



GMR HIGHWAYS LIMITED

U45203MH2006PLC287171

Registered Office: Naman Centre, 701, 7th Floor, Opp. Dena Bank,
Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

Website: <https://gmrpui.com/gmr-highways-limited/>

E-mail: highways.secretarial@gmrgroup.in

Phone No.: 022 - 42028000; Fax No.: 022 – 42028004

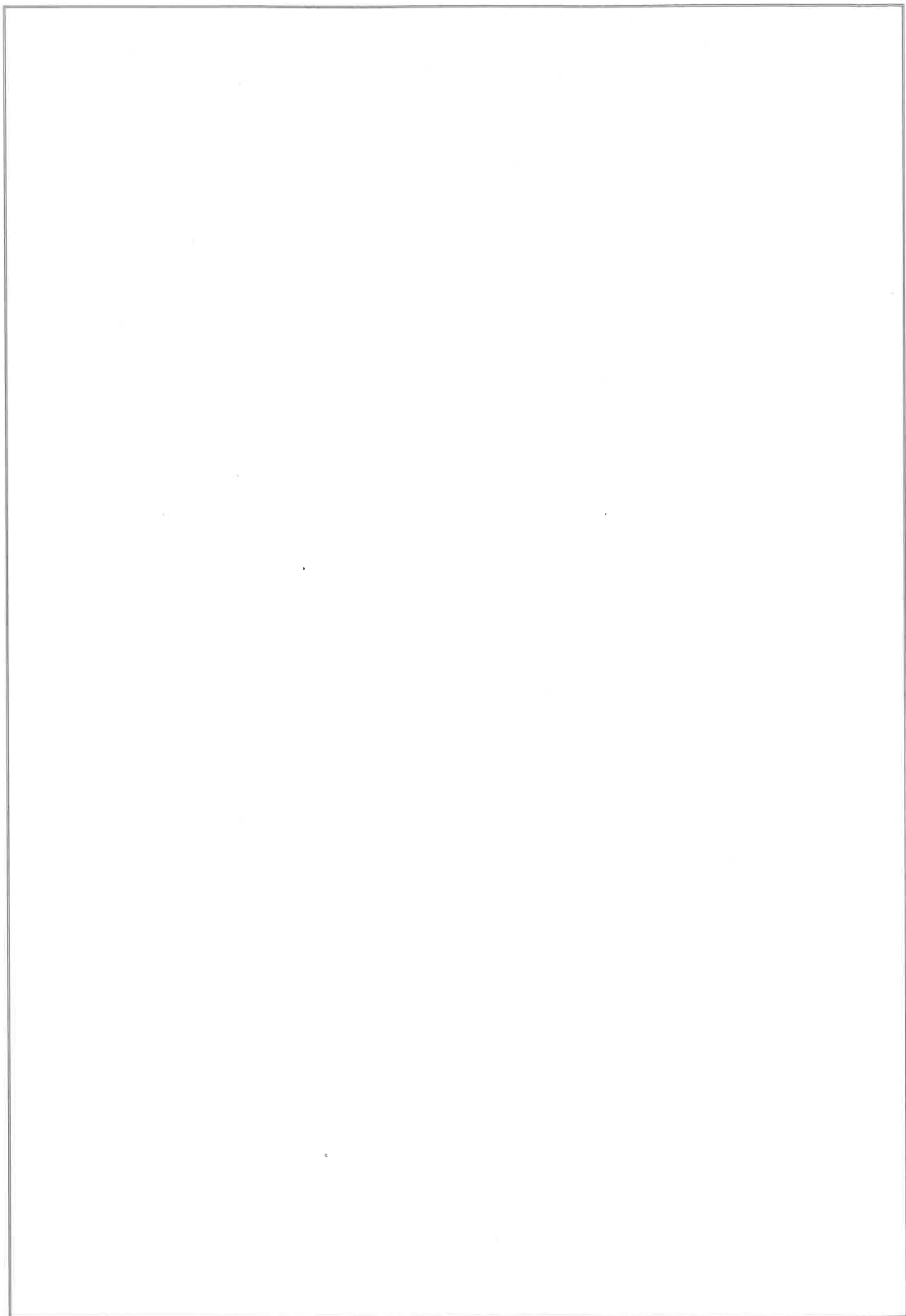
**Notice of
Seventeenth Annual General Meeting**

Day, Date & Time

Thursday,
August 31, 2023
03.00 PM

Venue

Transportation Business Board Room,
GMR T&UI, Terminal-2,
Opp. Departure Gate No. 1, IGI Airport,
New Delhi – 110 037



NOTICE TO SHAREHOLDERS

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of **GMR HIGHWAYS LIMITED** will be held on **Thursday, August 31, 2023, at 03:00 PM** at the Corporate Office of the Company at Transportation Business Board Room, GMR T&UI, Opp. Departure Gate No. 1, IGI Airport, New Delhi -110037, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the audited Financial Statements viz. Balance Sheet as at March 31, 2023 and Statement of Profit and Loss Account for the period ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint Director in place of Mr. M.B Terdal (05343139), who retires from office by rotation and being eligible, offers himself for re-appointment.

Special Business

3. **To ratify the remuneration of the Cost Auditor of the Company for the financial year 2023-24.**

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

“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. 60,000/- plus applicable taxes and out of pocket expenses payable to M/s. G. R. & Co., Cost Accountants, (Membership Number 30294) as appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year 2023-24.

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

4. **Approval for reappointment of Mr. O Bangaru Raju (DIN: 00082228) as Managing Director of the Company**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT consent of the members be and is hereby accorded, under section 196 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof), Mr. O Bangaru Raju (DIN: 00082228), Managing Director of the Company be and is hereby re-appointed as Managing Director of the Company for a period of 5 years w.e.f June 16, 2023 to June 15, 2028 at NIL remuneration.

RESOLVED FURTHER THAT the Directors or Company Secretary of the Company be and are hereby severally authorised to file the requisite forms pursuant to the provisions of the Companies Act, 2013, with the Registrar of Companies concerned in the prescribed format and to do such things and acts as are necessary to give effect to the resolution”.

5. Approval for reappointment of Mr. S. Rajagopal (DIN: 00022609) as an Independent Director of the Company.

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions Sections 149, 150, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. S. Rajagopal** (DIN 00022609), who was appointed as an Independent Director of the Company by the Board of Directors and holds office upto November 26th, 2023 and has submitted a declaration confirming he meets the criteria of independence under Section 149(6) of the Act and is eligible for re-appointment for a second term, in accordance with the provisions of the Act and the Rules made thereunder and whose candidature for the office of Director has been recommended by the Nomination and Remuneration Committee and the Board of Directors and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five years, with effect from November 27, 2023 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and is /are hereby authorized, singly and/or jointly to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution."

By the Order of the Board of Directors



**Paramjeet Singh
Company Secretary
M No: A18789**

Place: New Delhi
Date: 25.07.2023

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. 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.
4. 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.
5. 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.
6. 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.
7. 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.
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. Members are requested to register their E-mail Id with their Depository Participant/the Company and inform them of any changes to the same from time to time. However, Members who prefer physical copy to be delivered may write to the Company at its Registered Office by providing their DP Id and Client Id/Folio No. as reference.
9. Members are requested to notify any change in their registered address along with pin code and quote their respective DP Id and Client Id/Folio No. on every communication with the Depository Participant/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 till the date of meeting.

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. 3

To ratify the remuneration of the Cost Auditor of the Company for the Financial Year 2023-24.

The Board, on the recommendation of the Audit Committee, has approved the reappointment and remuneration of M/s G.R. & Co., Cost Accountants, (Membership Number 30294) to conduct the audit of the cost records of the Company for the financial year 2023-24 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 ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24.

None of the 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 Resolution set out at Item No. 3 of the Notice, for approval by the members.

Item No. 4

Reappointment of Mr. O Bangaru Raju as Managing Director of the Company.

Mr. O. Bangaru Raju (DIN: 00082228) was earlier appointed as Managing Director of the Company pursuant to Section 196 of the Companies Act, 2013 for a period of 5 years w.e.f June 16, 2018 and his term expired on June 15, 2023.

It is hence proposed to re-appoint Mr. O. Bangaru Raju, as "Managing Director" pursuant to the provisions of Section 196,197 read with schedule V of the Companies Act, 2013, for a period of 5 years w.e.f June 16, 2023.

As per the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on April 29, 2023 had approved to re-appoint Mr. O. Bangaru Raju as Managing Director for a period of five years with effect from June 16, 2023.

Brief Profile

Mr. O. Bangaru Raju is a qualified Chartered Accountant with rich experience of more than 39 years in negotiating EPC contracts, procurement of material, project execution, Finance. He has also undergone Management training with Harvard University, USA.

He has rich experience in the field of Infrastructure including Highway operations. During his tenure, GMR Group achieved completion of country's maiden private participated road projects of in the State of Tamil Nadu & in the State of Andhra Pradesh.

Also during his tenure, GMR Group has achieved Commercial Operations for 8 road projects within the time scheduled under the Concession Agreements executed with NHAI.

He led the core team for successful structured funding by assigning annuity receivables, which resulted in substantial reduction in cost of borrowings for the companies of the Highways Sector.

With his vast experience, he has the ability of an advisor of the business, industry and can add value in the areas of strategy, human resources and will be able to supervise the execution of all the Operation and Maintenance activities related to the company's road project and other activities relating to infrastructural facilities.

Recognition or awards: Mr. O. Bangaru Raju received Chairman's long service award during 2005 and Chairman's outstanding achievement award during 2006 for his contributions to GMR Group.

Under the leadership of Mr. O Bangaru Raju, GTTEL and GMRVF services on our Tambaram - Tindivanam Highway project has been recognized as best by Indian Red Cross Society and the team has been awarded in this regard.

Mr. O. Bangaru Raju has rich experience in infrastructure industry including vast exposure in developing power projects, biddings of various road projects, negotiating with EPC contracts, Project execution, developing, operating & maintaining road projects, etc.

His achievements in the related industry include:

- a) Winning and achieving COD / completion of constructions for 8 highways Projects
- b) Has successfully mobilized Rs. 11,541.60 crores financial assistance from various Banks and financial institutions for the 10 road projects extending to 2900 lane Kms.
- c) As part of financial restructuring he has been successful in issue of and achieving listing of Rs.650 crores Debentures.
- d) With special interest in technology, has spearheaded the implementation of state of art toll management and highway traffic managements systems for GMR Highways.

Mr. O. Bangaru Raju has maintained cordial relations with all the stakeholders and participated in many forums and contributed for improvement of road sector including the amendments to Model Concession Agreement, Premium re-scheduling, Regulatory Authority, etc.

With his enriched experience in the infrastructure industry and his knowledge, Mr. O. Bangaru Raju plays a crucial role in growth of the Company. It is hence, proposed to re-appoint Mr. O. Bangaru Raju, as "Managing Director" pursuant to the provisions of Section 196,197 read with schedule V of the Companies Act, 2013, for a period of 5 years w.e.f June 16, 2023.

Pursuant to Secretarial Standards-2 issued by the Institute of Company Secretaries of India, additional information about Mr. O. Bangaru Raju is annexed in Annexure I to this Notice.

Except Mr. O Bangaru Raju, none of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at item No. 4.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice, for approval by the members.

