:

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration	Name of Independent Director		
1.		**Mr. K. A. Somayajulu**	**Mr. B. L. Gupta**	**Total Amount (in Rs.)**
2.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	1.35	1.50	**2.85**
	Total (1)	**1.35**	1.50	**2.85**
3.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-
4.	Total (2)	-	-	-
5.	Total (B)=(1+2)	1.35	1.50	**2.85**
6.	Total Managerial Remuneration [(A) + (B)]	-	-	-
7.	Overall Ceiling as per the Act	NA	NA	NA

B. Remuneration to key managerial personnel other than MD/Manager/WTD:

(In Rupees)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Amit Kumar, CFO	Mr. Satinder Singh CS (From 01/04/2017 to 14/04/2017	Mr. Paramjeet Singh, CS 02/05/2017 to 31/03/2018	**Total Amount (In Rs.)**
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	40,70,038	4,93,044	0.00	**45,63,082**
		-	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-	
				-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2.	Stock Option	-	-	-	-
3.	Sweat Equity		-	-	-
4.	Commission – as % of profit	-	-	-	-
5.	Other, please specify - contribution to provident fund	1,59,699	24,530	-	**1,84,229**
	Total	**42,29,737**	**5,17,574**	**0.00**	**47,47,311**

GMR Pochanpalli Expressways Limited

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment/ Compounding fees imposed	Authority (RD/NCLT /Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

GMR Pochanpalli Expressways Limited

Annexure-II

Name	Designation	Gross Remuneration (Rs.)	Nature of Employment (Whether contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of Employment	Age (Yrs.)	Relative of Director or not	% of shareholding	Last Employment
Mr. O Bangaru Raju	President	2,26,93,025.36	Permanent	CA	26	01.05.2014	61	NO	NIL	Suryavamshi Spinning Mills Ltd.
Ms. G Ragini	Whole-time Director	54,00,000.00	Permanent	Professional	14	01.05.2016	41	NO	NIL	-
Mr. Amit Kumar	CFO	43,51,204.35	Permanent	CA	16	22.01.2015	38	NO	NIL	GMR Hyderabad Vijayawada Expressways Pvt. Ltd.
Mr. Srinivas Mantha	Chief HR Officer - T&UI Sector	35,46,371.72	Permanent	B.Com, MBA,BGL	29	30.04.2008	52	NO	NIL	BPL Limited
Mr. Vilas Radhakrishna Khobrekar	Vice President - O&M	26,98,849.68	Permanent	MS,M.A,B.E	23	16.03.2017	57	NO	NIL	Savli Enterprises
Mr. Rambabu Sabbineni	Sr. Specialist - P&M	26,21,414.19	Permanent	B.E	31	16.07.2012	53	NO	NIL	Satyam / Maytas Infra Pvt. Ltd
Mr. Janagani Pothalaiah	Manager	25,25,749.93	Permanent	Dip- Engg., AMIE, PGD (Mgt)	23	23.12.2015	48	NO	NIL	GMR Group
Mr. Nikhil Kumar	Head - Planning	21,72,474.00	Permanent	B.E,PGD(Mgmt),	22	23.09.2015	46	NO	NIL	UP Co-Operative Spinning Mills Federation

GMR Pochanpalli Expressways Limited

Mr. Brahmaiah Pinjala	Head QA/QC	19,53,720.77	Permanent	B.E	25	16.08.2010	50	NO	NIL	R. Siva Prasad & Co.
Mr. Sunil Kumar	General Manager F&A	19,24,625.93	Permanent	B Com (Hons), C.A,MEP	18	10.11.2016	41	NO	NIL	EG Constructions India Pvt. Ltd.

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors is furnished hereunder:

Name of the Director (Mr./Mrs.)	Ratio of Director's remuneration to the median remuneration of the employees of the Company for the financial year
Grandhi Ragini, Whole Time Director	4.49
Arun Kumar Sharma, Director	NA
Mohan Rao Murthy, Director	NA
K A Somayajulu, Independent Director*#	0.11
Bajrang Lal Gupta, Independent Director*	0.12

* Sitting fees was paid to the Independent Directors.

\# Ceased w.e.f. 25.08.2017 and re-appointed on 08.09.2017

GMR Pochanpalli Expressways Limited

The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Director/KMP (Mr./Mrs.)	Percentage Increase/ (decrease) in remuneration in the financial year
Grandhi Ragini, Whole Time Director	10.89
Arun Kumar Sharma, Director	NA
Mohan Rao Murthy, Director	NA
K A Somayajulu, Independent Director*$	(16.15)
Bajrang Lal Gupta, Independent Director*	100
Janagani Pothalaiah, Manager	7.54
Amit Kumar, Chief Financial Officer	34.23
Paramjeet Singh, Company Secretary#	NA

* Sitting fees was paid to the Independent Directors.
# appointed on 02.05.2017
$ Ceased w.e.f. 25.08.2017 and re-appointed on 08.09.2017

1. The percentage increase/(decrease) in the median remuneration of employees in the financial year: 38.80%

2. The number of permanent employees on the rolls of the Company as on 31.03.2018: 37

3. Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

GMR Pochampalli Expressways Limited

bs

Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 6.58%. Remuneration paid to the Whole Time Director was increased by 10.89%. The % increase in remuneration of the Whole Time Director is on account of the revised limits of remuneration payable in terms of Schedule V of the Companies Act, 2013.

4. Affirmation that the remuneration is as per the remuneration policy of the Company:
It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

GMR Pochanpalli Expressways Limited

Annexure III

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy –

The Company has implemented various power conservation measures at project site and ensures that these measures function effectively and continuously. These measures include installation of Automatic power factor controller, Timers and Servo Stabilizers.

Additional charges were levied by the electricity board when the power factor falls below 0.90. The Automatic power factor controller helps to maintain the power factor at 0.95 and above. Further, there were power fluctuations at many of the connections and were causing damages to the lighting fixtures and equipment. The servo stabilizers were installed to stabilize the power and save the loss due to damage of fixtures and equipment. Due to the automatic timers, the glowing duration of the highway lights are being optimized.

(ii) The steps taken by the Company for utilising alternate sources of energy –

For Utilizing alternate sources of energy - solar lights have been installed at various locations on the Expressway. Solar LED lights were installed at selected locations in the project such as, truck lay byes and at junctions. The solar lights fixed with timers are functioning effectively and considerably, adding to the power conservation and savings.

(iii) The Capital Investment on energy conservation Equipments - NIL

(B) Technology absorption-

Company has not adopted any new method for technology absorption during the year.

(C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - NIL.

GMR Pochanpalli Expressways Limited

VS

VAPN & ASSOCIATES.

COMPANY SECRETARIES

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN U45200KA2005PLC049327
25/1, SKIP House, Museum Road, Bangalore
Karnataka - 560025 India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR POCHANPALLI EXPRESSWAYS LIMITED** (hereinafter called the Company) for the financial year ended 31st March, 2018. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **GMR POCHANPALLI EXPRESSWAYS LIMITED** for the financial year ended on 31st March, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder and applicable provisions of the Companies Act, 1956;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depository Acts, 1996 and the Regulations and Bye Laws framed thereunder,

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Tel No +91 [illegible]

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Tower E-10C, Central Park Resort Sohna Road
Gurugram Haryana 122001
email: [illegible]@vapn.in
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Hyderabad Office:
26, Lavender, L&T Serene County
Telecom Nagar, Gachibowli, Hyderabad
email: [illegible]@vapn.in
Tel No +91 [illegible]

4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (are not applicable as the Company have not received any investment under FDI or any External Commercial Borrowing nor made any Overseas Direct investment during the financial year under the review)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review)
   (b) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (are not applicable as the Company have not issued any further Share Capital during the financial year under the review)
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (are not applicable as the Company have not issued any Equity Share Capital under ESOP Scheme during the financial year under the review)
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Company and dealing with clients; (are not applicable as the Company is not registered as a Registrar to issue and Share Transfer Agent during the financial year under the review)
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (are not applicable as the Company do not have any Equity Share Capital Listed on Stock Exchange(s) during the financial year under the review during the financial year under the review)

We have also examined compliance with the applicable clauses of the following: -

(i) The Secretarial Standards with regards to Meetings of Board of Directors (SS1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and;
(ii) The Listing Agreement entered by the Company with NSE Limited for issuance of Non-convertible debentures and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with required numbers of Executive Directors, Non-Executive Directors and Independent Directors.
- Proper notices were given to all the directors for the scheduled Board/ Committee(s) and Shareholders Meetings, with agenda along with the detailed notes on agenda, and were circulated at least seven days in advance and a system exists for seeking and obtaining the further information and clarifications, wherever necessary, on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority of decisions were carried through unanimous consent of the directors/members.

We further to report that the based on review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the respective Department heads, Chief Executive Officer and the Company Secretary, that were duly placed before and taken on the record by the Board of Directors in their meeting(s), we are of the opinion that there are adequate systems and processes within the company that commensurate with the size and operations of the company to monitor and ensure the compliance with applicable laws, rules, regulations and guidelines. Further we observed that all the compliance has been made and done properly with respect to requirements under applicable statutes viz; Corporate Laws, Tax Laws, Payment of wages Act, Payment of Gratuity Act, Payment of Bonus Act, Employee State Insurance Act, Employees Provident Fund Act and other allied Acts as are applicable to the Company.

For VAPN & Associates
Company Secretaries
Firm Registration No.: P2015DE045500

CS Prabhakar Kumar
Partner
CP No.: 10630

Place: New Delhi
Date: 20.06.2018

Delhi Office:
506, 5th Floor, D-8, CO ITL Twin Tower, Netaji Subhash Place Pitampura Delhi-110034
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Tel No +91 9810011532

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Hyderabad Office:
28 Lavender, L&T Serene County Telecom Nagar Gachibowli Hyderabad
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e-mail: info@vapn.in website: www.vapn.in

VAPN & ASSOCIATES.
COMPANY SECRETARIES

ANNEXURE

To,

The Members,
GMR POCHANPALLI EXPRESSWAYS LIMITED
CIN: U45200KA2005PLC049327
25/1, SKIP House, Museum Road,
Bangalore, Karnataka -560025 India

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain the secretarial records, and to devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respects to Secretarial Compliances.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. Our examination was limited to the verification of procedures on test basis.

VAPN & ASSOCIATES CS FRN P2015DE045500 DELHI COMPANY SECRETARIES

Delhi Office:
Tel No +91 9810011532

Gurugram Office:
Tower E-10C, Central Park Resort, Sohna Road
Gurugram, Haryana-122001

Hyderabad Office:
Telecom Nagar Gachibowli, Hyderabad

e-mail : info@vapn.in website www.vapn.in

VAPN & ASSOCIATES.

COMPANY SECRETARIES

Disclaimer

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For VAPN & Associates
Company Secretaries
Firm Registration No.: P2015DE045500

VAPN & ASSOCIATES CS FRN P2015DE045500 DELHI COMPANY SECRETARIES

CS Prabhakar Kumar
Partner
CP No.: 10630

Place: New Delhi
Date: 20.06.2018

Delhi Office:
505 5th Floor, D-4, GD ITL Twin Tower Netaji Subhash Place, Pitampura, Delhi-110034
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Tel No.+91 9717565903

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN: U45200KA2005PLC049327

COST AUDIT REPORT

2017-2018

Geetha R
COST ACCOUNTANT

No. 624, 1st Floor,
24th Cross, 15th Main,
BSK II Stage,
Bangalore -560 070

FORM CRA- 3

FORM OF COST AUDIT REPORT

[Pursuant to rule 6(4) of the companies (cost account and audit) rules, 2014)]

To,
The Board of Directors of GMR Pochanpalli Expressways Limited
25/1, SKIP House,
Museum Road,
Bangalore - 560 025

I, Geetha R, having been appointed as a cost auditor under section 148(3) of companies act 2013 (18 of 2013) of GMR Pochanpalli Expressways Limitedhaving its registered office at # 25/1, SKIP House, Museum Road, Bangalore - 560 025 (hereinafter referred to as company), have audited the cost records maintained under section 148 of the said act, in compliance with the cost audit standards, in respect of Construction and Infrastructure industry for the year 2017-18 maintained by the company report, in addition to my observation suggestions in Para 2.

i. I have obtained all the information and explanation, which to the best of my knowledge and belief were necessary for the purpose of audit.

ii. In my opinion, proper cost records, as per the rule 5 of the companies (cost records and audit) Rules 2014 have been maintained by the company in respect service under reference.

iii. In my opinion, proper returns adequate for the purpose of the cost audit have been received from the branches not visited by me.

iv. In my opinion and to the best of my information, the said books and records give the information required by the companies Act, 2013, in the manner so required.

v. In my opinion, company have adequate system of internal audit of cost records which to my opinion is commensurate to its nature and size of its business.

Telefax: +91 80 2671 4987 / 2671 5046, Email: cma.geethar@gmail.com

GEETHA R. M.No.30294 R.No.101504 Cost Accountant

vi. In my opinion, information, statements annexure to this cost audit report gives a true and fair view of the cost of rendering of service,cost of sale, margin and other information relating to the service under reference.