Item No. 5

Reappointment of Mr. S. Rajagopal as an Independent Director of the Company.

Mr. S Rajagopal (DIN 00022609) was appointed as an Independent Director for a term of five years with effect from November 27, 2018 and his appointment was confirmed by the shareholders of the Company at the Extraordinary General Meeting ("EGM") held on January 25, 2019. Accordingly, he will complete his first term as an Independent Director on November 26, 2023 and is eligible for re-appointment for second term of five years.

As per the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on July 25, 2023 had approved to re-appoint Mr. S Rajagopal as an Independent Director for a second term of five years with effect from November 27, 2023.

Further, pursuant to the requirements of the Act and based on his expertise, skills, rich experience, knowledge, continued valued guidance to the management and outcome of the performance evaluation during his first term of five years and the substantial contributions made by him, it is proposed to seek approval of the members by way of Special Resolution to re-appoint Mr. S Rajagopal, as an Independent Director for a second term of five years commencing from November 27, 2023. Further, Mr. S Rajagopal shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The particulars of the said Independent Director are as under:

Brief Profile:

Mr. S. Rajagopal, aged about 83 years, holds bachelor degrees in Commerce and Law, master's degree in Economics from Gujarat University and a professional qualification from the Indian Institute of Banking and Finance. He has knowledge of commerce, industry, finance and insurance and is on the Boards of various corporates and development funds in India and abroad. He was previously Chairman and Managing Director of Bank of India, Chairman and Managing Director of Indian Bank and Chairman of Banking Service Recruitment Board. He has 43 years of experience in the field of banking. He is also closely associated with academics. He was a member of the Court of Banaras Hindu University and a member of the Board of Governors of Madras School of Economics. He is also an advocate with specialization in company matters. He has been associated with GMR group since May 2001. Currently, he is appointed as Director on the Boards of following Companies:

1. GMR Kamalanga Energy Limited
2. GMR Warora energy limited
3. GMR Bajoli holi hydropower Private Limited
4. GMR Rajahmundry energy limited
5. Wisdomleaf Technologies Private Limited
6. Careercubicle Technologies Private Limited
7. GMR Energy Limited

Mr. S Rajagopal has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of proviso to sub-section (5) of

Section 152, the Board of Directors are of the opinion that Mr. S Rajagopal fulfils the conditions specified in the Act, for his re-appointment as an Independent Director.

The Company has also received the consent in writing to act as a Director, and an intimation that he is not disqualified under section 164(2) of the Companies Act, 2013.

The Company has received a notice in writing from a member, pursuant to Section 160(1) of the Companies Act, 2013, proposing the candidature of Mr. S Rajagopal for his reappointment to the office of Independent Director.

Pursuant to Secretarial Standards-2 issued by the Institute of Company Secretaries of India, additional information about Mr. S Rajagopal is annexed in Annexure I to this Notice.

Mr. S Rajagopal does not hold any shares/securities in the Company, either in his individual capacity or on a beneficial basis for any other person.

Except Mr. S Rajagopal, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, are concerned or interested, financially or otherwise in this resolution.

The Board recommends the Special Resolution at Item No. 5 for approval of the members.

By the Order of the Board of Directors



Paramjeet Singh
Company Secretary
M No: A18789

Place: New Delhi
Date: 25.07.2023

ANNEXURE I

Details pursuant to the requirements of Secretarial Standards-2

Name of the Director or Manager	Mr. O Bangaru Raju	Mr. S Rajagopal
Age	67 Years	83 Years
Qualifications	Chartered Accountant	Bachelor degrees in Commerce and Law, master's degree in Economics from Gujarat University and a professional qualification from the Indian Institute of Banking and Finance.
Experience	More than 39 years in negotiating EPC contracts, procurement of material, project execution, Finance.	More than 43 years of experience in the field of banking.
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Reappointed as Managing Director of the Company at Nil Remuneration.	Reappointed as Independent Director for 2 nd Term and will be paid sitting fees for attending Board and Committee meetings of the Company during his tenure. Mr. S Rajagopal received the sitting fees for attending the meeting of Board and its committees during the financial year 2022-23.
Date of First appointment on the Board	16-06-2008	27-11-2018
Shareholding in the Company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NA	NA
Number of Board Meetings attended during the financial year 2022-23	Seven	Seven1

Other Directorships	<ol style="list-style-type: none"> 1. GMR Hyderabad Vijayawada Expressways Private Limited 2. GMR Ambala-Chandigarh Expressways Private Limited 3. GMR Chennai Outer Ring Road Private Limited 4. Indian Highways Management Company Limited 	<ol style="list-style-type: none"> 1. GMR Highways Limited 2. GMR Bajoli Holi Hydropower Private Limited 3. GMR Rajahmundry Energy Limited 4. GMR Energy Limited 5. GMR Kamalanga Energy Limited 6. GMR Warora Energy Limited 7. Wisdomleaf Technologies Private Limited 8. Careercubicle Technologies Private Limited
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Membership / Chairmanship of Committees of other Boards	<table border="1"> <thead> <tr> <th data-bbox="383 616 598 683">Name of Company</th> <th data-bbox="614 616 774 683">Committee</th> <th data-bbox="790 616 893 694">(Chairman /Member)</th> </tr> </thead> <tbody> <tr> <td data-bbox="383 694 598 806">GMR Hyderabad Vijayawada Expressways Private Limited</td> <td data-bbox="614 694 774 806">Audit Committee</td> <td data-bbox="790 694 893 806">Member</td> </tr> <tr> <td data-bbox="383 806 598 896">GMR Chennai Outer Ring Road Private Limited</td> <td data-bbox="614 806 774 896">Audit Committee</td> <td data-bbox="790 806 893 896">Member</td> </tr> <tr> <td data-bbox="383 896 598 1041" rowspan="2">GMR Ambala-Chandigarh Expressways Pvt Ltd</td> <td data-bbox="614 896 774 974">Nomination and Remuneration Committee</td> <td data-bbox="790 896 893 974">Member</td> </tr> <tr> <td data-bbox="614 974 774 1041">Management Committee</td> <td data-bbox="790 974 893 1041">Member</td> </tr> <tr> <td data-bbox="383 1041 598 1131" rowspan="2">GMR Hyderabad Vijayawada Expressways Private Limited</td> <td data-bbox="614 1041 774 1120">Nomination and Remuneration Committee</td> <td data-bbox="790 1041 893 1120">Member</td> </tr> <tr> <td data-bbox="614 1120 774 1187">Management Committee</td> <td data-bbox="790 1120 893 1187">Member</td> </tr> <tr> <td data-bbox="383 1187 598 1276">GMR Chennai Outer Ring Road Private Limited</td> <td data-bbox="614 1187 774 1276">Nomination and Remuneration Committee</td> <td data-bbox="790 1187 893 1276">Member</td> </tr> </tbody> </table>			Name of Company	Committee	(Chairman /Member)	GMR Hyderabad Vijayawada Expressways Private Limited	Audit Committee	Member	GMR Chennai Outer Ring Road Private Limited	Audit Committee	Member	GMR Ambala-Chandigarh Expressways Pvt Ltd	Nomination and Remuneration Committee	Member	Management Committee	Member	GMR Hyderabad Vijayawada Expressways Private Limited	Nomination and Remuneration Committee	Member	Management Committee	Member	GMR Chennai Outer Ring Road Private Limited	Nomination and Remuneration Committee	Member	<table border="1"> <thead> <tr> <th data-bbox="925 616 1141 683">Name of Company</th> <th data-bbox="1157 616 1316 683">Committee</th> <th data-bbox="1332 616 1452 683">(Chairman/ Member)</th> </tr> </thead> <tbody> <tr> <td data-bbox="925 672 1141 716">GMR Bajoli Holi Hydropower Limited</td> <td data-bbox="1157 672 1316 716">Audit committee</td> <td data-bbox="1332 672 1452 716">Member</td> </tr> <tr> <td data-bbox="925 716 1141 761">GMR Rajahmundry Energy Limited</td> <td data-bbox="1157 716 1316 761">Audit committee</td> <td data-bbox="1332 716 1452 761">Member</td> </tr> <tr> <td data-bbox="925 761 1141 806">GMR Energy Limited</td> <td data-bbox="1157 761 1316 806">Audit committee</td> <td data-bbox="1332 761 1452 806">Member</td> </tr> <tr> <td data-bbox="925 806 1141 896">GMR Bajoli Holi Hydropower Limited</td> <td data-bbox="1157 806 1316 896">Nomination & Remuneration Committee</td> <td data-bbox="1332 806 1452 896">Member</td> </tr> <tr> <td data-bbox="925 896 1141 1075" rowspan="2">GMR Rajahmundry Energy Limited</td> <td data-bbox="1157 896 1316 974">Nomination & Remuneration Committee</td> <td data-bbox="1332 896 1452 974">Member</td> </tr> <tr> <td data-bbox="1157 974 1316 1075">Corporate Social Responsibility Committee</td> <td data-bbox="1332 974 1452 1075">Member</td> </tr> <tr> <td data-bbox="925 1075 1141 1153" rowspan="2">GMR Energy Limited</td> <td data-bbox="1157 1075 1316 1153">Nomination & Remuneration Committee</td> <td data-bbox="1332 1075 1452 1153">Member</td> </tr> <tr> <td data-bbox="1157 1153 1316 1254">Corporate Social Responsibility Committee</td> <td data-bbox="1332 1153 1452 1254">Member</td> </tr> </tbody> </table>			Name of Company	Committee	(Chairman/ Member)	GMR Bajoli Holi Hydropower Limited	Audit committee	Member	GMR Rajahmundry Energy Limited	Audit committee	Member	GMR Energy Limited	Audit committee	Member	GMR Bajoli Holi Hydropower Limited	Nomination & Remuneration Committee	Member	GMR Rajahmundry Energy Limited	Nomination & Remuneration Committee	Member	Corporate Social Responsibility Committee	Member	GMR Energy Limited	Nomination & Remuneration Committee	Member	Corporate Social Responsibility Committee	Member
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CIN: U45203MH2006PLC287171

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E-mail: highways.secretarial@gmrgroup.in

Website: <https://gmrpui.com/gmr-highways-limited/>

Phone No.: 022 - 42028000; Fax No.: 022 - 42028004

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 17th Annual General Meeting of the Company to be held on **Thursday, August 31, 2023, at 03:00 PM** at the Corporate Office of the Company situated at Transportation Business Board Room, GMR T&UI, Opp. Departure Gate No. 1, IGI Airport, New Delhi -110037.

MEMBER PROXY

Signature of Member / Proxy

GMR HIGHWAYS. LTD.

CIN: U45203MH2006PLC287171

Registered Office: Naman Centre 701, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

Website: <https://gmrpui.com/gmr-highways-limited/>

E-mail: highways.secretarial@gmrgroup.in

Phone No.: 022 - 42028000; Fax No.: 022 - 42028004

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	U45203MH2006PLC287171
Name of the Company	GMR HIGHWAYS LTD.
Registered Address	Naman Centre 701, 7 th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

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 17th Annual General Meeting of the Company, to be held on **Thursday, August 31, 2023, at 03:00 PM** at the Corporate Office of the Company situated at Transportation Business Board Room, GMR T&UI, Opp. Departure Gate No. 1, IGI Airport, New Delhi -110037 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 viz. Balance Sheet as at March 31, 2023 and Statement of Profit and Loss Account for the period ended on that date together with the Reports of the Directors and the Auditors thereon.
2.	To appoint Director in place of Mr. M.B Terdal (05343139), who retires from office by rotation and being eligible, offers himself for re-appointment.
Special Business	
3.	To ratify the remuneration of the Cost Auditor of the Company for the Financial Year 2023-24.
4.	Approval for reappointment of Mr. O Bangaru Raju (DIN: 00082228) as Managing Director of the Company
5.	Approval for reappointment of Mr. S. Rajagopal (DIN: 00022609) as an Independent Director of the Company

Signed this _____ day of _____ 2023

Signature of Member

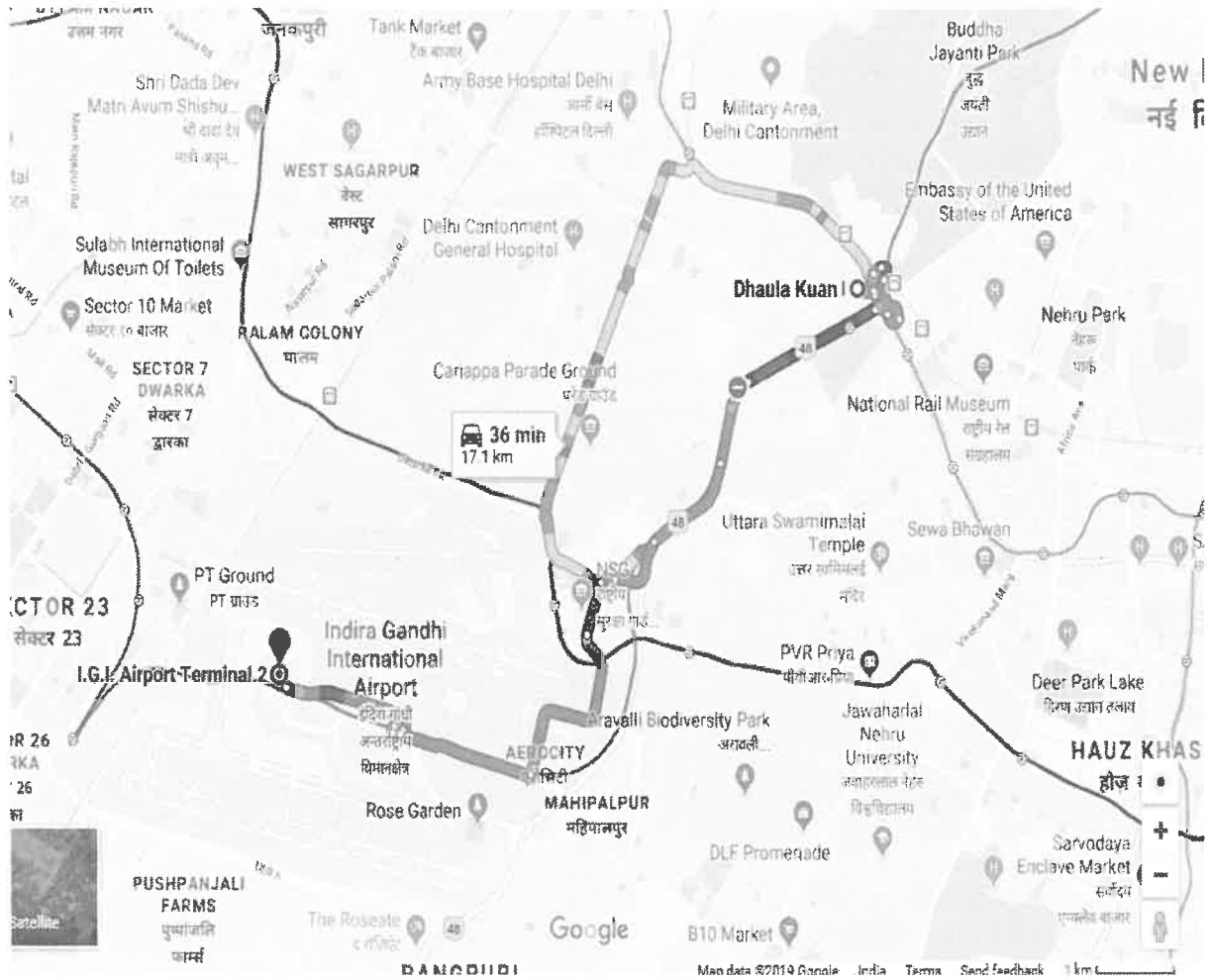
Affix Revenue
Stamp of Re.1

Signature of Proxy holder(s)

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 HIGHWAYS LIMITED

CIN: U45203MH2006PLC287171

Registered Office: Naman Centre 701, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block,
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E-mail: highways.secretarial@gmrgroup.in

Website: <https://gmrpui.com/gmr-highways-limited/>

Phone No.: 022 - 42028000; Fax No.: 022 - 42028004

Board's Report

Dear Shareholders,

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023.

Financial Performance Summary

The financial highlights from the Financial Statements of your Company for the year ended March 31, 2023 are as under:

Particulars	(₹ in Lakhs)	
	Standalone	
	March 31, 2023	March 31, 2022
Total Income	23,459.55	21,115.16
Expenditure	11,334.69	7,543.98
Earnings before interest, depreciation and tax	12,124.86	13,571.18
Depreciation & amortization expense.	2.69	2.03
Profit before Interest and Tax	12,122.17	13,569.15
Finance costs	15,282.38	13,634.44
Exceptional Item - (Loss on Receivables of CCDs)	(10,083.67)	(5,659.33)
Profit/ (Loss) before Tax	(13,243.87)	(5,724.61)
Tax Expense (including Tax adjustments of prior years)	(251.74)	(294.05)
Profit/ (Loss) after Tax	(12,992.13)	(5,430.56)
Re-measurement (loss)/ gains on defined benefit plans	(2.21)	20.18
Total comprehensive Income for the year	(12,994.34)	(5,410.38)

During the year ended March 31, 2023, your Company had incurred a loss of ₹12,994.34 Lakh as against the loss of ₹5,410.38 Lakh incurred during the previous year. As compared to preceding Financial Year, losses have increased during this Financial Year mainly due to increase in Finance Costs and Exceptional Items (provisions for loss on CCD Receivable).

The State of the Company's Affairs

During the year under review, the Company carried out Major Maintenance works for GMR Pochanpalli Expressways Ltd, GMR Chennai Outer Ring Road Pvt Ltd and GMR Hyderabad Vijayawada Expressways Pvt Ltd. Further, Company also provided Repairs & Management services to its Subsidiary Companies. The services 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

Since there is no profit, the Board has not recommended any dividend for the financial year 2022-23.

Transfer to Reserves

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

Share Capital

Authorized Share Capital

The Authorized Share Capital of the Company is ₹41,38,00,00,000 (Indian Rupees Four Thousand One Hundred Thirty Eight Crores only) divided into 2,34,20,00,000 (Two Hundred Thirty Four Crores Twenty Lakh only) Equity Shares of ₹10/- (Indian Rupees Ten only) each and 17,96,00,000 (Seventeen Crore Ninety Six Lakh only) Preference Shares of ₹100/- (Indian Rupees Hundred only) each. During the year under review, there was no change in the Authorized Share Capital of the Company.

Issued, Subscribed and Paid Up Share Capital

The Issued, Subscribed and Paid-up capital of the Company is ₹8,43,33,47,100 (Indian Rupees Eight Hundred Forty Three Crores Thirty Three Lakh Forty Seven Thousand One Hundred Only) divided into 84,33,34,710 (Eighty Four Crores Thirty Three Lakh Thirty Four Thousand Seven Hundred and Ten Only) Equity Shares of ₹ 10/-(Indian Rupee Ten only) each.

Changes in Share Capital

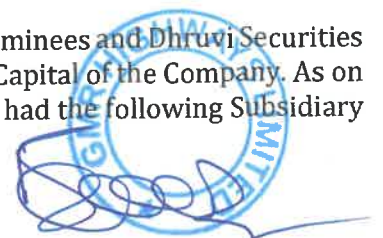
The Paid up Share Capital of the Company stands increased from ₹7,75,44,05,100/- (Indian Rupees Seven Hundred Seventy Five Crores Forty Four Lakh Five Thousand and Hundred only) to ₹8,43,33,47,100/- (Indian Rupees Eight Hundred Forty Three Crores Thirty Three Lakh Forty Seven Thousand One Hundred Only) post allotment of 6,78,94,200 (Six Crores Seventy Eight Lakh Ninety Four Thousand and Two Hundred only) equity shares of ₹10/- (Indian Rupees Ten only) each aggregating to ₹67,89,42,000/- (Indian Rupees Sixty Seven Crores Eighty Nine Lakh Forty Two Thousand only) to the other shareholders (apart from the Company) of GMR Tuni-Anakapalli Expressways Limited and GMR Tambaram Tindivanam Expressways Limited, pursuant to the Composite Scheme of Arrangement for Amalgamation of GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited (Transferor Companies), GMR Highways Limited ("Transferee Company") and their respective shareholders & creditors as sanctioned by Hon'ble NCLT vide its order dated August 03, 2022 becoming effective w.e.f. August 11, 2022 from the Appointed Date i.e. April 01, 2019.

The composite scheme of amalgamation and arrangement for amalgamation of GMR Power Infra Limited ('GPIL') with the GMR Infrastructure Limited ('GIL') and demerger of Engineering Procurement and Construction ('EPC') business and Urban Infrastructure Business of GIL (including Energy business) into GMR Power and Urban Infra Limited ('GPUIL') ("The Scheme") was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ("the Tribunal") vide its order dated December 22, 2021 (formal order received on December 24, 2021). The said Tribunal order was filed to the Registrar of Companies by GIL, GPIL and GPUIL on December 31, 2021 thereby making the Scheme effective. Accordingly, shares held by GIL got vested with and into GPUIL.

After the scheme become effective, the Company has become subsidiary of GMR Power and Urban Infra Limited w.e.f. December 24, 2021. However, 48,99,27,015 Equity Shares as were held by GIL were transferred to GPUIL on 31.12.2021 and balance 20,99,68,722 Equity Shares which were pledged to secure borrowings were transferred during the year under review.

Holding Company/Subsidiaries/ Joint Ventures/ Associate Companies

During the year under review, GMR Power and Urban Infra Limited, along with its nominees and Dhruvi Securities Limited remained the holding Company by virtue of holding 100% of Equity Share Capital of the Company. As on March 31, 2023, in terms of the provisions of Companies Act, 2013, your Company had the following Subsidiary and Associate companies:



Subsidiaries

1. GMR Pochanpalli Expressways Limited
2. GMR Ambala-Chandigarh Expressways Private Limited
3. GMR Hyderabad Vijayawada Expressways Private Limited
4. GMR Chennai Outer Ring Road Private Limited

Associates: NIL

Joint Venture: NIL

The performance and financial position of each of these Subsidiary Companies for the financial year ended March 31, 2023, as per the Form AOC- I, is annexed as **Annexure I**.