Detailed unit-wise service-wise cost statements and schedules thereto in respect of the service under reference of the company duly audited and certified by me are kept in the company.

GEETHA.R. M.No.30294 R.No.101504 Cost Accountant

DATE: 20-07-2018
PLACE: BANGALORE

NAME OF COST ACCOUNTANT: GEETHA.R
MEMBERSHIP NUMBER : 30294

G.R & Co.
COST ACCOUNTANT

No. 624, 1st Floor,
4thCross, 15thMain,
BSK II Stage,
Bangalore -560 070

Cost Accounting Policy:

1. The Company has maintained the required cost accounting records namely material consumption register, labour hours utilization register, sub-contractors details register, stock register, overhead consumption register and overhead analysis register

2. The company has identified the cost centers as labour utilization register, utilities register, overhead register, stock register. The cost drivers would be the actual cost incurred by the company with respect to maintenance of infrastructure and roads by the company.

3. The company has involved in infrastructure activity, most of the activities are sub contracted, hence the material cost of raw material include the amount charges by the sub-contractor with respect to the same.The employee cost includes salaries, wages, contribution to provident and other funds, employee welfare and other benefits.

4. The indirect expenses incurred has to be allocated to the projects by the company during 2017-18. The overheads has been allocated based on the turnover of the project.

5. Depreciation has been calculated based on the useful life of the asset, hence the company has accounted the depreciation of the machinery as direct cost and other office asset has been termed as indirect cost and allocated based on the existing absorption rate.

6. The company does not have any by products or joint products.

7. The inventory details are not applicable for the company.

8. The related party transactions have been valued at arm's length. The transactions pertain to service received or rendered by the related parties, hence the same has been valued at arm's length.

9. The company has not incurred any abnormal costs during the year 2017-18.The other non-cost item incurred by the company has been considered as reconciliation item as the same is not incurred for the project undertaken by the company.

10. During the year, the cost accounting records have been maintained with respect to the generally accepted cost accounting principles.

Telefax: +91 80 2671 4987 / 2671 5046, Email: cma.geethar@gmail.com

GEETHA. R.
M.No.30294
R.No.101504
Cost Accountant

11. The company has not changed any cost accounting policy during the reporting period 2017-18

12. During the year, the budgetary control system had been adequate..

GEETHA. R. M.No.30294 R.No.101504 Cost Accountant

Telefax: +91 80 2671 4987 / 2671 5046, Email: cma.geethar@gmail.com

Annexure to Cost Audit Report
GMR Pochanpalli Expressways Limited
CIN U45200KA2005PLC049327

Financial Year : 2017-2018

PART-A
4. PRODUCT / SERVICE DETAILS (For the company as a whole)

Sl.No.	Name of Product(s)/Service(s)	UOM	CETA heading (wherever applicable)	Whether covered under cost audit. Yes / No	Net Operational Revenue (net of taxes, duties etc.)	
					2017-2018 Rs.	2016-17 Rs.
1	Roads and other Infrastructure projects	Project		Yes	795,159,703	809,010,588
					-	-
						-
						-
Total net revenue from operations					**795,159,703**	**809,010,588**
Other Incomes of company					244,736,972	189,527,010
Total revenue as per financial accounts					**1,039,896,675**	**998,537,598**
Extra Ordinary Income, If any					-	-
Total revenue including Extra ordinay income					1,039,896,675	998,537,598
Turnover as per Excise / Service Tax Records					557,180,109	1,260,762

Note-1) the turnover as per service and excise record Rs 55,71,80,109 includes GST amount 556431673rs also, which was effective from july 2017

Note-2

Note 2) The difference in turnover between Audited Accounts and Service Tax records and GST returns are mainly due to Annuity Income which is exempt from Service Tax. during the first quarter.The turnover has been included in service tax returns, however the same is exempted services.

Note-3 : Note 3) Previous year's figures are re-grouped / re-classified, wherever necessary to correspond with current year's classification.

GEETHA R. M.No.30294 R.No.101504 Cost Accountant

PART-B

FOR SERVICE SECTOR

1. QUANTITATIVE INFORMATION (For each service separately)

Name of Service	Roads and other Infrastructure projects		
			-
Service Code (if applicable)	UOM	2017-2018	2016-17
Particulars			
1. Available Capacity			
(a) Installed Capacity			
(b) Capacity enhanced during the year, if any		-	-
(c) Total available Capacity			
2. Actual Service Provided			
(a) Own Services		1	1
(b) Services under contranctual aggangements			
(c) Outsourced Services			
(d) Total Services		1	1
3. Total services provided as per Service Tax Records			
4. Capacity Utilization (in-house)			
5. Actual Sales			
(a) Service rendered - Domestic		1	1
(b) Service rendered - Export			
(c) Total Services Rendered		1	1

GEETHA R. ★ M.No.30294 R.No.101504 ★ Cost Accountant

2. ABRIDGED COST STATEMENT (for each service separately)

Name of Service	Roads and other infrastructure projects			
Service Code (if applicable)	-			
Unit of measure	-			
Particulars	Service Provided	Captive Consumption	Other Adjustments	Services Rendered
Current Year: 2017-2018	1	-	-	1
Previous Year: 2016-17	1	-	-	1

Sl.No.	Particulars	2017-2018 Amount (Rs.)	2017-2018 Rate per unit (Rs.)	2016-17 Amount (Rs.)	2016-17 Rate per unit (Rs.)
1	Materials Consumed (specify details as per Para 2A)	239,048,508	239,048,508	217,974,040	217,974,040
2	Process Materials/Chemicals	-	-	-	-
3	Utilities (specify details as per 2B)	7,524,732	7,524,732	5,831,800	5,831,800
4	Direct Employees Cost	8,606,665	8,606,665	7,496,226	7,496,226
5	Direct Expenses	10,326,262	10,326,262	4,463,218	4,463,218
6	Consumable Stores and Spares	3,268,304	3,268,304	1,747,400	1,747,400
7	Repairs and Maintenance	-	-	1,362,099	1,362,099
8	Quality Control Expenses	-	-	-	-
9	Research and Development Expenses	-	-	-	-
10	Technical Know-how fee/ Royalty	-	-	-	-
11	Depreciation/Amortization	562,218	562,218	562,217	562,217
12	Other Production Overheads	-	-	-	-
13	Industry specific Operating expenses (specify details as per para 2C)	-	-	-	-
14	**Total (1 to 13)**	269,336,690	269,336,690	239,437,000	239,437,000
15	Increase/Decrease in Work-in-Progress	-	-	-	-
16	Less: Credit for Recoveries, if Any	-	-	-	-
17	Primary packing Cost	-	-	-	-
18	**Cost of Production/Operations (14 + 15 to 17)**	269,336,690	269,336,690	239,437,000	239,437,000
19	Cost of Finished Goods Purchased	-	-	-	-
20	**Total Cost Of Production and Purchases (18 + 19)**	269,336,690	269,336,690	239,437,000	239,437,000
21	Increase/Decrease in Stock of Finished Goods	-	-	-	-
22	Less: Self/Captive Consumption (Incl. Samples, etc)	-	-	-	-
23	Other Adjustments (if any)	-	-	-	-
24	**Cost Of Production/Operation of Product Sold (20 + 21 to 23)**	269,336,690	269,336,690	239,437,000	239,437,000
25	Administrative Overheads	103,792,567	103,792,567	58,985,935	58,985,935
26	Secondary Packing Cost	-	-	-	-
27	Selling and Distribution Overheads	8,769,391	8,769,391	-	-
28	**Cost of Sales before Interest (24 to 27)**	381,898,648	381,898,648	298,422,935	298,422,935
29	Interest and Financing Charges	492,485,060	492,485,060	483,675,190	483,675,190
30	**Cost of Sales (28 + 29)**	874,383,708	874,383,708	782,098,125	782,098,125
31	Net Sales Realization (Net of Taxes and Duties)	795,159,703	795,159,703	809,010,588	809,010,588
32	**Margin [Profit/Loss] as per Cost Accounts (31-30)**	-79,224,005	-79,224,005	26,912,463	26,912,463

Note Previous year's figures are re-grouped / re-classified, wherever necessary to correspond with current year's classification.
material consumed pertains to sub contracting expense (le Operation & maintenance of Roads)

GEETHA.R. M.No.30294 R.No.101504 Cost Accountant

2A. DETAILS OF MATERIALS CONSUMED

Name of Service			Roads and other Infrastructure projects					
Service Code (if applicable)			-					
			2017-2018			2016-17		
Description of materials	Category	UOM	Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
Sub contracting expenses	Indigenous		1.00	239,048,508.40	239,048,508	1	217,974,040.00	217,974,040
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
Total			1.00		239,048,508	1.00		217,974,040

Category: Indigenous/Imported/Self Manufactured

2B. DETAILS OF UTILITIES CONSUMED

Name of Service			Roads and other Infrastructure projects					
Service Code (if applicable)			-					
			2017-2018			2016-17		
Description of Utilities	Category	UOM	Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
Electricity	Indigenous		1	7,524,732.00	7,524,732	1	5,831,800.00	5,831,800
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
Total			1.00		7,524,732	1.00		5,831,800

2C. DETAILS OF INDUSTRY SPECIFIC OPERATING EXPENSES

Name of Service			Roads and other Infrastructure projects					
Service Code (if applicable)			-					
			2017-2018			2016-17		
Particulars of Industry Specific Expenses	Category	UOM	Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
	Indigenous			-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
Total			-		-	-		-

GEETHA. R.
M.No.30294
R.No.101504
Cost Accountant

PART-D

1. PRODUCT AND SERVICE PROFITABILITY STATEMENT (for audited products/services)

Sl.No.	Particulars	2017-2018			2016-17		
		Sales Rs.	Cost of Sales Rs.	Margin Rs.	Sales Rs.	Cost of Sales Rs.	Margin Rs.
1	Roads and other Infrastructure projects	795,159,703	874,383,708	(79,224,005)	809,010,588	782,098,125	26,912,463
	TOTAL	795,159,703	874,383,708	(79,224,005)	809,010,588	782,098,125	26,912,463

GEETHA R.
M.No.30294
R.No.101504
Cost Accountant

2. PROFIT RECONCILIATION (for the company as a whole)

Sl.No.	Particulars	2017-2018	2016-17
1	**Profit or Loss as per Cost Accounting Records**	**(79,224,005)**	**26,912,463**
	(a) For the audited product/Service groups	(79,224,005)	26,912,463
	(b) For the un-audited product /Service groups	-	-
2	**Add: Incomes not considered in cost accounts:**	**244,736,972**	**189,527,010**
	(a)Interest Income	229,602,426	173,083,180
	(b)Profit on sale of investment	13,675,598	13,035,060
	(c)Foreign Exchange Gain	-	-
	(d)Other Income	1,458,948	3,408,770
3	**Less: Expenses not considered in cost accounts:**	**17,266**	**3,859,821**
	(a)Fines, Penalty etc	-	-
	(b)Loss on sale of assets	-	-
	(c) Donations	5,116	3,859,821
	(d)Foreign Exchange Loss	-	-
	(e) Expenses relating to earlier years	-	-
	(f) Provision for doubtful receipts	-	-
	(g) Fixed assests written off	12,150	-
	(h) Other Non - Cost expenses	-	-
4	Add: Overvaluation of closing stock in financial accounts	-	-
5	Add: Undervaluation of opening stock in financial accounts	-	-
6	Less: Undervaluation of closing stock in financial accounts	-	-
7	Less:: Overvaluation of opening stock in financial accounts	-	-
8	Adjustments for others, if any (specify)	-	-
9	**Profit or (Loss) as per Financial Accounts**	**165,495,701**	**212,579,652**

GEETHA R. M.No.30294 R.No.101504 Cost Accountant

3. VALUE ADDITION AND DISTRIBUTION OF EARNINGS (for the company as a whole)

Sl.No.	Particulars	2017-2018	2016-17
A	**Value Addition:**		
1	Gross Sales (excluding returns)	795,159,703	809,010,588
2	Less: Excise duty, etc.	-	-
3	**Net Sales (1 - 2)**	**795,159,703**	**809,010,588**
4	Add: Export Incentives	-	-
5	Add/Less: Adjustment in Finished Stocks	-	-
6	Less: Cost of bought out inputs	-	-
	(a) Cost of Materials Consumed	239,048,508	217,974,040
	(b) Process Materials / Chemicals	-	-
	(c) Consumption of Stores & Spares	3,268,304	1,747,400
	(d) Utilities (e.g. power & fuel)	7,524,732	5,831,800
	(e) Others, if any	10,888,480	6,387,534
	Total Cost of bought out inputs	260,730,024	231,940,774
7	**Value Added (3 + 4 + 5 - 6)**	**534,429,679**	**577,069,814**
8	Add: Income from any other sources	244,736,972	189,527,010
9	Add: Extra Ordinary Income	-	-
10	**Earnings available for distribution (7 + 8 + 9)**	**779,166,651**	**766,596,824**
B	**Distribution of Earnings to:**		
11	Employees as salaries & wages, retirement benefits, etc.	8,606,665	7,496,226
12	Shareholders as dividend	-	-
13	Company as retained funds	165,495,701	212,579,652
14	Government as taxes (specify)	-	-
15	Extra Ordinary Expenses	-	-
16	Others	605,064,285	546,520,946
17	**Total distribution of earnings (11 to 16)**	**779,166,651**	**766,596,824**

Note: Previous year's figures are re-grouped / re-classified, wherever necessary to correspond with current year's classification.

GEETHA. R. M.No.30294 R.No.101504 Cost Accountant

4. FINANCIAL POSITION AND RATIO ANALYSIS (for the company as a whole)

Sl.No.	Particulars	Units	2017-2018	2016-17
A.	**Financial Position:**			
1	Share Capital	Rs.	2,182,293,971	2,071,803,154
2	Reserves & Surplus	Rs.	-	-
3	Long Term Borrowings & Liabilities Note-2	Rs.	4,532,654,054	4,621,140,826
4	(a) Gross Assets *	Rs.	4,004,237,953	3,982,423,221
	(b) Net Assets **	Rs.	4,001,256,938	3,981,742,573
5	(a) Total Current Assets	Rs	3,370,086,181	3,314,726,246
	(b) Less. Current Liabilities & Provisions	Rs.	656,395,095	603,524,848
	(c) Net Current Assets	Rs.	2,713,691,086	2,711,201,398
6	Capital Employed	Rs.	6,703,945,998	6,662,766,369
7	Net Worth	Rs.	2,182,293,971	2,071,803,154
B.	**Financial Performance:**			
1	Value added	Rs.	534,429,679	577,069,814
2	Net Revenue from Operations of company	Rs.	795,159,703	809,010,588
3	Profit Before Tax(PBT)	Rs.	165,495,701	212,579,652
C.	**Profitability Ratios:**			
1	PBT to Capital Employed (B3/A6)	%	2.47%	3.19%
2	PBT to Net Worth (B3/A7)	%	7.58%	10.26%
3	PBT to Value added (B3/B1)	%	30.97%	36.84%
4	PBT to Net Revenue from Operations (B3/B2)	%	20.81%	26.28%
D.	**Other Financial Ratios:**			
1	Debt-Equity Ratio		2.08	2.23
2	Current Assets to Current Liabilities		5.13	5.49
3	Valued Added to Net Revenue From Operations	%	67.21%	71.33%
E.	**Working Capital Ratios:**			
1	Raw Materials Stock to Consumption	Months	10.65	10.92
2	Stores & Spares to Consumption	Months	0.15	0.09
3	Finished Goods Stock to Cost of Sales	Months	-	-

Notes:

1) **Gross Assets and Net Assets include the following:**

		FY : 2017-2018	FY : 2016-17
i. a) Tangible Fixed Assets (Gross)	Rs.	9,078,775	5,517,467
b) Tangible Fixed Assets (Net)	Rs.	6,097,711	4,836,719
ii. a) Intangible Assets (Gross)	Rs	1	9
b) Intangible Assets (Net)	Rs.	1	9
iii. Other financial assets	Rs	3,606,903,587	3,858,872,821
iv. Non-current investments	Rs	-	-
v. Long-term loans and advances	Rs.	270,000,000	-
vi. Other non-current assets etc.	Rs.	118,255,640	118,033,033
* Total Gross Assets [i(a) + ii(a) + (iii to vi)]	Rs.	4,004,237,953	3,982,423,230
** Total Net Assets [i(b) + (iv to vi)]	Rs.	4,001,256,938	3,981,742,582

2) **Long term borrowings & liabilities include the following:**

		FY : 2017-2018	FY : 2016-17
i. Long term borrowings	Rs.	3,905,987,751	4,249,607,786
ii. Long term provisions	Rs.	626,666,304	371,533,040
iii. Other long term liabilities etc.	Rs.	-	-
Total	Rs.	4,532,654,054	4,621,140,826

3) Capital Employed means average of net fixed assets (excluding intangible assets, effect of revaluation of fixed assets and capital work-in-progress) plus net current assets existing at the beginning and close of the financial year

4) Gross assets includes Gross value of Tangible, Intangible assets, Investment & Other Financial Assets

5) Net assets includes WDV of Tangible, Intangible assets, Investment & Other Financial Assets

6) In Debt-Equity Ratio Calculation, Equity means only Equity Share Capital & Preference Share Capital

7) Previous year's figures are re-grouped / re-classified, wherever necessary to correspond with current year's classification. Previous year figures have been re grouped as

GEETHA R.
M.No.30294
R.No.101504
Cost Accountant

5. RELATED PARTY TRANSACTIONS (for the company as a whole)

2017-2018

(Amount in Indian Rupees)

Sl.No.	Name & Address of the Related Party	Details of Related Party	Name of the Product / Service Group	Nature of Transaction (Sale, Purchase, etc.)	UOM	Transfer Price	Amount	Normal Price	Basis adopted to determine the Normal Price
1	GMR Highways Limited	CIN: U45203KA2006PLC038379 PAN:AADCG9020E Country: India	Monthly Maintenance of Highways	service rendered		39,275,989	39,275,989	39,275,989	arms length price
2	GMR Highways Limited	CIN: U45203KA2006PLC038379 PAN:AADCG9020E Country: India	Charges for Periodic Maintenance	service rendered		243,250,568	243,250,568	243,250,568	arms length price
							282,526,557		

GEETHA R. ★ M.No.30294 R.No.101504 ★ Cost Accountant

6. RECONCILIATION OF INDIRECT TAXES (for the company as a whole)

2017-18

Sl.No	Particulars	Assessable Value Rs.	Excise Duty Rs.	Service Tax Rs.	Cess and Others Rs.	VAT Rs.	GST Rs.
A.	**Duties/Taxes payable**	-	-	-	-	-	-
	Excise Duty	-	-	-	-	-	-
1	Domestic	-	-	-	-	-	-
2	Export	-	-	-	-	-	-
3	Stock Transfrt (Net)	-	-	-	-	-	-
4	Duty free clearance, Others etc.	-	-	-	-	-	-
5	Total Excise Duty (1 to 4)	-	-	-	-	-	-
6	Service Tax	748,436	-	104,781	3,742	-	-
7	VAT, CST etc.	-	-	-	-	0	-
8	GST *	556,431,673	-	-	-	-	67,063,954
9	**Total Duties/Taxes Payable (5 to 8)**	-	-	**104,781**	**3,742**	-	**67,063,954**
B.	**Duties/Taxes Paid**		-	-	-	-	-
10	Cenvat/VAT Credit Utilized-Inputs		-	-	-	-	-
11	Cenvat/VAT Credit Utilized-Capital Goods		-	-	-	-	-
12	Cenvat/Vat Credit Utilized-Input Services		-	-	-	-	-
13	Cenvat/Vat Credit Utilized-Others		-	-	-	-	-
14	GST PAID IN ITC	-	-	-	-	-	1,049,156
14	**Total (10 to 13)**		-	-	-	-	1,049,156
15	Paid through PLA/Cash		-	104,781	3,742	-	66,014,798
16	**Total Duties/Taxes Paid (14 + 15)**		-	**104,781**	**3,742**	-	**67,063,954**
17	Duties/Taxes Recovered		-	-	-	-	-
18	Difference between Duties/Taxes paid and Recovered		-	-	-	-	-
19	Interest/Fines/Penalty Paid		-	-	-	-	-

Note: excise and service and VAT has been considered for only first 3 months. There after GST has been considered.

Note 1) Annuity received in Sept 2017 was subjected to GST. However, subsequently the same was exempted. As such, the Annuity received in March 2018 was not considered in the taxable turnover in the GST form.

Cost Auditor

GEETHA R. M.No.30294 R.No.101504 Cost Accountant

Geetha R
Membership No. 30294

Place: Bengaluru
Date: 20-07-2018

For GMR POCHANPALLI EXPRESSWAYS LIMITED

Arun Kumar Sharma
Director-1
DIN: 02281905
Place: New Delhi
Date: 20-07-2018

Company Secretary

Annexure VI

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**

2. **Details of material contracts or arrangement or transactions at arm's length basis.**

Name(s) of the related party & nature of relationship	GMR Highways Limited	Raxa Security Services Private Limited	GMR Infrastructure Limited
Nature of contracts/arrangements/transactions	Operation & Maintenance-Routine Maintenance & repairs	Security Service Charges	Common Manpower Sharing Expense
Duration of the contracts / arrangements/transaction	Upto end of the concession period	Ratified from 19.01.2017 up to 30.06.2017 and renewal of the agreement w.e.f. 01.07.2017 till the end of concession period.	Continuing
Salient terms of the contracts or arrangements or transactions including the value, if any	As per agreement dated 01.02.2010, GMR Highways Limited will perform all routine road maintenance activities along the project highway including implementing appropriate Traffic Management and Lane Closure scheme during routing & periodic maintenance.	As per agreement Raxa Security Services Limited shall inter- alia mobilize suitable and sufficient manpower including the management staff required for fulfilling the obligation of the Company under the Agreement at a consideration of Rs. 5,09,729/- per month plus GST apart from ratification of Rs. 847,676/- (approx.) (exclusive of taxes)	GIL requested to Deloitte to review the current business scenario and to suggest changes. Deloitte had submitted the revised report to be effective from 2015-16. This has been approved by GIL. The board approved the allocation of corporate common costs to the company by GIL. As the amount of the proposed transaction of Rs. 68 lakhs shall be within the prescribed limit, the shareholder approval is not required

GMR Pochanpalli Expressways Limited

Date(s) of approval by the Board, if any	11.05.2009	15.07.2017	ACM/Board 31.07.2015
Amount paid as advances, if any	NIL	NIL	NIL

Mohan Rao M
Director
DIN: 02506274

Arun Kumar Sharma
Director
DIN: 02281905

GMR Pochanpalli Expressways Limited

Annexure VII

Corporate Social Responsibility (CSR) Policy

GMR Pochanpalli Expressways Limited (the Company) forming part of GMR Group has adopted the CSR Policy of GMR Group. GMR Group (the Group) recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Group including the Company, through GMR Varalakshmi Foundation (GMRVF), partners with the communities around the businesses to drive various initiatives in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

Projects / Activities / Programmes proposed to be undertaken under CSR Policy

As recommended by the CSR Committee of the Board and as per the approval of the Board of directors at their meeting held on 23rd July, 2014, the Company contributes or carries out its CSR activities or contribute funds to GMRVF towards activities / programmes broadly within the ambit given below, ***in India. (Preference will be given to Areas in and around Operation and Maintenance where the project is located):***

i) **Education:**
- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged;
- Education for girl child and the underprivileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) **Health, Hygiene and Sanitation**:
- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of preventive health care and sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health;

iii) **Empowerment & Livelihoods:**
- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently abled, and livelihood enhancement projects;
- promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Assist in skill development by providing direction and technical expertise for empowerment;

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iv) **Community Development:**

- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc;

v) **Environmental sustainability:**

- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

vi) **Heritage and Culture:**

- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

vii) measures for the benefit of armed forces veterans, war widows and their dependents;

viii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

ix) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;

x) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

xi) rural development projects;

xii) such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

Expenditure that shall not be treated as CSR activity by the Company

- Activities undertaken in pursuance of the normal course of business;

- activities undertaken outside India;

- activities that benefit exclusively the employees of the company or their family members;

-One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc.

- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.)

Further, the surplus arising out of the CSR activity shall not form part of business profits of the Company.

Annexure VIII

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

   The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. The CSR Policy is available at the website of the Company at www.gmrgroup.in.

2. **The Composition of the CSR Committee:**

Mr. K.A. Somayajulu	-	Chairman
Mr. Arun Kumar Sharma	-	Member
Mr. Mohan Rao M.	-	Member

3. **Average net ~~profit~~/loss of the company for last three financial years:**

   Loss: Rs. 11.23 Crore

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** NA

5. **Details of CSR spent during the financial year:**

   (a) Total amount spent for the financial year: Nil

   (b) Amount unspent, if any: N.A.

   (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Projects or Activities	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken [i.e. Locations and Districts (State)]	Amount outlay (Budget) Project or Programs Wise (Amount Rs. in Lakh)	Amount spent on the Projects or Programs [Subheads: Direct expenditure on Projects or Programs. (2) Overheads] (Amount Rs. in Lakh)	Cumulative expenditure upto to the reporting period (Amount Rs. in Lakh)	Amount spent-Direct or through implementing agency* (Amount Rs. in Lakh)
NIL							

GMR Pochanpalli Expressways Limited

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6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report: **Not Applicable.**

7. **Responsibility statement of the CSR Committee:** The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company

Arun Kumar Sharma	**K A Somayajulu**
Director	**Chairman**
DIN: 02281905	**DIN: 02535927**

GMR Pochanpalli Expressways Limited

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Annexure IX

Nomination and Remuneration Policy

Table of Contents

INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute a Nomination and Remuneration Committee. As the Company is subsidiary of GMR Infrastructure Limited, a listed company, by virtue of Section 2(87) of the Companies Act, 2013, Company has constituted a Nomination and Remuneration Committee as required by the Listing Agreement entered into by GMR Infrastructure Limited with the Stock Exchanges and as required under the Companies Act, 2013.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

1.1. Purpose of the Policy

The Key Objectives of the Committee are:

(a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

(b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.