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

During the year under review, none of the Companies ceased to be Joint Venture or Associate Companies. However, pursuant to the Hon'ble NCLT Mumbai order dated August 03, 2022, approving the composite Scheme of Arrangement for Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited ("Transferor Companies"), GMR Highways Limited ("Transferee Company") and their respective shareholders & creditors, the above mentioned Transferor Companies ceased to be its subsidiaries and stands amalgamated into the Transferee Company with effect from effective date i.e. August 11, 2022.

Details of Directors and Key Managerial Personnel

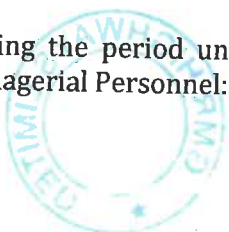
Presently, the Company's Board comprises of 6 Directors, comprising of Three Non- Executive Directors, One Executive Director and Two Independent Directors. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity, and Independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary duties, thereby ensuring that the management adheres to the high standards of ethics, transparency, and disclosure. The Board periodically evaluates the need for change in its composition and size.

The Directors on the Board and KMP of the Company are as follows:

S.L No	Name of Director and KMP	Designation
1	Mr. BVN Rao	Chairman
2	Mrs. Sridevi Venisheety	Woman Director
3	Mr. S Rajagopal	Independent Director
4	Mr. Mohan Rao Murthy	Independent Director
5	Mr. O Bangaru Raju	Managing Director
6	Mr. M B Terdal	Director
7	Mr. Paramjeet Singh	Company Secretary
8	Mr. Vikas Bansal	Chief Financial Officer

Changes in Composition of Directors and Key Managerial Personnel

During the period under review, the following changes were made in the Composition of Directors / Key Managerial Personnel:



<p>Changes in Directors/Key Managerial Personnel</p>	<ul style="list-style-type: none"> ➤ Mr. O Bangaru Raju retired by rotation in the Annual General Meeting held on September 26, 2022 and being eligible offered himself for re-appointment, was re-appointed as the Director of the Company. ➤ Mr. Mohan Rao Murthy was appointed as Independent Director of the Company w.e.f. September 26, 2022 by passing of ordinary resolution at the Annual General Meeting held on September 26, 2022. ➤ Mrs. Sridevi Venisheety was appointed as Woman Director of the Company w.e.f. September 26, 2022 by passing of ordinary resolution at the Annual General Meeting held on September 26, 2022. ➤ Mr. O. Bangaru Raju was appointed as Managing Director of the Company for a period of 5 years w.e.f. June 16, 2023 by the Board in its meeting held on April 29, 2023 subject to approval of Shareholders at the ensuing Annual General Meeting. His present tenure expired on June 15, 2023 and hence, the Board of Directors on the recommendation of Nomination & Remuneration Committee in their meeting held on April 29, 2023 recommends his reappointment to the Shareholders.
<p>Proposal for forthcoming AGM</p>	<ul style="list-style-type: none"> ➤ Mr. Madhva B Terdal would retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board of Directors on the recommendation of Nomination & Remuneration Committee in their meeting held July 25, 2023 recommends his re-appointment. The proposal for his re-appointment has been included in the Notice of the ensuing Annual General Meeting for your approval. ➤ Mr. O Bangaru Raju appointed as Managing Director of the Company for a term of 5 years w.e.f. June 16, 2023 by the Board in its meeting held on April 29, 2023 subject to approval of Shareholders at the ensuing Annual General Meeting. The Board of Directors on the recommendation of Nomination & Remuneration Committee in their meeting held on April 29, 2023 recommends his reappointment to the Shareholders. The proposal for his reappointment has been included in the Notice of the ensuing Annual General Meeting. ➤ Mr. S. Rajagopal is proposed to be appointed as Independent Director of the Company for second term w.e.f. November 27, 2023 by passing of special resolution at the ensuing Annual General Meeting. The Board of Directors on the recommendation of Nomination & Remuneration Committee in its meeting held on July 25, 2023 recommend his reappointment to the Shareholders. The proposal for his reappointment has been included in the Notice of the ensuing Annual General Meeting.

Statement regarding opinion of the Board w.r.t. integrity, expertise and experience (including the proficiency) of Independent Director appointed during the year

During the year under review, Mr. Mohan Rao Murthy was appointed as an Independent Director with effect from September 26, 2022 to hold office for a term of five (5) years from the date of his appointment. In the opinion of



the Board, Mr. Mohan Rao Murthy possesses integrity, expertise and experience (including proficiency) required for appointment of Independent Director.

Details of Meetings of the Board Held During the Year

The Board of directors of the Company met seven (7) times during the Financial Year 2022-23 viz. April 29, 2022, July 21, 2022, September 06, 2022, October 21, 2022, January 20, 2023, March 15, 2023 and March 27, 2023. The intervening gaps between the dates of meeting was pursuant to the provisions of Companies Act, 2013 and relevant rules framed thereunder and Articles of Association of the Company.

S.L No	Name of Directors	Attendance of Directors		
		Held	Entitled to Attend	Attended
1	Mr. BVN Rao	7	7	5
2	Mrs. Sridevi Vinesheety*	7	4	3
3	Mr. S Rajagopal	7	7	7
4	Mr. Mohan Rao Murthy^	7	4	4
5	Mr. O Bangaru Raju	7	7	7
6	Mr. Madhva B Terdal	7	7	5
7	Mr. KP Rao#	7	3	3
8	Dr. Kavitha Gudapati\$	7	3	Nil

*appointed as Woman Director w.e.f. September 26, 2022

^appointed as Independent Director w.e.f. September 26, 2022

#ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

\$ ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website i.e. <https://gmrpui.com/pdf/GHWL-Annual-Return-2022-2023.pdf>

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 and have registered themselves in the Independent Directors Databank.

Fixed Deposits

Since the 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 to 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 employee who was in receipt of remuneration of not less than one crore and two lakh rupees, if employed throughout the year, or remuneration of not less than eight lakh and fifty thousand rupees per month, if employed for any part of that year, if any is provided as **Annexure II**.



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

A. Conservation of energy

Company has implemented various power conservation measures in all the Highway projects, which are managed by its subsidiaries. These measures include installation of:

1. Automatic Power Factor Controller;
2. Timers;
3. Servo Stabilizers; and
4. Solar Lighting.
5. LED lights

Installation of Automatic Power Factor Controller helped to maintain the power factor at 0.95 and above; Servo Stabilizers, which helped stabilizing the power fluctuation at various locations and consequently avoiding damage to fixtures and equipments; timers, which helped on optimizing the glowing duration of the highway lights thereby reducing the power consumption.

Company has also installed Solar LED lights at selected locations such as toll plazas and administrative buildings, truck lay byes and at junctions, which are functioning effectively considerably adding to the power conservation and savings.

Company completed LED retrofitting to replace the existing High Pressure Sodium Vapor Lamps with no capital expenditure to company at GMR Ambala Chandigarh Expressways, GMR Hyderabad Vijayawada Expressways, GMR Pochanpalli Expressways and GMR Chennai Outer Ring Road Projects.

B. Technology Absorption:

1. **Micro Surfacing:** It is a most versatile concept of preserving the road surface that works as a remedy for a broad range of road surface problems, such as cracks, hungry surfaces, rutting removal, etc. Micro-surfacing is a relatively new concept in India, being used routinely across the world as preventive maintenance program. By way of application of a polymer modified cold-mix on an existing road with minor defects, which works as a preventive maintenance, major repair / reinstatements can be avoided for a substantial time period. This method being a cold-mix application is environmental friendly and very economical in nature. Because of its quick-setting properties micro surfacing can be adopted in a broad range of weather conditions, particularly suitable for night application in heavy traffic roads.

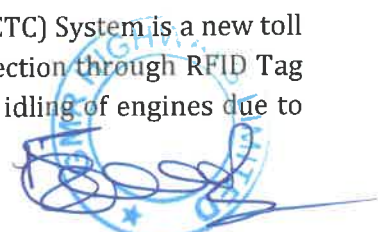
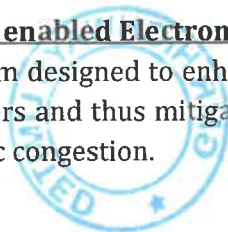
Other advantages are, preventing further deterioration of cracked surfaces, preventing water penetration thereby prevention of sub-base failure, creates an aesthetically good looking surface and enhances the life of pavement by 4 to 6 years which further reduces the effective length during the periodic maintenance of the Main Carriageway.

Company executed Micro Surfacing at Ambala Chandigarh Expressways at selective locations.

2. **Hot in Place Recycling:** Hot in Place Recycling methodology is adopted in the pavement maintenance instead of Conventional pavement laying methodology thereby achieving substantial savings and also environmental friendly by reducing the natural material consumption. Company has taken up this work in GMR Hyderabad Vijayawada Expressways at selective locations as per the pavement conditions.

Technologies in Toll Management systems:

1. **RFID enabled Electronic Toll Collection System:** The Electronic Toll Collection (ETC) System is a new toll system designed to enhance convenience for drivers by enabling cashless toll collection through RFID Tag readers and thus mitigating congestion at toll plazas. It saves the fuel by avoiding idling of engines due to traffic congestion.



2. **Slow speed weigh in Motion System:** Slow Speed weigh in motion (SSWIM) system is a technology to capture the Gross weight of the Vehicle while in motion using load cell technology to collect Overweight charges from the vehicle. It identifies vehicles which are found to be over loaded. Overweight deteriorates pavement faster than expected and mandates to spend more on maintaining the pavement.
3. **Automatic Vehicle Classification System:** Automatic Vehicle Classification (AVC) system is a technology to capture the vehicle types which are passing through the Toll plaza to ensure the correctness of the Toll Collection, vehicle classifications and improves the toll revenue
4. **Vehicle Tracking System:** Vehicle Tracking System (VTS) is a GPS based technology to track the Project Vehicles location at any given point of time and to monitor the moving patterns of vehicles. The virtual 'Poly net' disallows and alarms vehicle movement beyond jurisdiction. Such restriction results in fuel savings and maintains discipline in route patrolling
5. **DG sets Fuel Monitoring system:** DG set Fuel Monitoring system is based on GPRS-enabled sensor based technology to monitor DG set Fuel status and enables remote monitoring.
6. **Vehicle actuated Speed Display:** Vehicle actuated speed display board is based on radar sensing technology to capture vehicle speed plying on the Highway. This technology will help in identifying speed violations beyond limit and for enforcement by authorities resulting in crashes reduction.

C. Foreign exchange earnings and Outgo:

	March 31, 2023
Foreign Exchange earnings	Nil
Foreign Exchange Outgo	Nil

Auditors & Auditors Report

Statutory Auditors

M/s. Girish Murthy & Kumar, Chartered Accountants (Firm Regn. No. 000934S), were appointed as Statutory Auditors in the AGM of the company held on September 26, 2022 for a period of 5 years commencing from F.Y. 2022-23 and ending till the Annual General Meeting for the Financial Year ending on March 31, 2027.

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

The Auditor's Report does not contain any qualification/Reservation/ Adverse remarks. However, Statutory Auditors in their report has emphasized certain matters, which are given below along with the response for the Management:

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying Standalone IND AS financial statements for the year ended March 31, 2023.