(c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The Policy ensures that:

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(b) Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and

(c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

1.2. Definitions

1.2.1. **"Board"** means the Board of Directors of the Company.

1.2.2. **"Company"** means "GMR Pochanpalli Expressways Limited."

1.2.3. **"Employees' Stock Option"** means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

1.2.4. **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.

1.2.5. **"Key Managerial Personnel"** or **"KMP"** means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.
(As per Section 203 of the Companies Act, 2013, the following are whole-time Key Managerial Personnel:

(i) Managing Director or Chief Executive Officer or the Manager and in their absence a whole-time Director;

(ii) Company Secretary; and

(iii) Chief Financial Officer.)

1.2.6. **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

1.2.7. **"Policy or This Policy"** means, "Nomination and Remuneration Policy."

1.2.8. **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

1.2.9. **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

1.3. Interpretation

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following acts, listing agreement, regulations, rules.

(i) The Companies Act, 2013 or the rules framed thereon;

(ii) Listing Agreement with Stock Exchanges;

(iii) Securities Contracts (Regulation) Act, 1956;

(iv) Securities and Exchange Board of India Act, 1992;

(v) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;

(vi) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

2. NOMINATION AND REMUNERATION COMMITTEE

2.1. Role of the Committee

(a) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

(b) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(c) Formulating the criteria for evaluation of Independent Directors and the Board;

(d) Devising a policy on Board diversity

(e) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;

(f) All information about the Directors/ Managing Directors / Whole time Directors / Key Managerial Personnel i.e., background details, past remuneration, recognition or awards, job profile shall be considered and disclosed to shareholders, where required;

(g) The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole-time Directors;

(h) While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;

(i) The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders;

2.2. Composition of the Committee

(a) The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.

(b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.

(c) Minimum two (2) members shall constitute a quorum for the Committee meeting.

(d) Membership of the Committee shall be disclosed in the Annual Report.

(e) Term of the Committee shall be continued unless terminated by the Board of Directors.

2.3. Chairman of the Committee

(a) Chairman of the Committee shall be an Independent Director.

(b) Chairman of the Company may be appointed as a member of the Committee but shall not Chair the Committee.

(c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

(d) Chairman of the Nomination and Remuneration Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

2.4. Frequency of the Meetings of the Committee

The meeting of the Committee shall be held at such regular intervals as may be required.

2.5. Committee Member's Interest

(a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

(b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

2.6. Voting at the Meeting

(a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

(b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

2.7. Minutes of the Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

3. APPLICABILITY

This Policy is Applicable to:

(a) Directors (Executive, Non-Executive and Independent)

(b) Key Managerial Personnel

(c) Senior Management Personnel

(d) Other employees as may be decided by the Nomination and Remuneration Committee

4. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

4.1. Appointment criteria and qualifications

(a) Subject to the applicable provisions of the Companies Act, 2013, the Listing Agreement, other applicable laws, if any and GMR Group HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

(b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

(c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

4.2. Term / Tenure

4.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

4.2.2. Independent Director

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

(c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

(d) The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.
For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

4.3. Familiarization Programme for Independent Directors

The company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

4.4. Evaluation

Subject to Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Committee shall carry out the evaluation of Directors periodically.

4.5. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

4.6. Retirement

The Director, KMP and Personnel of Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Personnel of Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL

4.7. General

(a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

(b) The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

(c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.

(d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

4.8. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees

4.8.1. Fixed Pay

Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

4.8.2. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

4.8.3. Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4.8.4. The remuneration to Personnel of Senior Management shall be governed by the GMR Group HR Policy.

4.8.5. The remuneration to other employees shall be governed by the GMR Group HR Policy.

4.9. Remuneration to Non-Executive / Independent Director

4.9.1. Remuneration / Commission

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

4.9.2. Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.
Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

4.9.3. Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4.9.4. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

5. DISCLOSURES

The Company shall disclose the Policy on Nomination and Remuneration on group's website www.gmrgroup.in.

6. AMENDMENT

Any amendment or modification in the Listing Agreement and any other applicable regulation relating to Nomination and Remuneration Committee shall automatically be applicable to the Company.

GMR POCHANPALLI EXPRESSWAYS LIMITED

CIN : U45200KA2005PLC049327

Financials Statements
For the Financial year ended 31st March 2018

LUTHRA & LUTHRA
CHARTERED ACCOUNTANTS

Corporate Office : A16/9, Vasant Vihar, New Delhi – 110 057, India.
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Branch Offices : Bengaluru | Mumbai | Noida

Independent Auditor's Report
To the members of GMR Pochanpalli Expressways Limited

Report on the Ind AS Financial Statements

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

Management's Responsibility for the Ind AS Financial Statements

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

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

Auditor's Responsibility

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

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

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

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 audit opinion on the Ind AS financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act

   e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

Luthra & Luthra
New Delhi

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 33 to financial statements.

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

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

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

Naresh Agrawal
Partner
M.No. 504922

Luthra & Luthra New Delhi Chartered Accountants

Place: New Delhi
Date: April 24, 2018

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

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

   b. Fixed assets have not been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

   c. According to the information and explanations given to us, the Company does not own any freehold immovable properties and lease/sub-lease deeds of leasehold land are registered with Appropriate Authorities

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. The Company has granted loans to Companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')

   a) In our opinion terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

   b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

   c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act

4. In our opinion and according to the information and explanations given to us, the Company has been complied with provisions of section 185 and 186 of the Act in respect of loans and investments made.

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.

Luthra & Luthra
New Delhi
Chartered Accountants

7. a. According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax (considering the management view on computation of Minimum Alternate Tax-Refer Note 39 of financial statement), 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 was no undisputed amounts payable on account of the above dues in arrears (considering the management view on computation of Minimum Alternate Tax-Refer Note 39 of financial statement) as at March 31, 2018 for a period of more than six months from the date they became payable.

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

8. As per the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year.

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 Ind AS financial statements as required by the applicable Indian accounting standards.

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

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

Luthra & Luthra
New Delhi
Chartered Accountants

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
Reg. No. 002081N

Naresh Agrawal
Partner
M.No: 504922

Place: New Delhi
Date: April 24, 2018

Annexure - B to the Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Naresh Agrawal
Partner
M.No: 504922

Luthra & Luthra * New Delhi * Chartered Accountants

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited
CIN : U45200KA2005PLC049327
Statement of assets and liabilities

₹ in Lakhs

Particulars	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	60.98	48.37
Other intangible assets	0.00	0.00
Financial assets		
Investments	0.00	0.00
Other financial assets	36,069.04	38,588.73
Loans and advances	2,700.00	-
Other non-current assets	1,182.56	1,180.33
	40,012.57	39,817.43
b) Current assets		
Inventories	18.54	6.89
Financial assets		
Investments	1,040.44	6,631.93
Loans and advances	17,612.00	16,280.00
Cash and cash equivalents	4,630.24	430.29
Other bank balances	1,680.01	2,800.01
Other financial assets	8,454.18	6,006.85
Current tax assets (net)	-	84.90
Other current assets	265.44	906.39
	33,700.86	33,147.26
TOTAL ASSETS (a+b)	73,713.43	72,964.69
2 EQUITY AND LIABILITIES		
a) Equity		
Equity share capital	13,800.00	13,800.00
Other equity	8,022.94	6,918.03
Total equity	21,822.94	20,718.03
b) Non-current liabilities		
Financial liabilities		
Borrowings	39,059.88	42,496.08
Provisions	6,266.66	3,715.33
	45,326.54	46,211.41
c) Current liabilities		
Financial liabilities		
Trade payables	107.22	104.40
Other financial liabilities	5,462.79	5,411.86
Other current liabilities	77.20	14.91
Provisions	185.61	129.66
Current tax liabilities (net)	731.12	374.42
	6,563.95	6,035.25
TOTAL EQUITY AND LIABILITIES (a+b+c)	73,713.43	72,964.69

Note no 1 to 3 forming part of financial results

In terms of our report of even date

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

Naresh Agarwal
Partner
(M.No.504922)

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN.02506274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

Luthra & Luthra * New Delhi * Chartered Accountants

GMR Pochanpalli Expressways Limited *

GMR Pochanpalli Expressways Limited
CIN : U45200KA2005PLC049327

₹ in Lakhs

	Statement of Audited Results for Quarter and Year ended March 31, 2018					
	Particulars	Quarter ended			Year ended	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	(Refer Notes Below)	Ref Note 1	Unaudited	Ref Note 1	Audited	Audited
1	Income					
	Income from operations - Annuity	2,208.38	1,824.61	1,920.38	7,951.60	8,090.11
	Other income	635.20	636.50	441.64	2,447.37	1,895.27
	Total income	2,843.58	2,461.10	2,362.01	10,398.97	9,985.38
2	Expenses					
	(a) Sub-contracting expenses	632.92	581.61	581.37	2,390.49	2,179.74
	(b) Employee benefits expense	273.32	312.11	131.82	886.35	445.09
	(c) Finance costs	1,369.23	1,162.31	1,295.47	4,924.85	4,836.75
	(d) Depreciation and amortisation expenses	2.56	1.82	1.86	8.01	8.43
	(e) Other expenses	155.64	144.71	119.65	534.32	389.57
	Total expenses	2,433.67	2,202.56	2,130.17	8,744.01	7,859.58
3	Profit/(loss) before tax expense (1-2)	409.92	258.54	231.84	1,654.96	2,125.80
4	Tax expenses	131.31	84.65	53.32	538.82	375.30
5	Profit/(loss) after tax (3 ± 4)	278.60	173.89	178.52	1,116.14	1,750.50
6	Other Comprehensive Income	(2.51)	11.84	5.57	(11.23)	1.06
7	Total comprehensive income for the respective periods (5 ± 6)	276.09	185.73	184.09	1,104.91	1,751.56

Note no 1 to 3 forming part of financial results

In terms of our report of even date

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

Naresh Agarwal
Partner
(M No.504922)

Luthra & Luthra New Delhi Chartered Accountants

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN 02506274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

GMR Pochanpalli Expressways Limited
CIN : U45200KA2005PLC049327

Notes to the Audited financial information for the year ended March 31, 2018

1. The figures of the last quarter of current and previous years are the balancing figures between the audited figures in respect of the full financials year and the published unaudited year to date figures for nine months ended for the respective years.
2. The Financial results for the year ended March 31, 2018 has been reviewed and approved by the Audit Committee and approved by the Board of Directors at their meeting conducted on April 24, 2018.
3. Figures pertaining to previous period / year have been regrouped, reclassified and rearranged, wherever necessary, to conform to the classification adopted in the current period.

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

Naresh Agarwal
Partner
(M.No 504922)

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN 02500274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

CIN : U45200KA2005PLC049327

Balance Sheet as at March 31, 2018

₹ in Lakh

	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	60.98	48.37
(b) Other Intangible assets	4	0.00	0.00
(c) Financial Assets			
(i) Investments	5 (i)	0.00	0.00
(ii) Other Financial Assets	8 (i)	36,069.04	38,588.73
(iii) Loans	7(i)	2,700.00	-
(d) Other Non Current Assets	10 (i)	1,182.56	1,180.33
Total Non-Current Assets		40,012.57	39,817.43
Current Assets			
(a) Inventories	11	18.54	6.89
(b) Financial Assets			
(i) Investments	5 (ii)	1,040.44	6,631.93
(ii) Cash & Cash Equivalents	6	4,630.24	430.29
(iii) Other Bank Balance	6	1,680.01	2,800.01
(iv) Loans	7(ii)	17,612.00	16,780.00
(v) Other Financial Assets	8 (ii)	8,454.18	6,006.85
(c) Current Tax assets (net)	9	-	84.90
(d) Other Current Assets	10 (ii)	265.44	906.39
Total Current Assets		33,700.66	33,147.26
TOTAL ASSETS		73,713.43	72,964.69
EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	12	13,800.00	13,800.00
(b) Other Equity	13	8,022.94	6,918.03
Total Equity		21,822.94	20,718.03
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	39,059.88	42,496.08
(b) Provisions	18 (i)	6,266.66	3,715.33
Total Non-Current Liabilities		45,326.54	46,211.41
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	15	107.22	104.40
(ii) Other Financial liabilities	16	5,462.79	5,411.86
(b) Other current liabilities	17	77.20	14.91
(c) Provisions	18 (ii)	185.61	129.66
(d) Current Tax Liabilities (net)	19	731.12	374.42
Total Current Liabilities		6,563.95	6,035.25
TOTAL EQUITY AND LIABILITIES		73,713.43	72,964.69
Notes forming part of the financial statements	1-43		

The accompanying notes are an integral part of the financial statements

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

Naresh Agarwal
Partner
(M No.504922)

Luthra & Luthra New Delhi Chartered Accountants

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN:02281905

Mohan Rao M
Director
DIN 02506274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

GMR Pochanpalli Expressways Limited
CIN : U45200KA2005PLC049327

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

₹ in Lakh

	Note	Year ended March 31, 2018	Year ended March 31, 2017
Revenue			
Revenue from Operation	20	7,951.60	8,090.11
Other Income	21	2,447.37	1,895.27
Total Income		**10,398.97**	**9,985.38**
Expenses			
Operating expenses	22	2,390.49	2,179.74
Employee benefits expense	23	886.35	445.09
Finance costs	24	4,924.85	4,836.75
Depreciation and amortization expense	25	8.01	8.43
Other expenses	26	534.32	389.57
Total Expenses		**8,744.01**	**7,859.58**
Profit / (Loss) for the year before taxation		**1,654.96**	**2,125.80**
Tax Expense:	27	538.82	375.30
Profit / (Loss) for the year after tax		**1,116.14**	**1,750.50**
Other Comprehensive Income			
Actuarial (gain)/loss in respect of defined benefit plan		(11.23)	1.06
		(11.23)	1.06
Total comprehensive Income for the period		**1,104.91**	**1,751.56**
Earning per Equity Share:			
- Basic	28	0.81	1.27
- Diluted		0.81	1.27
Notes forming part of the financial statements	1-43		

The accompanying notes are an integral part of the financial statements

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

Naresh Agarwal
Partner
(M.No.504922)

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN 02506274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

CIN : U45200KA2005PLC049327

Cash Flow Statement for the year ended March 31,2018

₹ In Lakhs

	Year ended March 31, 2018	Year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	1,654.96	2,125.80
Adjustments For :		
Depreciation and Amortisation	8.01	8.43
Interest and Finance Charges	4,924.85	4,836.75
Overlay Expenses	2,038.48	1,841.74
Profit on Sale of Investment	(136.76)	(130.35)
Fixed assets written off	0.12	-
Reameasurements of defined Benefit plans	(11.23)	1.06
Interest Income on Bank deposit and others	(2,296.02)	(1,730.83)
	6,182.40	6,952.59
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	(4.16)	(1.74)
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	621.73	(785.69)
Increase / (Decrease) in Trade Payables	2.82	53.55
Increase / (Decrease) in Provision	(363.16)	60.66
Increase / (Decrease) in Other Current Liablities and Retention Money	(8.59)	(36.06)
Cash From/(Used In) Operating activities	6,431.04	6,243.30
Tax (Paid)/Refund	440.73	(0.27)
Net Cash From/(Used In) Operating activities	**6,871.77**	**6,243.04**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	(20.74)	(1.63)
Interest Income on Bank deposit and others	247.43	788.27
Profit on Sale of Investment	136.76	130.35
Decrease/(Increase) in Loan to Related Parties	(4,032.00)	(7,620.00)
Decrease/(Increase) in Other Bank Balance	1,120.00	4,746.00
Decrease/(Increase) in Receivable under SCA	1,805.78	2,745.89
Decrease/(Increase) in Investment	5,591.49	(977.91)
Cash From/(Used In) Investing Activities	**4,848.72**	**(189.02)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid on Debenture	(4,092.56)	(4,368.83)
Other Finance Charges Paid	(64.97)	(20.20)
Repayment of Debenture	(3,363.00)	(3,175.00)
Cash From/(Used In) Financing Activities	**(7,520.53)**	**(7,564.04)**
Net Increase /Decrese in Cash and Cash Equivalents	4,199.95	(1,510.02)
Cash and Cash Equivalents as at beginning of the period	430.29	1,940.31
Cash and Cash Equivalents as at end of the period	**4,630.24**	**430.29**
Components of Cash and Cash Equivelants as at:	March 31, 2018	March 31, 2017
Cash in hand	0.13	0.06
Balances with the scheduled banks:		
- In Current accounts	60.12	355.24
Balances in Deposit die within 3 months	4,570.00	75.00
	4,630.24	430.29

Luthra & Luthra Chartered Accountants New Delhi

GMR Pochanpalli Expressways Limited

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

₹ in Lakh

Particulars	April 1, 2017	Cash Flow	Non cash changes	March 31, 2018
Long Term External Borrowing	44,195.46	(3,363.00)	24.83	40,857.29
Convertible preference shares	1,688.48	-	180.37	1,868.85

₹ in Lakh

Particulars	April 1, 2017	Cash Flow	Non cash changes	March 31, 2018
Long Term External Borrowing	47,343.65	(3,175.00)	26.81	44,195.46
Convertible preference shares	1,525.52	-	162.96	1,688.48

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

Naresh Agarwal
Partner
(M.No.504922)

Luthra & Luthra New Delhi Chartered Accountants

For and on behalf of
GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN 02506274

Amit Kumar
Chief Financial Officer

Parimleet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

GMR Pochanpalli Expressways Limited

CIN : U45200KA2005PLC049327

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

A. Equity Share Capital ₹ in Lakhs

	Equity Share Capital
As at April 1,2016	13,800
Share Capital Issued during the year	-
As at March 31,2017	13,800
As at April 1,2017	13,800
Share Capital Issued during the year	-
As at March 31,2018	13,800

B. Other Equity ₹ in Lakhs

	Equity component of Preference shares	Debenture redemption reserve	Retained Earning	Other Comprehensive Income	Equity
As at April 1,2016	3,620.95	5,414.82	(3,863.75)	(5.55)	5,166.47
Net Profit	-	-	1,750.50	-	1,750.50
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	1.06	1.06
As at March 31,2017	3,620.95	5,414.82	(2,113.25)	(4.49)	6,918.03
As at April 1,2017	3,620.95	5,414.82	(2,113.25)	(4.49)	6,918.03
Net Profit	-	-	1,116.14	-	1,116.14
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	(11.23)	(11.23)
As at March 31,2018	3,620.95	5,414.82	(997.11)	(15.72)	8,022.94

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

For and on behalf of
GMR Pochanpalli Expressways Limited

Naresh Agarwal
Partner
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Arun Kumar Sharma
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Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

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

1 Corporate Information

GMR Pochanpalli Expressways Limited(the Company) engaged in development of highways on build, operate and transfer model on annuity basis. This entity is a Special Purpose Vehicle which has entered into a Concession Agreement with National Highways Authority of India for carrying out the project of Design, Construction, Development, Improvement, Operation and Maintenance ifor rehabilitation and strengthening of existing 2-lane portion from km 367.000 (Adloor Yellareddy) to km 447.000 (Kalkallu), covering 80.745 kms. and improvement, operation and maintenance of kms 447.000 (Kalkallu) – 464.000 (Gundla Pochanpalli) covering 17.00 kms on NH-7 in the state of Andhra Pradesh, to 4 lanes under a concession on build, operate and transfer (BOT) through with private sector participation thereof.

The Company is public limited company incorporated and domiciled in India and has its registered office at at 25/1, SKIP House , Museum Road, Bangalore , Karnataka - 560025 . The Company has principal place of business at Toopran, Andhra Pradesh .

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

The financial statements were approved for issue in accordance with a resolution of the directors on April 24, 2018.

2 Significant accounting policies

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

2 Basis of preparation

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

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

The financial statements are presented in Indian Rupees (INR)

2 Summary of significant accounting policies

a) Current versus non-current classification

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

An asset has been classified as current if

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

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

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

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

A liability has been classified as current when

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

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

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

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

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

b) Foreign currency and derivative transactions

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

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

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

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

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

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

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(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

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Ind AS 18 Revenue.

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 11 'Construction Contracts'.

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

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

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

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the [Consolidated] Statement of Profit and Loss in the period in which such probability occurs

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

(b) the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred

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

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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 acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.
The useful lives of intangible assets are assessed as either finite or indefinite

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

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

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

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

h) Taxes

Tax expense comprises current and deferred tax.

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

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

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

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

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GMR Pochanpalli Expressways Limited *

i) Borrowing costs

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

j) Inventories

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

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

k) Lease

Finance Leases:

Where the Company is the lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.- Lease management fees, legal charges and other initial direct costs of lease are capitalized.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 ownership by the end of the lease term shall generally be classified as finance leases The minimum lease pyayments include upfront premium paid plus any annual recurring lease rental which is amortized over the lease term.

l) Impairment

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

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

Impairment losses of continuing operations are recognized in the statement of profit and loss, except for previously revalued 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.

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

Contingent Liabilities

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

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Chartered Accountants

GMR Pochanpalli Expressways 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

n) Retirement and other Employee Benefits

Short term employee benefits and defined contribution plans.

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

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

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

Compensated absences

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

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

Defined benefit plans

Gratuity

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

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

Remeasurements

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

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

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

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

o) Financial Instruments

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

Financial assets

Initial recognition and measurement

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

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.

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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.

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.

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Derecognition

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

p) Cash and cash equivalents

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

q) Earning per share

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

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

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3. Property, Plant and Equipement

₹ in Lakh

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-4-2017	Additions	Deductions	As At 31-03-2018	As At 01-4-2017	For the year	Deductions	As At 31-03-2018	As At 31-03-2018	As At 31-03-2017
1	Plant & Machinery	55.22	-	-	55.22	11.24	5.62	-	16.87	38.36	43.98
2	Electrical Fittings	2.41	-	-	2.41	2.41	-	-	2.41	0.00	0.00
3	Computers	0.00	-	-	0.00	-	-	-	-	0.00	0.00
4	Office Equipments	2.70	0.15	0.06	2.78	1.35	0.36	-	1.70	1.08	1.35
5	Vehicles	8.70	20.59	0.05	29.23	5.84	1.99	-	7.83	21.40	2.85
6	Furniture & Fixtures	1.01	-	0.01	1.01	0.94	0.02	-	0.96	0.05	0.07
7	Lab Equipment	0.14	-	-	0.14	0.03	0.01	-	0.04	0.09	0.11
	Total	70.17	20.74	0.12	90.79	21.80	8.01	-	29.81	60.98	48.37

3. Property, Plant and Equipement

₹ in Lakh

Sr.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-04-2016	Additions	Deductions	As At 31-03-2017	As At 01-04-2016	For the year	Deductions	As At 31-03-2017	As At 31-03-2017	As At 31-03-2016
1	Plant & Machinery	55.22	-	-	55.22	5.62	5.62	-	11.24	43.98	49.60
2	Electrical Fittings	2.41	-	-	2.41	1.78	0.62	-	2.41	0.00	0.62
3	Computers	0.00	-	-	0.00	-	-	-	-	0.00	0.00
4	Office Equipments	1.23	1.47	-	2.70	0.74	0.61	-	1.35	1.35	0.49
5	Vehicles	8.70	-	-	8.70	4.62	1.22	-	5.84	2.85	4.07
6	Furniture & Fixtures	0.86	0.16	-	1.01	0.59	0.35	-	0.94	0.07	0.26
7	Lab Equipment	0.14	-	-	0.14	0.01	0.01	-	0.03	0.11	0.12
	Total	68.55	1.63	-	70.17	13.37	8.43	-	21.80	48.37	55.17

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

4. Other Intangible Assets

₹ In Lakh

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-4-2017	Additions	Deductions	As At 31-03-2018	As At 01-4-2017	For the year	Deductions	As At 31-03-2018	As At 31-03-2018	As At 31-03-2017
1	Software	0.00	-	0.00	0.00	-	-	-	-	0.00	0.00
	Total	0.00	-	0.00	0.00	-	-	-	-	0.00	0.00

₹ in Lakh

Sl.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-4-2016	Additions	Deductions	As At 31-03-2017	As At 01-4-2016	For the year	Deductions	As At 31-03-2017	As At 31-03-2017	As At 31-03-2016
1	Software	0.00	-	-	0.00	-	-	-	-	0.00	0.00
	Total	0.00	-	-	0.00	-	-	-	-	0.00	0.00

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5. Investments ₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
(i) Non Current Investments Investments in associates 1 (March 2017: 1) shares of ₹ 10 each fully paid-up in GMR Tambaram Tindivanam Expressways Limited 1 (March 2017: 1) shares of ₹ 10 each fully paid-up in GMR Tuni Anakapalli Expressways Limited	0.00	0.00
	0	0
(ii) Current investments at fair value through P&L Quoted Investment in Mutual Fund ICICI Prudential - Super Institutional - Growth 405806.94 (Previous Year : 2761501.83) units of @ ₹ 256.3882 (Previous Year : ₹ 240.1565)	1,040.44	6,631.93
	1,040.44	**6,631.93**

Aggregate book value of unquoted investments (in ₹)	1,037.87	6,625.20
Aggregate market value of unquoted investments (in ₹)	1,040.44	6,631.93

6. Cash and cash equivalents ₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
(i) Balances with Local banks		
- In Current Account	60.12	355.24
- In Fixed Deposit Account (due within 3 months)	4,570.00	75.00
(ii) Cash on hand	0.13	0.06
	4,630.24	**430.29**
Other Bank Balances		
In Fixed Deposit Account (more than 3 months but less than 12 months). Fixed deposit of Rs 10 Crore are under lien to overdraft facility of Rs 8.00 Crore pertaining to group company.	1,680.01	2,800.01
	1,680.01	**2,800.01**

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

7. Loans (Unsecured, Considered Good) ₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
(i) Non Current		
Loan to Group Companies	2,700	-
	2,700	**-**
(ii) Current		
Loan to Group Companies	17,612	16,280
	17,612	**16,280**

(i) An unsecured loan of ₹ 60,80/-lakh (as at March 31, 2017: ₹5780/-Lakh) given to GMR Highways Ltd. shall be receivable within 1 yr from date of agreement. This loan carries an interest rate of 11% p.a.