- A. We draw the attention to Note no. 36 of the accompanying financial statements for the year ended March 31, 2023, relating to the investment of Rs. 274.07 Crores (including loans of 77.53 Crores and investment in equity/ preference shares of Rs.196.54 Crores made by the company in GMR Ambala Chandigarh Expressways Private Limited (GACEPL) a subsidiary of the company. Though GACEPL has been incurring losses, and the net worth is negative, based on the management's assessment and the legal opinion on the tenability of appeal before Hon'ble Supreme Court, in respect of claim before NHAI, Government of Haryana and Punjab for loss of revenue, such investment has been carried at cost. Our opinion in this regard is not qualified.



- B. We draw your attention to Note no.37 of the accompanying financial statements for the year ended March 31, 2023, regarding the carrying value of investment of Rs.650.37 crores in GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL). Though the liabilities of GHVEPL exceeds the total assets of the company, and has been incurring losses since its inception, based on the management's valuation assessment and the legal opinion on the compensation from proceedings initiated by the company against NHAI for loss of revenue, before Delhi High Court, such investments have been carried at cost. Our opinion in this regard is not qualified.
- C. We draw your attention to Note no. 37 of the accompanying financial statements for the year ended March 31, 2023, relating to uncertainty in the matter of restriction of concessionaire period of GHVEPL by NHAI to 15 years as against the initially envisaged period of 25 years, which the subsidiary is contesting before arbitration tribunal and based on independent legal opinion is confident on getting relief. However, the financials of the subsidiary does not carry any adjustments in the financial statements on account of the above. In line with the same view, the company has not made any adjustments to the carrying of investments in the financial statements of the Company.

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

Management response on the emphasis of matter:

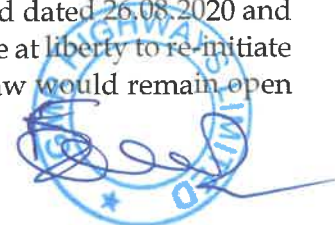
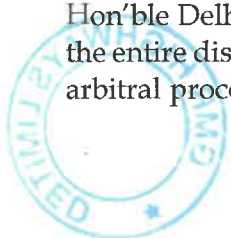
- A. The Company has made an investment of Rs. 27,407.31 lakh (March 31 2022: Rs. 27,407.31 lakh) [including loans of Rs. 7,753.00 lakh (March 31 2022: Rs. 7,753.00 lakh) share application money pending allotment of Rs. NIL (March 31 2022: NIL) and investment in equity / preference shares of Rs. 19,654.31 lakh (March 31 2022: Rs. 19,654.31 lakh) made by the Company] in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') a subsidiary of the Company. GACEPL has been incurring losses since the commencement of commercial operations. The management believes that these losses are due to loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration however based on management's internal assessment and a legal opinion the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly the investment in GACEPL has been carried at cost.

The Arbitral Tribunal vide order dated 26.08.2020 had pronounced the Award whereby all the claims of GACEPL were rejected by two members of the Arbitral Tribunal in both the cases. However, the third member of the Tribunal by way of separate award has awarded ₹1,003 Crore plus Interest to GACEPL. The Interim stay granted against the recovery of Negative Grant has also been vacated.

Subsequently, NHAI vide letter dated 03.09.2020 has asked GACEPL to deposit the amount along with the interest. NHAI has also written to Central Bank of India, Escrow Bank to remit the amount. Aggrieved by rejection of all of its claims, GACEPL had filed two applications each in both Punjab and Haryana matters before Hon'ble Delhi High Court - u/s 34 and u/s 9 of Arbitration Act, 1996, seeking setting aside of the award of Arbitral Tribunal and stay on payment of Negative Grant along with interest respectively. GACEPL had also filed an application under section 36 of Arbitration Act, 1996, for stay of operation of the Award till the time its challenge u/s 34 is decided.

The Court vide its order dated 24.09.2020 had admitted the challenge to Award and issued notice in section 34 application but the other two applications filed u/s 9 and 36 were rejected.

Hon'ble Delhi High Court vide order dated 26.09.2022, had set aside the award dated 26.08.2020 and the entire dispute is to be referred to arbitration once again for which parties are at liberty to re-initiate arbitral proceedings as per the contractual covenants. All issues of fact and law would remain open



to be agitated by GACEPL, NHAI and States of Haryana and Punjab in the de-novo arbitral proceedings.

NHAI and GoHR has filed appeals u/s 37 of the Arbitration Act. Arguments by NHAI, GoHR and GACEPL has been concluded and the judgement is reserved for orders. Against dismissal of its application u/s 9 (for interim protection from recovery of Negative Grant) as well as section 36 applications (for stay of operation of Award) in appeal before Division Bench of Delhi High Court, GACEPL has filed 4 SLP's both in Haryana and Punjab matters before the Hon'ble Supreme Court. However, in view of the Arbitral Award being set aside by Hon'ble Delhi High Court, GACEPL has withdrawn all the SLPs filed before Hon'ble Supreme Court against the dismissal of application by Division Bench under Section 9.

B. Company has made an investment of Rs. 65,037.00 lakh (March 31 2022: Rs. 65,037.00 lakh) [including loans of Rs. 43,192.00 lakh (March 31 2022: Rs. 43,192.00 lakh) share application money pending allotment of Rs. NIL (March 31 2022: NIL) and investment in equity / preference shares of Rs. 21,845.00 lakh (March 31 2022: Rs. 21,845.00 lakh) made by the Company] in GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') a subsidiary of the Company. GHVEPL has been incurring losses since the commencement of commercial operations. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and same was agreed by NHAI and had agreed to pay compensation. However, no agreement could reached between GHVEPL and NHAI on quantification of the claim amount. GHVEPL has invoked Arbitration and has filed a claim of Rs. 1,67,600.00 Lakhs (Based on values up to March 31, 2020) before the Tribunal. Tribunal vide its order dated March 31, 2020 has pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. However, on the quantum of the claim amount, majority of the Tribunal members directed NHAI to constitute a committee for determining the claim amount based on data / record available with GHVEPL and NHAI.

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

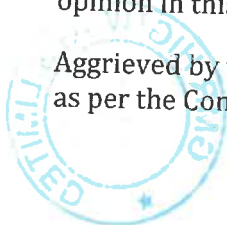
Hon'ble Delhi High Court vide order dated 04.08.2020 had upheld the Change in Law and struck down the directions of constitution of Committee by NHAI and instead had appointed a retired judge of Supreme Court as a sole arbitrator to quantify the claims of GMR.

Sole Arbitrator has submitted his report on 28.02.2022 with Hon'ble Delhi High Court whereby he has awarded a sum of Rs. 1,672.20 Crore up till 31.03.2020. Interest on the claimed amount in terms of clause 47.5 of Concession Agreement has also been allowed. For quantification of claims for the year 2020-2021 onwards, the same principle would be applicable, as adopted for quantification till March 31, 2020.

Hon'ble Delhi High Court has taken the report submitted by sole arbitrator on record. In view of the pendency of appeal u/s 37 before Division Bench of Hon'ble Delhi High Court, the matter before Single Judge cannot be taken up for further proceedings.

C. On May 8, 2020, GHVEPL has received a notice from NHAI restricting concession period to 15 years pursuant to clause 3.2.2 of the Concession Agreement by stating that NHAI is satisfied that 6-laning of the project is not required. GHVEPL has sought material on record from NHAI and has also obtained legal opinion in this matter.

Aggrieved by the action of NHAI, GHVEPL has invoked arbitration under Dispute Resolution Mechanism as per the Concession Agreement and has initiated Arbitration against NHAI.



GHVEPL has filed an application u/s 17 of the Arbitration Act, 1996 before Tribunal for stay of operation of NHAI's letter dated 08.05.2020 till pendency of current arbitration proceedings. Arbitral Tribunal has stayed the letter dated 08.05.2020 till completion of the arbitration.

The proceedings of the Arbitral Tribunal are continuing and is expected to be concluded shortly.

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 Umesh Kumar & Associates, Practicing Company Secretaries (COP No. 8361), to conduct the Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report, in Form MR-3, for the financial year 2022-23, is annexed as **Annexure III**.

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

Based on the recommendations of the Audit Committee, the Board appointed M/s Umesh Kumar & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit for the financial year 2023-24.

Cost Auditors

The Board of Directors, based on the recommendation of the Audit Committee, had appointed M/s G R & Co, a Practicing Cost Accountant (Membership No. 30294), as the Cost Auditor for the financial year 2022-23 for auditing the cost records of the Company. M/s G R & Co. has submitted the Cost Audit Report for Financial Year 2022-23, which is annexed as **Annexure IV**. 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, re-appointed M/s G.R. & Co. for the Financial Year 2023-24 for auditing the cost records of the Company maintained pursuant to Section 148 (1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended.

The agenda item for obtaining requisite approval of the shareholders for the fees payable to the Cost Auditors for conducting the audit for the Financial Year 2023-24 has been included in the notice of Annual General Meeting.

Particulars of Loans, Guarantees or Investments under Section 186

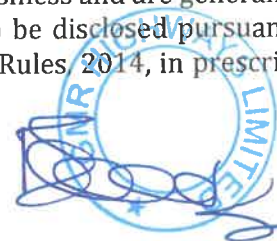
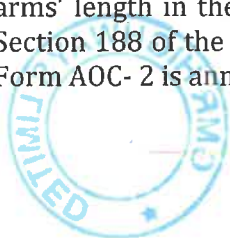
The Company is engaged in the business of providing infrastructural facilities and hence exempted from the provisions of section 186 except sub-section (1) of the Companies Act, 2013 under sub-section (11) of the said section w.r.t. loans given, Investments made, guarantee given and security provided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

Further, during the financial year 2022-23, the Company invested into Compulsorily Convertible Debentures (CCDs) of GMR Krishnagiri SIR Limited and GMR SEZ & Port Holdings Limited, related parties. Further, details of investments are appearing at note no. 6 of the Notes to Accounts of the financial statements

Particulars of Contracts or arrangements with related parties

Company presents a detailed landscape of all related party transactions 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.

Since during the year under review, most of the transactions entered with related parties were in accordance with the Related Party Transaction Policy of the Company and in the ordinary course of business and are generally at arms' length in their context. Further, the particulars of transactions as required to be disclosed pursuant to Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC- 2 is annexed as **Annexure V**.



Material changes and commitments if any, affecting financial position of the Company which have occurred between the end of the Financial Year and 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 2022-23 to which the financial statements relate and the date of the report except the effect on the financial statements due to the order of Hon'ble NCLT, Mumbai dated August 03, 2022 sanctioning the Composite Scheme of Arrangement for Amalgamation of GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited (Transferor Companies), GMR Highways Limited ("Transferee Company") which become effective w.e.f. August 11, 2022.

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 management, confirm in respect of the audited financial statements for the year ended March 31, 2023 that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (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 devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Statement indicating Development and Implementation of Risk Management Policy for the Company including Identification of Elements of Risk, if any, which in opinion of 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.

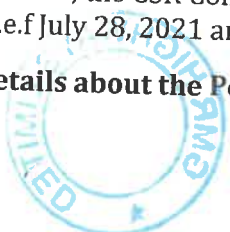
As a matter of Policy, risks are assessed and steps as appropriate are taken to mitigate the same.

Disclosure on Corporate Social Responsibility

During the year under review, in the absence of profits of the Company during the last financial year, the Board of Directors did not recommend any amount for incurring on any CSR activities.