(ii) An unsecured loan of ₹3732/-Lakh (NIL as at March 31, 2017) given to GMR Infrastructure Ltd and shall be repayable within 1 year.

(iii) An unsecured loan of ₹1000/- Lakh (₹1000/-Lakh as at March 31, 2017) given to GMR Enterprises Pvt Ltd and shall be repayable within 1 year.

(iv) An unsecured loan of ₹ 6800/-Lakh (₹ 6800/-Lakh as at March 31, 2017) given to Dhruvi Securities Pvt Ltd and shall be repayable within 1 year.

(v) An unsecured loan of ₹2700/-Lakh (₹ 2700/- Lakh at March 31, 2017) given to Dhruvi Securities Pvt Ltd and shall be repayable within 3 years.

8. Other Financial Assets ₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
(i) Non Current		
Security Deposit	42.40	40.47
Receivable under SCA	35,739.59	38,548.26
Interest accrued on loan to group com.	287.05	-
	36,069.04	**38,588.73**
(ii) Current		
Security Deposit	2.52	2.52
Interest accrued on fixed deposit	28.01	46.13
Claim recoverable	10.03	2.47
Receivable under SCA	3,826.73	2,823.84
Interest accrued on loan to group com.	4,586.89	3,131.90
	8,454.18	**6,006.85**

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

9. Current Tax Assets

₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
Advance income tax (net of provision for current tax)	-	84.90
	-	84.90

10. Other Current Assets

₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
(i) Other Non Current Assets (Considered Good)		
Mobilisation Advance	1,182.56	1,180.33
	1,182.56	1,180.33
(ii) Other Current Assets (Considered Good)		
Advances recoverable in cash or kind	169.23	840.50
Prepaid Expenses	95.12	65.42
Advance to employees	0.62	-
Balances with statutory / government authorities	0.47	0.47
	265.44	906.39

11. Inventories

₹ in Lakhs

	As At March 31, 2018	As At March 31, 2017
Stores & Spares	18.54	6.89
	18.54	6.89

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

12. Share capital ₹ In Lakhs

	As At March 31, 2018	As At March 31, 2017
Authorised		
(i) 138,100,000 equity shares of ₹ 10 each (March 31, 2017: 138,100,000) equity shares of ₹ 10 each	13810	13,810
(ii) 4,590,000 preference shares of ₹ 100 each (March 31, 2017: 4,590,000 preference shares of ₹ 100 each)	4,590	4,590
	18,400	18,400
Issued, Subscribed & Paid-Up		
138,000,000 equity shares of Rs. 10 each (March 31, 2017: 138,100,000) equity shares of Rs. 10 each	13,800	13,800
	13,800	13,800

NOTES :

(i) Terms to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 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

8% Redeemable, Non-cumulative and Non-Convertible preference shares of ₹ 100 each. Preference Shares are redeemable at premium at the option of the Board of Directors of the Company on October 15, 2026, with one day prior notice to the preference shareholders. Refer note 13 and 14 for equity and liabilities portion of Preference Shares.

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

	As At March 31, 2018		As At March 31, 2017	
	Number	₹ In Lakhs	Number	₹ In Lakhs
Shares outstanding at the beginning of the year	138,000,000	13,800	138,000,000	13,800
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	138,000,000	13,800	138,000,000	13,800

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

	As At March 31, 2018		As At March 31, 2017	
	Number	₹ In Lakhs	Number	₹ In Lakhs
Shares outstanding at the beginning of the year	4,450,000	4,450	4,450,000	4,450
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	4,450,000	4,450	4,450,000	4,450

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

	As At March 31, 2018		As At March 31, 2017	
Equity	No of Share	%	No of Share	%
GMR Highways Limited, the immediate holding Company	135,929,996	98.50%	135,929,996	98.50%

	As At March 31, 2018		As At March 31, 2017	
Preference Share	No of Share	%	No of Share	%
GMR Highways Limited, the immediate holding Company	4,450,000	100.00%	4,450,000	100.00%

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

Equity	As At March 31, 2018		As At March 31, 2017	
	Number	₹ In Lakhs	Number	₹ In Lakhs
GMR Highways Limited, the immediate holding Company	135,929,996	13,593	135,929,996	13,593
GMR Infrastructure Limited, the ultimate holding Company	1,380,000	138	1,380,000	138
GMR Energy Limited, a subsidiary of GIL and an associate company	690,000	69	690,000	69

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Preference Share	As At March 31, 2018		As At March 31, 2017	
	Number	₹ In Lakhs	Number	₹ In Lakhs
GMR Infrastructure Limited, the ultimate holding Company	4,450,000	4,450	4,450,000	4,450

(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.

13. Other Equity

₹ In Lakhs

	As At March 31, 2018		As At March 31, 2017	
(i) Equity component of Preference shares				
Opening Balance	3,620.95		3,620.95	
Add : Adjustment for the Year	-	3,620.95	-	3,620.95
(ii) Debenture redemption reserve				
Opening Balance	5,414.82		5,414.82	
Add : Adjustment for the Year	-	5,414.82	-	5,414.82
(iii) Surplus / (Deficit) in the statement of Profit & Loss				
Opening Balance	(2,113)		(3,863.75)	
Add : Adjustment for the Year	1,116.14		1,750.50	
		(997.11)		(2,113.25)
(iv) Other Comprehensive Income				
Opening Balance	(4.49)		(5.55)	
Add : Adjustment for the Year	(11.23)	(15.72)	1.06	(4.49)
		8,022.94		6,918.03

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

14. Borrowings

₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
(Secured		
4,098 (March 31, 2017: 4,434) 9.38% secured debentures of face value Rs 1,0 lakh each fully paid	37191.02	40,807.60
Unsecured		
Liabilities Portion of Preference Shares	1,868.85	1,688.48
	39,059.88	42,496.08

(a) During the financial year 2009-2010, the company has issued 9.38% Non Convertible Debentures for value of ₹ 6,5000 lakh (6,500 Debentures of Face Value of ₹10lakh each) which are secured by way of first charge on all the assets of the Company both movable (including future annuity receivable) and immovable properties, both present and future but excluding project assets (unless permitted by National Highways Authority of India (NHAI) under the Concession agreement).

Debentures are repayable in 34 half yearly unequal installments commencing from April 15, 2010 to October 15, 2026.

(b) The Company had issued ₹44.50 lakh 8% Redeemable, Non-cumulative and Non-Convertible preference shares of Rs.100 each. Preference Shares are redeemable at premium at the option of the Board of Directors of the Company on October 15, 2026, with one day prior notice to the preference shareholders. Refer note 13 and 14 for equity and liablities portion of Preference Shares.

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 13)

15. Trade Payables

₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
Trade Payable		
- Payable to related parties	67.94	76.67
- Payable to Others	39.28	27.73
	107.22	104.40

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60 days terms

Based on Information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2018

16. Other Current Financial Liablity

₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
(a) Current maturities of long term secured debt	3,666.27	3,387.86
(b) Interest accured but not due	1,768.65	1,925.24
(c) Retention Money		
- Payable to related parties	0.90	0.90
- Payable to others	4.39	14.82
(d) Non trade payables		
- Payable to related parties		
- Payable to others	22.58	83.03
	5,462.79	5,411.86

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17. Other current liabilities ₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
Advances from others	34.13	-
Statutory dues	43.07	14.91
	77.20	14.91

18. Provisions ₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
(i) Non Current		
(a) Provision for Employee Benefits	144.32	26.81
(b) Provision for Major Maintenance	6,122.34	3,688.52
	6,266.66	3,715.33
(ii) Current		
(a) Provision for Employee Benefits	153.73	102.06
(b) Provision for Operation and Maintenance	31.88	27.60
	185.61	129.66

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 2019-20, 2020-21.

₹ in Lakhs

	March 31, 2018		March 31, 2017	
	Non-Current	Current	Non-Current	Current
Opening Balance	3,688.52	-	1,668.54	-
Accretion during the year	2,433.83	-	2,019.98	-
Utilised during the year	-	-	-	-
Closing Balance	6,122.34	-	3,688.52	-

19. Current Tax liabilities (net) ₹ in Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017
Provision for taxation	731.12	374.42
	731.12	374.42

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₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
20. Revenue from operations		
(a) Operation & Maintenance Income	4,192.27	3,315.84
(b) Interest Income of Financial Assets	3,759.33	4,774.27
	7,951.60	8,090.11

21. Other income

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
(a) Interest Income on Bank Deposit	168.51	611.53
(b) Interest Income on Others	2,120.14	1,117.57
(c) Interest on Income Tax Refund	7.37	1.73
(d) Net gain on sale of Investments	136.76	130.35
(e) Excess provision written back	0.22	6.50
(f) Other non-operating income	14.37	27.59
	2,447.37	1,895.27

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

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
22. Operating expenses		
Highway Maintenance Expenses	256.00	269.40
Major Maintenance expenses	2,038.48	1,841.74
Toll/Highway Management Services	96.01	68.60
	2,390.49	2,179.74

23. Employee benefit expense

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
Salaries, Perquisites & Allowance	797.06	399.31
Contribution to provident and other funds	63.09	31.18
Gratuity expense	18.93	6.44
Staff welfare expenses	7.27	8.15
	886.35	**445.09**

24. Finance costs

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
Interest on Debentures	3,935.98	4,243.15
Interest on Financial Liablities	899.07	546.60
Other Finance Charges	89.80	47.01
	4,924.85	**4,836.75**

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

₹ in Lakhs

(a) Interest on Debentures	3,935.98	4,243.15
(b) Interest on Loan portion of Preference Shares	180.37	162.96
(c) Interest on Overlay Provision	394.03	178.24
(d) Interest loss on Modification of Loan to related parties	324.67	205.39
	4,835.05	**4,789.74**

25. Depreciation and amortization expense

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
Depreciation on Property, Plant & Equipment (note 3)	8.01	8.43
	8.01	8.43

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26. Other expenses

₹ in Lakhs

Particulars	Year ended March 31,2018	Year ended March 31,2017
Consumption of Stores & Spares	32.68	17.47
Utility Expenses (including Electricity charges)	75.25	58.32
Rent	4.56	4.57
Rates and taxes	4.96	4.74
Insurance	42.13	40.26
Repairs and maintenance (including vehicle maintenance)	42.34	28.28
Travelling and conveyance	86.95	56.62
Communication costs	6.07	3.14
Printing and stationery	0.92	0.60
Legal and professional fees	207.51	106.84
Manpower Outsourcing	12.12	10.87
Directors' sitting fees	3.34	3.16
Payment to auditor	5.82	6.28
Advertisement	0.50	0.44
Office Maintenance	0.19	0.28
Meeting & Seminar	6.38	0.77
Books & Periodicals	0.08	0.03
Business Promotions	0.24	-
Donations	0.05	38.60
Fixed Assets writte off	0.12	-
Other Establishmnt Costs	2.10	8.29
	534.32	389.57

Payment to auditor

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
As auditor:		
Audit fee	3.54	3.45
Tax audit fee	0.89	0.86
Other services (certification fees)	1.18	1.75
Reimbursement of expenses	0.21	0.22
Total	**5.82**	**6.28**

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Notes forming part of Financial Statements for the year ended 31st March 2018

27. Income Tax

The Company, being Infrastructure Company, enjoys the benefit of tax holiday period for 10 years out of first 20 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:

₹ In Lakhs

Particulars	March 31, 2018	March 31, 2017
Unused Tax losses	1,125.56	1,615.45
Unabrobed Depreciation	5,936.87	6,974.31
Leave Encashment	126.75	37.59

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

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

₹ In Lakhs

	As at March 31, 2018	As at March 31, 2017
Accounting profit	1,654.96	2,125.80
Tax at the applicable tax rate	538.82	375.30
Deferred tax asset not recognised	-	-
Tax expense	538.82	375.30

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28 **Earning/ (Loss) Per Share**

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

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

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

Amount in ₹

	Year ended March 31, 2018	Year ended March 31, 2017
Face value per share (Rs)	10.00	10.00
Profit/ (loss) attributable to equity shareholders	1,116	1,751
Weighted average number of equity shares used for computing earning per share (basic and diluted)	1,380	1,380
Earning Per Share (Basic) (Rs)	0.81	1.27

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

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

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

i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabliqies within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for Mat Credit Entitlement to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 27 for further disclosures.

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 38 for further disclosures.

c) Contingencies

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

d) Defined benefit plans (gratuity benefits)

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

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

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

Further details about gratuity obligations are given in note .35.

ii) Significant judgements

a] Provision for overlay:

As per the terms of concession agreement, the Company is required to carry out overlay activities in 2019. The Management has estimated amount to be incurred on such overlay activities to recognise the provision for overlay as per the requirements of IND AS 37. Further details are given in note no. 18.

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30 **Capital Commitments**
Estimated amount of Contracts remaining to be executed on capital account and not provided, as on March 31, 2018 for ₹ Nil (March 31, 2017: ₹ NIL).

31 **Contingent Liabilities**
The Contingent Liabilities as on March 31, 2018 is ₹ Nil (31 March 2017: ₹ NIL).

32 **Leases**
The Company has entered into certain cancellable operating lease agreements and an amount of ₹ 4.56/-Lakh (March 2017: ₹ 4.57/-lakh) paid during the period under such agreements.

33 **Litigation**
NHAI has levied a penalty of Rs. 10.31 Crore for delay in completion of major maintenance of the Project which was subsequently enhanced by CAG to Rs. 23 Crore. The penalty levied by NHAI was disputed by the Company and same was referred to Independent Engineer for amicable resolution as per the provisions of the Concession Agreement. After various meetings, the disputes between the Company and NHAI could not be resolved. Accordingly, Company vide its letter dated 7th December, 2017 has invoked Arbitration against NHAI and appointed its nominee arbitrator. Company has requested NHAI to appoint its nominee Arbitrator. Further, Company has raised a claim of Rs. 104 Crore on NHAI, which Company has incurred on unwarranted major maintenance.
NHAI has deducted Rs 10.47 Crore while releasing 18th Annuity in March 2018. The Management is following up with the Authority and expect a favourable outcome during Arbitration proceedings.

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

35 **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 ₹ 63.09/-Lakh (Previous year ₹ 31.18 lakh) has been charged to the Statement of Profit & Loss in this respect.

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

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

Net Benefit Expenses ₹ in Lakhs

	Year ended March 31, 2018	Year ended March 31, 2017
Components of defined benefit costs recognised in profit or loss		
Current service cost	1.52	4.11
Past Service cost - plan amendments	13.00	-
Interest cost on benefit obligation	0.24	0.05
Expected return on plan assets	-	-
Total	**14.76**	**4.16**
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gains) / loss due to DBO experience	14.32	7.30
Actuarial (gains) / loss due to DBO assumption changes	(2.77)	(1.18)
Return on Plan assets (greater)/less than discount rate	(0.32)	(5.06)
Total	**11.23**	**1.06**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Benefit Asset/ (Liability)		
Defined benefit obligation	(90.18)	(19.00)
Fair value of plan assets	17.20	15.44
Benefit Asset/ (Liability)	**(72.99)**	**(3.56)**
Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	(3.56)	14.45
Interest cost on the DBO	(0.24)	1.13
Current service cost	(14.52)	4.11
Amount recognised in OCI	(11.23)	-
Benefits Paid	0.32	-
Actuarial (gain)/loss - experience	-	(7.30)
Actuarial (gain)/loss - financial assumptions	-	1.18
Acquisition adjustment	(43.76)	5.43
Closing defined benefit obligation	**(72.99)**	**19.00**

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Changes in the fair value of plan assets:		
Opening fair value of plan assets	15.44	8.21
Net interest on net defined benefit liability/ (asset)	1.11	1.08
Acquisition adjustment	-	4.82
Return on plan assets greater/(lesser) than discount rate	-	
Contributions by employer	0.32	6.39
Benefits paid	0.32	(5.06)
Closing fair value of plan assets	17.20	15.44

	As at 31-Mar-18	As at 31-Mar-17
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	7.30%	7.80%
Future salary increases	6.00%	6.00%
Rate of interest	6.50%	6.50%
Mortality table used	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

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

Contributions expected to be made by the Company during the next year is ₹ 0.32/- (previous year ₹₹ 1.37)

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

Particulars	31-Mar-18					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in ₹					
Impact on defined benefit obligation	(5.82)	6.65	5.56	(5.08)	0.96	(1.10)

Particulars	31-Mar-17					
	Discount rate		Future salary increases		Withdrawal Rate	
Sensitivity Level	+1%	-1%	+1%	-1%	+1%	-1%
	Amount in ₹					
Impact on defined benefit obligation	(1.65)	1.91	0.85	(0.95)	0.67	(0.75)

Maturity Plan of defined benefit obligation:	₹ in Lakhs
Within 1 year	19.50
1-2 year	4.98
2-3 year	6.16
3-4 year	14.41
4-5 year	7.78
5-10 year	65.32

36 **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) GMR Infrastructure Limited (GIL) GMR Highways Limited (GHWL)
Fellow Subsidiaries	GMR Energy Ltd (GEL) GMR Ambala Chandigarh Expressways Private Limited (GACEPL) Dhruvi Securites Private Limited (DSPL) Raxa Security Services Limited. (RSSL)

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Enterprise where Key Management Personnel and their relatives exercise significant influence	GMR Varalakshmi Foundation (GVF)
Key Management Personnel	Mrs Ragini Kiran Grandhi , Whole time director (from May 1, 2016) Mr. B.L. Gupta, Independent Director (from September 1, 2016) Mr Arun Kumar Sharma, Director (from April 11, 2014) Mr.K A.Somayajulu, Independent Director (from March 31, 2015) Mr. Mohan Rao M, Additional Director (from October 16, 2015) Mr Janagani Pothalaiah
Chief Financial Officer	Mr.Amit Kumar Agarwal
Company Secretary	Mr. Paramjeet Singh

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

Name of Entity	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Transaction with Enterprises that control the Company / exercise significant influence			
GIL	Interest on compound financial instruments (Preference Shares)	180.37	162.96
	Interest on Unsecured Loan given	208.00	-
	Unsecured Loan given/ (refunded)	3,732.00	-
	Share of Corporate Common expense	49.00	65.33
GHWL	Interest Income on Inter Corporate Deposit/Unsecured Loan	682.95	198.73
	Interest Income on Security Deposit	1.93	1.74
	Modification Loss on Loan given to related parties	64.60	10.47
	Monthly Maintenance of Highways (Including change of scope works)	391.76	151.69
	Charges for Periodic Maintenance of Highways (Provision)	2,432.51	0.02
	Mobilisation Advance Given	2.23	-
	Unsecured Loan given/ (refunded)	300.00	4,920.00
Transaction with Fellow Subsidiaries			
GEPL	Interest Income on Inter Corporate Deposit/Unsecured Loan	133.78	100.00
	Modification Loss on Loan given to related parties	35.30	76.21
DSPL	Interest Income on Inter Corporate Deposit/Unsecured Loan	1,093.46	795.26
	Unsecured Loan given	-	2,700.00
	Modification Loss on Loan given to related parties	224.77	168.71
RSSL	Charges for Security & Toll management services	69.06	63.60
GVF	CSR Expenses	-	38.55

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

Transaction with Key Management Personnel ₹ in Lakhs

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	
Dr. Kavitha Gudapati	-	-	-	-	- '(0.80)	-	-
Mr. BAJRANG LAL GUPTA	-	-	-	-	1.70 '(0.75)	-	-
Mr.K.A.Somayajulu	-	-	-	-	1.52 '(1.61)	-	-
Mrs Ragini Kiran Grandhi	54.00 (49.36)	-	-	-	-	-	-
Mr. O Bangaru Raju	47.31 (184.90)	-	-	-	-	-	-
Mr. Janagani Pothalaiah	25.24 (9.07)	-	-	-	-	-	-
Mr V.S.S Srikanth	- '(3.30)						

Previous year are in brackets

₹ in Lakhs

Name of Entity	Particulars	As At March 31, 2018	As At March 31, 2017
Closing Balances with Enterprises that control the Company / exercise significant influence			
GIL	Equity Shares Outstanding	138.00	138.00
	Equity Portion of compound financil instrument of Preference Shares	3,620.95	3,620.95
	Liability Portion of compound financil instrument of Preference Shares	1,868.85	1,688.48
	Unsecured Loan Given	3,732.00	-
	Interest Receivable on Loan Given	190.17	-
	Mobilisation Advance Paid	-	775.00
	Trade and Other Payables	7.15	66.24
GHWL	Equity Shares Outstanding	13,593.00	13,593.00
	Trade and Other Payables	54.27	2.44
	Unsecured Loan Given	6,080.00	5,780.00
	Interest Receivable on Loan Given	1,449.55	836.11
	Provision for Major Maintenance	6,172.34	3,689.52
	Mobilisation Advance Paid	1,182.56	1,180.33
	Security/Other Deposit Recoverable	20.00	18.07
Closing Balances with Fellow Subsidiaries			
GEL	Equity Shares Outstanding	69.00	69.00
GHVEPL	Trade and Other Payables	-	0.06
	Receivable - other reimbursement	0.02	

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DSPL	Unsecured Loan Given	9,500.00	9,500.00
	Interest Receivable on Loan Given	2,769.26	2,106.02
GACEPL	Trade and Other Payables	-	0.20
GPPL	Unsecured Loan Given	1,000.00	1,000.00
	Interest Receivable on Loan Given	464.96	367.23
GTTE	Investment in equity instruments	0.00	0.00
GYAE	Trade and Other Payables	-	0.05
	Investment in equity instruments	0.00	0.00
RSSL	Trade and Other Payables	13.67	9.98
	Security/Other Deposit Recoverable	16.67	16.67
DIAL	Trade and Other Payables	0.64	-
GVF	Trade and Other Payables	-	4.25

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

Terms and conditions of transactions with related parties
The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has owed amount to related parties however impairment of receivables relating to amounts owed to 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 please refer Note no 14

37 Capital Management
The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company
For the purpose of the Company's capital management, capital includes issued equity capital, Preference Share 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.

Amount in ₹

Particulars	As at March 31, 2018	As at March 31, 2017
External Borrowings	42,625.95	46,120.70
Net debts	**42,625.95**	**46,120.70**
Capital Components		
Share Capital	13,800.00	13,800.00
Other Equity	8,022.94	6,918.03
Borrowings- Related party	1,868.85	1,688.48
Total Capital	**23,691.79**	**22,406.51**
Capital and net debt	**66,317.74**	**68,527.21**
Gearing ratio (%)	**64%**	**67%**

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

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

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

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

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

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

Amount In ₹

Particulars	As at March 31, 2018			As at March 31, 2017		
	At Amortised Cost	At FVTPL		At Amortised	At FVTPL	
		Cost	Fair Value		Cost	Fair Value
Assets						
Investment in Mutual Funds	0.00	1,037.87	1,040.44	0.00	6,625.20	6,631.93
Loans to group companies	25,185.94			19,411.90	-	-
Receivable under SCA	39,566.31			41,372.10	-	-
Interest accrued on fixed deposit	28.01			46.13	-	
Other Financial Assets	54.95			45.46	-	-
Cash and cash equivalents	6,310.26			3,230.31	-	-
Total	71,145.47	1,037.87	1,040.44	64,105.89	6,625.20	6,631.93
Liabilities						
Borrowings (including Interest)	42,625.95			46,120.70	-	-
Trade Payable	107.22			104.40	-	-
Other Financial Liability	1,890.73			1,787.24	-	-
Total	44,629.99	-	-	48,012.33	-	-

Fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the unquoted mutual funds are based on NAV available at the reporting date.

(b) Fair Value Hierarchy

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

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

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

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

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

Particulars	As at March 31, 2018	Fair Value measurement at end of the reporting		
		Level 1	Level 2	Level 3
Assets				
Investment in Mutual Funds (Refer note 5)	1,040.44	1,040.44	-	-

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

Particulars	As at March 31, 2017	Fair Value measurement at end of the reporting		
		Level 1	Level 2	Level 3
Assets				
Investment in Mutual Funds (Refer note 5)	6,631.93	6,631.93	-	-

(C) Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets is Receivable under SCA, Cash and Cash equivalents, Investment and other bank balance.

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

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Market risk

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

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

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

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 31.

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

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

Interest rate risk

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

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

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

	Increase/ decrease in basis points	Effect on profit before tax
31-Mar-18		
INR	+50	(210)
INR	-50	210
31-Mar-17		
INR	+50	(226)
INR	-50	226

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.

₹ In Lakhs

	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	Total
Year ended March 31, 2018							
Term loan from Banks	-	3,689.00	4,059.00	4,625.00	9,122.00	19,471.00	40,966.00
Interest Payable		1,768.65	-	-	-	-	1,768.65
Preference Shares at amortised cost			-	-	-	4,450.00	4,450.00
Trade payables		107.22	-	-	-	-	107.22
Other financial liabilities		27.87					27.87
	-	5,592.74	4,059.00	4,625.00	9,122.00	23,921.00	47,319.74

₹ In Lakhs

	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	-	3,363.00	3,689.00	4,059.00	9,509.00	23,709.00	44,329.00
Interest Payable	-	1,925.24	-	-	-	-	1,925.24
Preference Shares at amortised cost	-		-	-	-	4,450.00	4,450.00
Trade payables	-	104.40	-	-	-	-	104.40
Other financial liabilities	-	98.75	-	-	-	-	98.75
	-	5,491.39	3,689.00	4,059.00	9,509.00	28,159.00	50,907.39

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GMR Pochanpalli Expressways 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.

39 Note on Non-consideration of Service Concession Agreement adjustment for the purpose of computing income under section 115JB.