Further, the CSR Committee of the Board pursuant to Section 135 (9) of the Companies Act, 2013, was dissolved w.e.f July 28, 2021 and the powers of the CSR Committee is being exercised by the Board.

Details about the Policy developed & implemented



The Corporate Social Responsibility Policy, as updated as per the amended provision of Companies Act, 2013 and relevant rules made thereunder, as approved by the Board is annexed as **Annexure VI**. The Corporate Social Responsibility Policy is also available on the website of the Company i.e. https://gmrpui.com/pdf/GHWL_CSRPolicy.pdf

Audit Committee

During the financial year, the Audit Committee of the Board duly complied with the requirement of Section 177 of the Companies Act, 2013 read with Rules framed thereunder. During the year, Audit Committee was reconstituted w.e.f. September 26, 2022, due to completion of second tenure of Mr. K P Rao and Dr. Kavitha Gudapati, erstwhile Committee members and inclusion of Mr. Mohan Rao Murthy as member and chairman of Audit Committee post his appointment of as Independent Director of the Company.

Present Composition of the Audit Committee is as follows viz.

1. Mr. Mohan Rao Murthy
2. Mr. S Rajagopal
3. Mr. O Bangaru Raju

The Audit Committee met Seven (7) times during the year viz. April 29, 2022, July 21, 2022, September 06, 2022, October 21, 2022, January 20, 2023, March 15, 2023 and March 27, 2023, the details of which are given below:

S.L No	Name of Members	Designation	Attendance of Members		
			Held	Entitled to Attend	Attended
1	Mr. Mohan Rao Murthy [^]	Chairman	7	4	4
2	Mr. S Rajagopal	Member	7	7	7
3	Mr. O Bangaru Raju	Member	7	7	7
4	Mr. KP Rao [#]	Chairman	7	3	3
5	Dr. Kavitha Gudapati [§]	Member	7	3	Nil

[^]appointed as Independent Director w.e.f. September 26, 2022

[#]ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

[§] ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

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

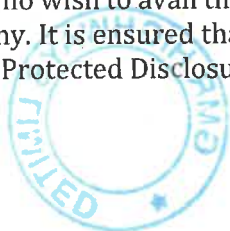
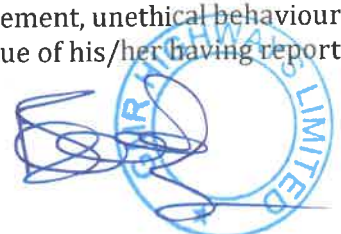
Establishment of Vigil Mechanism

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 a 'Whistle Blower Policy' and the same is also available on the website of the Company i.e. https://gmrpui.com/pdf/GHWL_Policy_on_Whistle_Blower.pdf

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

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. During the year, Nomination and Remuneration Committee was reconstituted w.e.f September 26, 2022, due to completion of second tenure of Mr. K P Rao and Dr. Kavitha Gudapati, erstwhile Committee members and inclusion of Mr. Mohan Rao Murthy as member and chairman of Nomination and Remuneration Committee post his appointment as Independent Director of the Company.

The present composition of Nomination and Remuneration Committee is as follows:

1. Mr. Mohan Rao Murthy
2. Mr. B.V.N. Rao
3. Mr. S Rajagopal

The Nomination and Remuneration Committee met two (2) times during the year viz. April 29, 2022 and July 21, 2022, the details of which are given below:

Nomination and Remuneration Committee meetings attendance details:

S.L No	Name of Directors	Designation	Attendance of the Members		
			Held	Eligible to Attend	Attended
1	Mr. Mohan Rao Murthy [#]	Chairman	2	Nil	Nil
2	Mr. B.V.N. Rao	Member	2	2	2
3	Mr. S Rajagopal	Member	2	2	2
4	Mr. K. P Rao [*]	Chairman	2	2	2
5	Dr. Kavitha Gudapati [^]	Member	2	2	Nil

[#]appointed as Independent Director w.e.f. September 26, 2022

^{*} ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

[^] ceased to be an Independent Director due to completion of tenure w.e.f. September 07, 2022

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 of the Company is annexed as **Annexure VII** and is also available on the Company's website at https://gmrpui.com/pdf/GHWL_Nomination&Remuneration_Policy.pdf.

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 in its Meeting held on July 31, 2015.

Pursuant to the applicable provisions of the Act the Board has carried out an annual evaluation of its own performance, performance of the individual Directors as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee of the Company ("NRC") has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The performance of the Board and its functioning were evaluated based on various criteria including expertise and experience of the Board, industry knowledge, diversity, Board Meeting procedure, Board Development, succession planning, etc. All committees of the Board were evaluated based on various criteria



including their function and duties, periodical reporting to the Board along with their suggestions and recommendations and procedure of the Meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated by the Independent Directors. The evaluation of Chairperson was done based on criteria which among others included managing relationship with shareholders and employees, board, management and leadership qualities. The performance of Executive Directors as well as Independent Directors have been evaluated by whole Board based on the criteria which includes participation at Board/Committee Meetings, managing relationships with other fellow members and Senior management, personal attributes like ethics and integrity, etc. The Board and NRC reviewed the performance of the Board, its Committees, Chairman and of the Directors. The same was discussed in the Board Meeting and the feedback received from the Directors on the performance of the Board and its Committees was also discussed. The Board was satisfied with the performance of the Board, Board Committees, and individual Directors, and the Chairman.

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.

However, Hon'ble (NCLT) Mumbai passed the order dated August 03, 2022, sanctioning the composite scheme of Arrangement for Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited and GMR Highways Limited and their Respective Shareholders which is effective w.e.f. August 11, 2022.

Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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 was conducted by M/s M Bhaskara Rao & Co., Chartered Accountants who was appointed as Internal Auditor for the financial year 2022-23. Internal Audit Reports are reviewed by the Audit Committee on a quarterly basis which are then placed before the Board for their noting.

IBC Code & One-time Settlement

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any Bank or Financial Institution.

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



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

Acknowledgements

Your Directors take this opportunity to express their sincere thanks and gratitude to Yes Bank, IDBI Bank and Statutory Auditors M/s Girish Murthy & Kumar, Chartered Accountants for their support.

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

Place: New Delhi
Date: 25.07.2023

For and on behalf of the Board



B.V.N. Rao
Chairman
DIN:00051167

Form AOC- I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries¹

(Figures in Rs.)

Sr. No	Name of the Subsidiary	GMR Pochanpalli Expressways Limited	GMR Ambala-Chandigarh Expressways Private Limited	GMR Chennai Outer Ring Road Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.
3.	Share capital	1,380,000,000	982,380,000	300,000,000
4.	Reserves & surplus/ Other Equity	1,60,53,07,202	(3,53,65,51,179)	13,96,77,372
5.	Total assets	6,95,36,04,418	2,85,90,31,893	6,68,26,37,538
6.	Total Liabilities	6,95,36,04,418	2,85,90,31,893	6,68,26,37,538
7.	Investments	0	0	0
8.	Turnover	57,77,37,241	71,49,96,762	76,12,16,431
9.	Profit/ (Loss) before taxation	53,27,81,642	(44,96,60,595)	41,40,61,211
10.	Current tax +Deferred Tax+ Tax of prior years	9,32,69,757	0	0
11.	Profit/ (Loss) after taxation	43,95,11,885	(36,26,10,595)	41,40,61,211
12.	Proposed Dividend	-	-	-
13.	% of shareholding ²	74.48%	80.32%	59.18%



¹ Pursuant to the Hon'ble NCLT Mumbai order dated August 03, 2022, approving the Composite Scheme of Arrangement for Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited ("Transferor Companies"), GMR Highways Limited ("Transferee Company") and their respective Shareholders & Creditors, our subsidiaries' namely GMR Tuni-Anakapalli Expressways Limited and GMR Tambaram Tindivanam Expressways Limited amalgamated with the Company with effect from effective date i.e. August 11, 2022 and appointed date April 01, 2019 accordingly their details not considered while preparing Form AOC-1.

² % Share held includes direct/indirect holding of equity shares and preference shares carrying voting rights.

(Figures in Rs.)


Sr. No	Name of the subsidiary	GMR Hyderabad Vijayawada Expressways Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
3.	Share capital	50,000,000
4.	Reserves & surplus/ Other Equity	(11,40,75,11,221)
5.	Total assets	19,23,42,65,197
6.	Total Liabilities	19,23,42,65,197
7.	Investments	0
8.	Turnover	4,49,64,83,035
9.	Profit/ (Loss) before taxation	(1,33,70,98,278)
10.	Current tax +Deferred Tax+ Tax of prior years	0
11.	Profit/ (Loss) after taxation	(1,33,70,98,278)
12.	Proposed Dividend	-
13.	% of shareholding ³	72.21%

For and on behalf of the Board




B.V.N. Rao
Director
DIN:00051167


O. Bangaru Raju
Managing Director
DIN 00082228


Vikas Bansal
Chief Financial Officer


Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 25.07.2023

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

³ % Share held includes direct/indirect holding of equity shares and preference shares carrying voting rights.

Annexure II - Remuneration Data

Name	Designation	Remuneration Received (in Cr.)	Nature of Employment (Whether contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of Employment	Age (Yrs)	Previous employment
Paramjeet Singh	Senior Lead - Secretarial	0.31	Regular	C.S	18.38	04.10.2016	47	Hindustan Powerprojects Pvt. Ltd.
Vikas Bansal	Operations Manager - F&A	0.23	Regular	C.A	15.63	07.01.2019	39	Soma Indus Varanasi Aurangabad Tollways Pvt Ltd

None of the Employees is the relative of Director nor holds any percentage of shareholding in the Company



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

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

To,
The Members of
GMR Highways Limited
(CIN No. U45203MH2006PLC287171)
Naman Centre, 701, 7th Floor, Opp. Dena Bank
Plot No. C-31, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Highways Limited** (hereinafter called the Company) for the financial year ended on 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 (Audit Period), 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under: *(Not Applicable)*
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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; *(Not applicable)*
- (v) The company being an unlisted public company and subsidiary of **GMR Power and Urban Infra Limited (Holding Company w.e.f. 31st December, 2021 as per NCLT Order)**, a listed Company, the following Acts, Rules, Regulations and Guidelines are *not applicable*:

The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(vi) **OTHER APPLICABLE ACTS,**

- (a) Maternity Benefits Act, 1961
- (b) Payment of Wages Act, 1936, and rules made thereunder,
- (c) The Minimum Wages Act, 1948, and rules made thereunder,
- (d) Employees' State Insurance Act, 1948, and rules made thereunder,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- (f) The Payment of Bonus Act, 1965, and rules made thereunder,
- (g) Payment of Gratuity Act, 1972, and rules made thereunder,
- ~~(h) The Contract Labour (Regulation & Abolition) Act, 1970~~
- (i) Prevention of Money Laundering Act, 2002

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; (***Not Applicable***)
- (iii) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 to the extent it is applicable as the Company is a subsidiary of Listed Company.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. .

Except in case of meetings convened at shorter notice, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, the decision of the board was unanimous and accordingly no dissenting members' views have been recorded.

I further report that there are adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and Guidelines.

I further report that during the audit period, the following specific events / actions took place in the Company having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.;

1. The composite scheme of amalgamation and arrangement for amalgamation ("Scheme") of GMR Tuni-Anakapalli Expressways Limited (GTAEL) ("Transferor Company 1") and GMR Tambaram Tindivanam Expressways Limited (GTTEL) ("Transferor Company 2") with GMR Highways Limited ("Transferee

Company", "Company") was approved by the Hon'ble National Company Law Tribunal, Mumbai bench ("the Tribunal") vide its order dated August 03, 2022 with appointed date of April 01, 2019. The said Tribunal order was filed with the Registrar of Companies by the Company, GTAEL and GTTEL on August 11, 2022 thereby the Scheme becoming effective on that date accordingly the report and the related annexure have been re stated.

New Delhi
July 06, 2023

Umesh Kumar & Associates
Practicing Company Secretary
M. No 21567, COP No.: 8361
Peer Review Cert. No. 1895/2022
UDIN: A021567E000557311

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To,
The Members of
GMR Highways Limited
(CIN No. U45203MH2006PLC287171)
Naman Centre, 701, 7th Floor, Opp. Dena Bank
Plot No. C-31, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished are the responsibilities of the management of the company.
3. I 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. I believe that the processes and practices, we followed, provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
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.

New Delhi
July 06, 2023

Umesh Kumar & Associates
Practicing Company Secretary
M. No 21567, COP No.: 8361
Peer Review Cert. No. 1895/2022
UDIN: A021567E000557311

G.R & Co.
COST ACCOUNTANT

Annexure IV-Cost Audit Report

**No.259, 2nd Floor,
10th Cross, 2nd Main,
Padmanabhanagar,
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 Highways Limited

Naman Centre, 7th Floor, Opp. Dena Bank, Plot No.C-3 G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai City MH 400051

I, Geetha R, having been appointed as a cost auditor under section 148(3) of companies act 2013 (18 of 2013) of GMR Highways Limited having its registered office at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No.C-3 G Block, Bandra Kurla Complex, Bandra (East) Mumbai City MH 400051 (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, for the year 2022-23 maintained by the company.

- i. The audit of cost records have been made in conformity with the Cost Auditing Standards issued by the Institute of Cost Accountants of India.
- ii. I have obtained all the information and explanation, which to the best of my knowledge and belief were necessary for the purpose of audit.
- iii. 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 of service under reference.
- iv. In my opinion, proper returns adequate for the purpose of the cost audit have been received from the branches not visited by me.
- v. 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.

- vi. 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.
 - vii. 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.
 - viii. In my opinion, the company has provided the required certified cost statements and schedules for each service.
 - ix. Detailed 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.
-

Sd/-

DATE:25-07-2023
PLACE: BANGALORE

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

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)

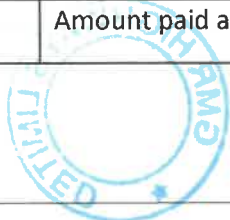
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

SL. No.	Particulars	Details	
(a)	Name(s) of the related party & nature of relationship	GMR Hyderabad Vijayawada Expressways Private Ltd (Subsidiary Company)	GMR Pochanpalli Expressways Limited (Subsidiary Company)
(b)	Nature of contracts/arrangements /transactions	Major Maintenance Agreement	3 rd Major Maintenance Works
(c)	Duration of the contracts / arrangements/ transactions	2020-21; 2021-22 & 2022-23	5 years
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<ol style="list-style-type: none"> Major maintenance works for the entire stretch (excluding the completed portion during FY 2019-20) of the project highway will be carried out by GMR Highways Ltd (GHWL) at an internal estimated cost of Rs. 115.18 Cr. (excluding GST) GHWL will raise TAX Invoice every month. Payment will be made after joint measurement between GHWL and the Company. Any variation / NS items will be undertaken within the budgeted amount and will be billed as per the prevailing market rates. Variation item cost should not be more than 2% of the estimated cost. If the cost of variation items exceeds 2%, the same will be carried through a variation order. 	3 rd Major Maintenance Agreement executed with effect from April 01, 2024 at an estimated value of Rs. 130 crores.

(e)	Justification for entering into such contracts or arrangements or transactions'	The Company needs to carry out major/ periodic maintenance of the roads as and when the roughness index falls below the threshold limit and as such, since some stretches on Main Carriageway requires overlay as roughness index on these locations has fallen below the threshold limits.	As the work was to be carried out after a period of 5 years, the other contractors were not willing to give a firm quote at the time of Board approval. Accordingly, GMR Pochanpalli Expressways Limited approached the Company and entered into an agreement for carrying out this work.
(f)	Date of approval by the Board	25/07/2020	25/07/2020
(g)	Amount paid as advances, if any	NIL	NIL
(h)	Date on which the resolution was passed in general meeting as required under first proviso to section 188	31/07/2020	31/07/2020

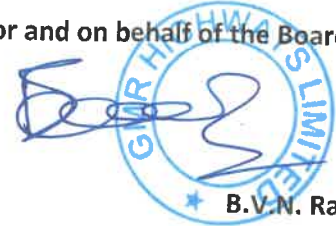
SL. No.	Particulars	Details
(a)	Name(s) of the related party & nature of relationship	Grandhi Enterprises Pvt. Ltd Company having Common Director
(b)	Nature of contracts/arrangements/transactions	Lease Agreement
(c)	Duration of the contracts / arrangements/ transactions	From February 16, 2021 to March 31, 2021 and From April 01, 2021 to March 31, 2024
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Lease agreement for the office space located at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No.C-31 G Block, Bandra Kurla Complex, Bandra (East) Mumbai -400051 from From February 16, 2021 to March 31, 2021 and From April 01, 2021 to March 31, 2024 on the basis of Lease Agreement.
(e)	Justification for entering into such contracts or arrangements or transactions'	GMR Highways Limited already had a Lease agreement with Grandhi Enterprises Private Limited for Naman Centre, Mumbai premises, the term of which is till March 31,2021. The latest Rent agreement which is being executed will be valid till March 31, 2024
(f)	Date of approval by the Board	22/01/2021
(g)	Amount paid as advances, if any	Nil



(h)	Date on which the resolution was passed in general meeting as required under first proviso to section 188	NA
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2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

For and on behalf of the Board



B.V.N. Rao

Chairman

DIN: 00051167

Place: New Delhi

Date: 25.07.2023

Annexure VI- Corporate Social Responsibility Policy

Corporate Social Responsibility (CSR) Policy of GMR Highways Limited (GHWL)

PREAMBLE

The Ministry of Corporate Affairs has enacted the Companies Act, 2013 replacing the old law, the Companies Act, 1956, regulating the Companies in India.

As per Section 135 of the Companies Act, 2013 (Act) read with the Companies (Corporate Social Responsibility) Rules, 2014 (CSR Rules), every Company having net worth of Rs. 500 Crore or more or turnover of Rs. 1,000 Crore or more or a Net Profit of Rs. 5 Crore or more during the immediately preceding Financial Year shall constitute a Corporate Social Responsibility Committee of the Board and shall continue to have such Committee till the time company requires to have such Committee under Section 135 of the Act read with CSR Rules or as may be decided by the Board.

Further, in view of the amendments notified by the Companies Amendment Act, 2020 effective from January 22, 2021, Section 135 (9) of the Companies Act, 2013 states that where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company

The Section also requires to formulate a CSR Policy, which shall indicate the activities to be undertaken by the Companies as specified in Schedule VII of the Companies Act, 2013 and requires that the Board of Directors shall ensure that the company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The key thrust areas are (i) Education; (ii) Health, Hygiene & Sanitation; (iii) Empowerment, Livelihoods and Community Development. Implementation of various activities under these three verticals will be either directly by Company or with the professional support of M/s GMR Varalakshmi Foundation (**Implementing Agency**) from planning to execution.

In the above background and as mandated by provisions of the Companies Act, 2013, the following is the CSR Policy of the Company.

Corporate Social Responsibility (CSR) Policy

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 (i) Education, (ii) Health, Hygiene and Sanitation, (iii) Empowerment, Livelihood and Community Development.

Guiding Principles for selection & Implementation of projects / programs under CSR Policy:

The Company will carry out its CSR activities on its own or contribute funds to GMRVF or any other eligible implementing agency, to carry on activities / multiyear projects or programs as indicated below. While the geographic focus of the CSR activities can be in and around the business operational area, the company can support activities in any part of India, as per the Annual Action Plan, approved by the CSR Committee and the Board.

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 programs and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health

iii) **Empowerment & Livelihoods and Community Development:**

- 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

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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

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) **Benefit to Armed Forces:**

- measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

viii) **Sports:**

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

ix) **Contribution to Funds set up by Government:**

- Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;

x) **Contribution towards Science and Technology:**

- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and Autonomous Bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).;

xi) **Rural Development:**

- rural development projects;

xii) **Slum Area Development:**

Explanation: 'Slum Area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

xiii) **Disaster management:**

- Disaster Management, including relief, rehabilitation and reconstruction activities.

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

It may be noted that the above activities are indicative and are activities that the company may at any point of time engages but all such activities may not be taken up by the Company during the year. While the activities undertaken in pursuance of the CSR policy must be relatable to Schedule VII of the Companies Act 2013, the entries in the said Schedule VII must be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule. The items enlisted in the amended Schedule VII of the Act, are broad-based and are intended to cover a wide range of activities.

The expenditure incurred for the following activities shall not be treated as CSR activity by the Company:

- Activities undertaken in pursuance of the normal course of business;
- (ii) activities undertaken outside India (*except for training of Indian sports personnel representing any state or union territory at national level or India at international level*);
- activities that benefit exclusively the employees of the company;
- Contribution to political parties;
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act, etc.)

Surplus from CSR Activities:

Any surplus arising out of the CSR activity shall:

- not form part of business profits of the Company;
- should be ploughed back into the same project from which it has generated or shall be transferred to Unspent CSR Account of the Company, maintained separately for such surplus;
- Should be spent within 3 years from the date of such transfer to the Unspent CSR Account or transfer to a Fund specified in Schedule VII within a period of 6 months from the expiry of the financial year as decided by the CSR Committee and as per the Annual Action plan of the company;
- Should not form part of Excess amount available for set-off with CSR obligation in immediately succeeding financial years.

Monitoring of CSR Activities

At the beginning of each financial year, the Board/ CSR Committee of the Board, if any, will prepare a list of CSR Projects/ Activities/Programs which the Company proposes to undertake during the financial year, specifying the modalities of execution in the areas/sectors chosen with implementation schedules for approval of the Board.

The Board/ CSR Committee of the Board, if any, will devise a mechanism for various CSR Projects / Programs / Activities undertaken by the Company including conduct of impact studies of CSR Projects / Programs on a periodic basis, through independent third party agencies according to the CSR Rules.

The Board/ CSR Committee of the Board, if any, will convene a meeting at least once every year to approve and review the progress of CSR projects, if applicable and monitor, review and evaluate the operations of the CSR Programs at such frequency as it may deem fit to ensure orderly and efficient implementation of the CSR Programs in accordance with the CSR Policy. The composition of CSR committee, the CSR Policy and Projects approved by the Board will be uploaded on the Company's website so that it is available in the public domain.

The Company's approach to the above CSR activities or projects may also be based on partnership with the Government or like-minded not for profit organizations, agencies, etc.