The Company has entered into concession agreement with National Highways Authority of India for rehabilitation and strengthening of existing 2-lane portion from km 367.000 (Adloor Yellareddy) to km 447.000 (Kalkallu), covering 80.745 kms, and improvement, operation and maintenance of kms 447.000 (Kalkallu) – 464.000 (Gundla Pochanpalli) covering 17.00 kms on NH-7 in the state of Andhra Pradesh, to 4 lanes under a concession on build, operate and transfer (BOT). . Indian Accounting Standards ("Ind-AS") are applicable to the Company from financial year ("FY") 2016-17. Under IND-AS the company has classified Carriageways as financial assets and every year the company is charging proportionate amount of Annuity received by it to the financial assets so that at the end of concession period the assets becomes NIL. The company is not charging any depreciation on carriageways as was done under IGAAP. The proportionate amount of annuity charges to carriageways is not shown as income / revenue in the profit and loss account and similarly depreciation is not claimed as expenses.
As per the provision of section 4 and 5 of the Act, the above amount of Annuity which is not included in the profit and loss account is chargeable to tax under normal provision of Income Tax Act. Similarly the company is eligible to claim expenses of Major maintenance and depreciation under the normal provision of Act. As such the above amount of annuity has been offered for tax and corresponding depreciation and expenses towards major maintenance has been claimed while computing book profit under section 115JB of the Act.
In this regard, the company also places reliance on the rationale of introducing the MAT provisions (by way of section 80VVA of the Act) which is, that actual income of the company without allowing deduction under any of the listed provision has to be taxable. As such the above adjustment made towards SCA i.e. annuity, depreciation will lead to taxable of notion income and expenses which will defeat the purpose of introduction of the provision of MAT. As such while computing the book profit under 115JB of the Act, the company has removed the notional adjustment as required for SCA model under IND-AS scenario and offered actual profit under MAT.

40 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.

41 Salient aspects of Service Concession Arrangement

NHAI has granted the exclusive right and authority during the concession period for designing, engineering, financing, procurement, construction, completion, operation and maintenance of the Project Highway. It shall include Improvement, Operation and Maintenance of NH-7 in the state of Andhra Pradesh.

The Concession period is 20 year commencing from the commencement date i.e. 27th Sep 2006
NHAI has further granted the exclusive right and authority during the concession period in accordance with terms and condition of the agreement to:

-to develop, design, engineer, finance, procure, construct, operate and maintain the Project Highway during the Concession Period.
-upon Completion of the Project Highway and during the Operation Period to manage, operate & maintain the Project Highway and regulate the use thereof by third parties.

-to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof.

-perform and fulfill all of the obligations under this agreement.
-bear and pay all expenses, costs and charges incurred in the fulfillment of all the obligations under this Agreement
-not assign or create any lien or Encumbrance on the Concession hereby granted on the whole or any part of the Project Highway nor transfer, lease or part possession therewith save and except as expressly permitted by this Agreement or the Subsititution Agreement.

Annuity

Subject to the provisions of the Concession Agreement and in consideration of the Company accepting the Concession and undertaking to perform and discharge its obligations in accordance with the terms, conditions and covenants set forth in this agreement, NHAI agrees and undertake to pay to the Concessionaire, on each Annuity Payment Date, the sum of Rs. 5418 Lakhs.
The Company should not levy, demand or collect from or in respect of any vehicle or Person, for the use of Project Facilities, any sum whatsover in the nature of a toll or fee.

The Company should not permit or allow any advertisement/hoarding or other commercial activity and should not be entitled to charge, collect or receive any sums on account of any such activity. The Company agrees that unless otherwise provided in this Agreement, the project revenue shall consist of Annuity only.

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.

Operation and Maintenance

The Company shall operate and maintain the Project Highway by itself or through O&M Contractor and if required, modify, repair or otherwise make improvement to the Project Highway to comply with Specifications and Standards, and other requirements set forth in this Agreement, Good Industry Practice, Applicable laws and Applicable Permits and manufacturer's guidlines and instructions with respect to toll systems and more specifically;

i) permitting safe, smooth and uninterrupted flow of traffic during normal operating conditions.
ii) to allow NHAI to levy, demand, collect and appropriate the Fees from vehicles and persons liable to payment of Fees for using the Project Highway or any part thereof as per Article VII of the Concession Agreement

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 procedures with emergency services.

iv) undertaking routine maintenance including prompt repairs of potholes, cracks, Concrete joints, drains, line marking, lighting and signage.
v) undertaking major maintenance such as resurfacing of pavements, repairs to structures and hardware and other equipment.

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GMR Pochanpalli Expressways Limited

vi) carrying out periodic preventive maintenance to Project Highway.

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 encroachments on the Project Highway including site and preserve the right of way of the Project Highway

ix) 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.

x) adherence to the safety standrads

Monitoring and Supervision during Operation

The Company is required to undertake periodic inspection of the Project Highway to determine the condition of the Project Highway including its compliance or otherwise with the Maintenance Manual, the Maintenance Programme, Specifications and Standards and the maintenance required and shall submit report of such inspection ("Maintenance Report") to NHAI and the Independent Consultant.

42 Recent accounting pronouncements

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

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

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

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

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

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

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

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

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

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

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

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

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

43 Previous year figures

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

The accompanying notes are an integral part of the financial statements

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

Naresh Agarwal
Partner
(M.No.504922)

Luthra & Luthra
New Delhi
Chartered Accountants

GMR Pochanpalli Expressways Limited

Arun Kumar Sharma
Director
DIN.02281905

Mohan Rao M
Director
DIN 02506274

Amit Kumar
Chief Financial Officer

Paramjeet Singh
Company Secretary

Place: New Delhi
Date: April 24, 2018

GMR Pochanpalli Expressways Limited

GMR Pochanpalli Expressways Limited

Related Party Transaction Details
For the period ended March 31, 2016

Balance Sheet

GMR Pochanpalli Expressways Limited (GPEPL)
Code : C6135

A. Receivable/ Reimbursement / Sundry Debtors / Deposits Paid / Interest receivable

(Rs. in Units)

						Show in Financials					
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GMRHL	GMR Highways Limited (GMRHL)	IC3300	Interest accrued on Unsecured Loan	Other current assets	Other CA - Interest accrued on loans to grou	1035000002	199,164,463.00	(4,281,014.75)	194,955,409.25	-
2	DSPL	Dhruvi Securities Private Limited (DSPL)	IC6111	Interest accrued on Unsecured Loan	Other current assets	Other CA - Interest accrued on loans to grou	1035000002	295,891,741.00	(47,673,380.50)	248,221,364.50	-
3	GIL	GMR Infrastructure Limited (GIL)	IC6100	Interest accrued on Unsecured Loan	Other current assets	Other CA - Interest accrued on loans to grou	1035000002	19,016,740.00	-	19,016,740.00	-
4	Limited	Raxa Security Services Limited	IC8000	Security Deposit	Long term loans and advances	LT- loans and advances -Security deposit	1042000999	1,429,000.00	-	1,429,000.00	-
5	Limited	Raxa Security Services Limited	IC8000	Security Deposit	Short terms Loans and Advances	ST- loans and advances -Security deposit	1042000999	239,000.00	-	239,000.00	-
6	DSPL	Dhruvi Securities Private Limited (DSPL)	IC6111	Interest accrued on Unsecured Loan	Other non current assets	NC-Interest accrued on unsec loans/ICD-Gro	0	-	28,704,699.00	28,704,699.00	-
7	GEPL	GMR Enterprises Pvt Ltd	IC6300	Interest accrued on Unsecured Loan	Short terms Loans and Advances	ST - Advances recoverable in cash or in kind	1575000002	47,085,545.00	(389,373.22)	46,691,172.78	-
8	GHVEPL	GMR Hyderabad Vijayawada Expressways Private Limited (	0	Reimbursement of expense	Short terms Loans and Advances	ST- Loans and advances - related parties	0	1,573.00	-	1,573.00	-

B. Payable / Sundry Creditors / Deposits Received / Interest Payable

(Rs. in Units)

						Show in Financials					
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GIL	GMR Infrastructure Limited (GIL)	IC6100	Project Support Services	Other current liabilities	Non Trade payable	2050201016	549,926.00	-	549,926.00	-
2	GHVEPL	GMR Hyderabad Vijayawada Expressways Private Limited ((	IC3240	Reimbursement of expense	Other current liabilities	Non Trade payable	2050201016	-	-	-	-
3	DIAL	Delhi International Airport Limited (DIAL)	IC5500	Reimbursement of expense	Other current liabilities	Non Trade payable	2050201016	43,893.00	-	43,893.00	-
4	GIL	GMR Infrastructure Limited (GIL)	IC6100	Retention Money payable	Other current liabilities	Retention Money - Trade	2050204003	90,024.00	-	90,024.00	-
5	RAXA	Raxa Security Services Limited	IC8000	Highways Security charges	Trade payables C	Trade payables-Current	2050001016	1,367,469.00	-	1,367,469.00	-
6	GMRHL	GMR Highways Limited	IC3300	Highways Security charges	Trade payables C	Trade payables-Current	0	5,426,727.00	-	5,426,727.00	-
7	GIL	GMR Infrastructure Limited (GIL)	IC6100	Reimbursement of expense	Other current liabilities	Non Trade payable	2050201016	75,377.00	-	75,377.00	-

C. Loan given to Group Companies / Share Application Money/ Other advances

(Rs. in Units)

						Show in Financials					
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Investment in Equity Portion in loans/ debentures	Notional Interest accrued till date	Total(net of adjustment)
1	GMRHL	GMR Highways Limited (GMRHL)	IC3300	Advance for O&M	Long term loans and advances	LT- Loan and advances - related parties	1042500003	118,255,640.00	-	-	118,255,640.00
2	GMRHL	GMR Highways Limited (GMRHL)	IC3300	Unsecured Loan given	Short terms Loans and Advances	ST- loans and advance - Other loans and adv	1040200006	400,000,000.00	-	-	400,000,000.00
3	DSPL	Dhruvi Securities Private Limited (DSPL)	IC6111	Unsecured Loan given	Short terms Loans and Advances	ST- loans and advance - Other loans and adv	1040200006	480,000,000.00	-	-	480,000,000.00
4	GIL	GMR Infrastructure Limited (GIL)	IC6100	Unsecured Loan given	Short terms Loans and Advances	ST- loans and advance - Other loans and adv	1040200006	373,200,000.00	-	-	373,200,000.00
5	GMRHL	GMR Highways Limited (GMRHL)	IC3300	Security Deposit	Long term loans and advances	LT- loans and advances -Security deposit	1042000999	2,000,000.00	(1,157,961.38)	1,157,961.38	2,000,000.00
6	GEPL	GMR Enterprises Pvt Ltd	IC6131	Unsecured Loan given	Short terms Loans and Advances	ST- loans and advance - Other loans and adv	1040200006	100,000,000.00	-	-	100,000,000.00
7	DSPL	Dhruvi Securities Private Limited (DSPL)	IC6111	Unsecured Loan given	Short terms Loans and Advances	Long term	1040200006	270,000,000.00	-	-	270,000,000.00

D. Loan taken from Group Companies / Share Application money refundable / Other Loans

(Rs. in Units)

						Show in Financials						
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Investment in Equity Portion in loans/ debentures	Notional Interest accrued till date	DTL/(DTA) on Ind AS Adjustments	IND AS loan Amount
1	GIL	GMR Infrastructure Limited (GIL)	IC6100	Preference Share Capital	Share capital	Preference Issued and Subscribed	2010102007	445,000,000.00	342,094,964.39	103,980,276.41	-	186,885,312.33

E. Share Capital

(Rs. in Units)

						Show in Financials					
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Ind AS adjustment Amount	Total (IGAAP + IND AS Adjustments)	DTL/(DTA) on Ind AS Adjustments
1	GIL	GMR Infrastructure Limited (GIL)	IC6100	Equity Share Capital	Share capital	Equity Issued and Subscribed-fully paid-up	2010101002	13,800,000.00	-	13,800,000.00	-
2	GEL	GMR Energy Limited (GEL)	IC2000	Equity Share Capital	Share capital	Equity Issued and Subscribed fully paid-up	2010101002	4,500,000.00		4,500,000.00	-
3	GMRHL	GMR Highways Limited (GMRHL)	IC3300	Equity Share Capital	Share capital	Equity Issued and Subscribed-fully paid-up	2010101002	2,359,299,960.00	-	2,359,299,960.00	-
4	GIL	GMR Infrastructure Limited (GIL)	IC6100	Equity portion of preference share	Reserves and surplus	Equity component of preference shares	0	-	342,094,964.39	342,094,964.39	-

F. Investments in Group Companies / Share Application Money

(Rs. in Units)

						Show in Financials					
Sl No	Short Code	Inter Company	IC Code	Transaction Description	Main Head	Sub Head	Transaction GL	IGAAP Amount	Investment in Equity Portion	Notional Interest accrued till date	Total(net of adjustment)
1	GTTEPL	GMR Tambaram Tindivanam Expressways Limited (GTTEPL)	IC3110	Investment in Equity Instrument	Non current investments	Non current investments- Equity Shares- An	1020119002	10.00	-	-	10.00
2	GTAEPL	GMR Tuni Anakapalli Expressways Limited (GTAEPL)	IC3120	Investment in Equity Instrument	Non current investments	Non current investments- Equity Shares- An	1020119002	10.00	-	-	10.00

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GMR Pochanpalli Expressways Limited *