The Company may carry out an impact assessment to know the results of its CSR activities being undertaken by the Company and review periodically to identify and assess the gaps, if any, in the approach and attend to mid-course corrections.

Annual Action Plan:

The CSR activities can be undertaken either specific for a one year or can undertake period to multi-year projects. The Board/ CSR Committee of the Board, if any, every year will approve/propose an Annual Action Plan respectively. This Annual Action plan with detail the following:

- a. *The list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;*
- b. *The manner of execution of such projects or programs;*
- c. *The modalities of utilization of funds and implementation schedules for the projects or programs;*
- d. *Monitoring and reporting mechanism for the projects or programs;*
- e. *Details of need and impact assessment, if any, for the projects undertaken by the company: Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.*

AMENDMENT:

Any amendment or modification in the Companies Act, 2013 and any other applicable regulations relating to the CSR Policy shall automatically be applicable to the Company.

BACKGROUND OF GMRVF

About GMR Varalakshmi Foundation:

GMR Varalakshmi Foundation (GMRVF) is the Corporate Social Responsibility arm of the GMR Group. Its mandate is to develop social infrastructure and enhance the quality of lives of communities, especially those around the locations where the Group has a presence. Its Vision is to make sustainable impact on the human development of underserved communities through initiatives in education, health and livelihoods.

GMRVF is a Section 8 (not-for-profit) company registered under Section 12A and 80G of the Income Tax Act, 1961 and with requisite track record as required under the Companies Act, 2013, read with the applicable Rules. It is governed by a Board chaired by the Group Chairman, GMR Group. It has its own professional staff drawn from top educational and social work institutions. GMRVF has been in existence for nearly two decades.

GMRVF is organized in three wings: The Education Wing sets up and runs quality educational institutions, from pre-school to post-graduate level, towards making quality education accessible to all sections of the community, especially in under-served areas; the Health Wing sets up and runs healthcare establishments to provide quality healthcare in under-served areas; the Community Services Wing works with underprivileged communities to enhance their lives and livelihoods. The Community Services Wing has staff of qualified and experienced social-work professionals.

Nomination and Remuneration Policy

Table of Contents

1. Introduction.....	3
1.1. Purpose of the Policy.....	3
1.2. Definitions.....	3
1.3. Interpretation.....	4
2. Nomination and Remuneration Committee	5
2.1. Role of the Committee.....	5
2.2. Composition of the Committee.....	5
2.3. of the Committee.....	6
2.4. Frequency of the Meetings of the Committee	6
2.5. Committee Member's Interest.....	6
2.6. Voting at the Meeting	6
2.7. Minutes of the Meeting.....	6
3. Applicability.....	7
4. Appointment and Removal of Directors, KMP and Senior Management Personnel.....	8
4.1. Appointment criteria and qualifications	8
4.2. Term / Tenure.....	8
4.3. Facilitation of Independent Director	9
4.4. Evaluation	9
4.5. Removal	9
4.6. Retirement.....	9
5. Provisions relating to Remuneration of Managerial Personnel, KMP and Senior Management Personnel.....	10
5.1. General	10
5.2. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees	10
5.3. Remuneration to Non-Executive / Independent Director	11
6. Disclosures.....	12
7. Amendment.....	13

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 Power and Urban Infra 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 Power and Urban Infra 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 Highways 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.

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

5.1. 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.

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

5.2.1. 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.

5.2.2. 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.

5.2.3. 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.~~

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

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

5.3. Remuneration to Non-Executive / Independent Director

5.3.1. 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.

5.3.2. 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.

5.3.3. 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.

5.3.4. Stock Options

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

6. DISCLOSURES

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

7. 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.

INDEPENDENT AUDITOR'S REPORT

To the members of GMR Highways Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of GMR Highways Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements for the year ended 31st March, 2023 give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2023, its losses, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the accompanying Standalone IND AS financial statements for the year ended March 31, 2023.

- A. We draw the attention to Note no 36 of the accompanying financial statements for the year ended March 31, 2023, relating to the investment of Rs. 274.07 Crores (including loans of 77.53 Crores and investment in equity/ preference shares of Rs.196.54 Crores made by the company in GMR Ambala Chandigarh Expressways Private Limited (GACEPL) a subsidiary of the company. Though GACEPL has been incurring losses, and the net worth is negative, based on the management's assessment and the legal opinion on the tenability of appeal before Hon'ble Supreme Court, in respect of claim before NHAI, Government of Haryana and Punjab for loss of revenue, such investment has been carried at cost. Our opinion in this regard is not qualified.

- B. We draw your attention to Note no.37 of the accompanying financial statements for the year ended March 31, 2023, regarding the carrying value of investment of Rs.650.37 crores in GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL). Though the liabilities of

GHVEPL exceeds the total assets of the company, and has been incurring losses since its inception, based on the management's valuation assessment and the legal opinion on the compensation from proceedings initiated by the company against NHAI for loss of revenue, before Delhi High Court, such investments have been carried at cost. Our opinion in this regard is not qualified.

- C. We draw your attention to Note no.37 of the accompanying financial statements for the year ended March 31, 2023, relating to uncertainty in the matter of restriction of concessionaire period of GHVEPL by NHAI to 15 years as against the initially envisaged period of 25 years, which the subsidiary is contesting before arbitration tribunal and based on independent legal opinion is confident on getting relief. However, the financials of the subsidiary does not carry any adjustments in the financial statements on account of the above. In line with the same view, the company has not made any adjustments to the carrying of investments in the financial statements of the Company.

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

Amalgamation of GTT and GTA pursuant to the Composite Scheme of Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited (the "Transferor Companies"), GMR Highways Limited (the "Transferee Company") and their shareholders & creditors as sanctioned by Hon'ble NCLT, Mumbai vide its order dated 3rd August, 2022

We did not audit the financial statements of erstwhile GMR Tuni Anakapalli Expressways Limited and GMR Tambaram Tindivanam Expressways Limited (the Transferor Companies, which are included in the financial statements pursuant to amalgamation with the Company (refer Schedule 19 Note 5) constituting total assets of Rs.746.12-Crores crore, net assets of Rs. 360.08 Crores crore as at March 31, 2022 and total revenue of Rs. 47.24 Crores for the year then ended. The financial statements and other financial information of the Transferor Companies have been audited by other auditors whose reports have been furnished to us, and our opinion on the financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics

issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

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

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

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

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

Responsibility of Management for Ind AS Financial Statements

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the statement of changes in equity dealt with by this Reports are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rules, 2015 as amended,

- (e) On the basis of written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations other than as disclosed in Note no.33, which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. A. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
B. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
C. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to

believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v. During the year, the Company, neither declared nor paid any dividend. Hence reporting on compliance with provisions of section 123 of the Act does not arise.

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

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A.V. SATISH KUMAR
Partner
Membership number: 026526
UDIN No: 23026526BGXOAF1953
Place: Bangalore
Date: 29-04-2023

" Annexure A" to the Independent Auditors' Report referred to in clause 1 of paragraph on the 'Report on Other Legal and Regulatory Requirements" of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

Re: GMR Highways Limited

I. In respect of the Company's Tangible assets & Intangible assets:

- i. The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant & equipment and there are no intangible assets held by the company during the year.
- ii. The Company has a program of verification to cover all the items of Property, plant & equipment in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Company has carried out physical verification during the earlier year and no major discrepancies have been noticed during such verification.
- iii. In our opinion and according to the information and explanations given to us, the title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is a lessee) disclosed in the financial statements are held in the name of the Company.
- iv. There is no revaluation done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.
- v. There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

II. In respect of details of Company's Inventory & Working capital:

- i. The nature of company's operation does not warrant holding of any stocks. Accordingly, paragraph 3(ii) of the order is not applicable to the company.
- ii. The company, during any point of time of the year, has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

III. a. According to the information and explanations given to us, the Company has made investment in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties as mentioned in notes to accounts note number 6, 7 and 8. The details of the same are given below:

Particulars	Rs. In Crores			
	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount given during the year			52.18	
Balance outstanding as at balance sheet date	55.50		624.60	

Note : Loan outstanding as at balance sheet date not include Equity Component of Loan given.

- b. The investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.
- c. In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular wherever applicable.
- d. According to the information and explanations given to us, there is no amount which is overdue for more than 90 days in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- e. The Company has granted loan(s) or advance(s) in the nature of loan(s) which had fallen due during the year and such loans or advances in the nature of loans were renewed/extended during the year. The details of the same has been given below:

Name of the Borrower	Aggregate amount of existing loans renewed - INR in crores	Percentage to the total loans granted during the year(Including the renewed loans-%

Namitha Real Estate Pvt Ltd	1.00	0.39%
GMR SEZ & Port Holdings Pvt Ltd	98.34	38.63%
GMR Power and Urban Infra Limited (EPC)	11.05	4.34%
GMR Ambala Chandigarh Expressways P Ltd	4.01	1.58%
GMR Hyderabad Vijayawada Expressways Pvt Ltd	87.99	34.56%

- f. During the year, the Company has not granted loans, which are repayable on demand.
g. There are no loans wherein the terms or period of repayment were not specified .

IV. In our opinion and according to the information and explanation given to us the company has not granted any loan, made any investments, gave any guarantee or provided security in connection with a loan to any other body corporate or person in contravention of section 185 and 186 of the Companies Act,2013.

V. According to the information and explanation given to us the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

VI. We have broadly reviewed the books of account maintained by the Company, pursuant to the Rules made by the Central Government of India, the maintenance of cost records as prescribed under sub-section (1) of section 148 of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

VII. In respect of Deposit of Statutory liabilities:

- a. In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

VIII. According to the information and explanations given to us and the records of the company examined by us we have not come across any instances of any transactions which are not recorded in the accounts that have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the income tax act, 1961.

IX. a. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the company has not delayed in the repayment of loans taken from lender & interest thereof during the year, except that interest payable to Bankers of Rs.43.20 crores has been delayed by a period ranging from 26 to 87 days, and principal payable to lenders of Rs.47.20 crores of repayment has been delayed by a period ranging from 9 to 88 days.

- a) The company has not taken any loan from Government and the company has not issued any debentures.
- b) The company is not declared as willful defaulter by any bank or financial institution or any other lender.
- c) In our opinion and according to the information and explanations given to us, money is not raised by way of term loans during the year.
- d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates.
- f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X.

- a. According to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement

of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

However, during the year, the company has issued shares to GGAL on effect of GTT and GTA merger into GHWL as per the NCLT Order. Please refer note no. 14 for share capital issued.

- XI. a. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud by the company or on the company by its officers or employees of the company during the year. Further there were no whistle blower complaints received during the year.
- b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- XII. In our opinion and according to the information and Explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the order is not applicable.
- XIII. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV. The company has an adequate internal audit system to commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered.
- XV. According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that that the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 of the order is not applicable.
- XVI. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- XVII. The company has incurred any cash losses of Rs. 206.86 Crs in the financial year and of Rs. 131.35 Cr in the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

XX.

- a. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause (xx) of the Order is not applicable to the Company.
- b. The company does not have any unspent amount with respect to the obligations under Corporate Social Responsibility. Therefore, the company is not liable to transfer any amount neither to the Fund specified under Schedule VII to the Companies Act, 2013 nor to the Special Account according to the provisions of Section 135 of Companies Act, 2013.

XXI. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

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A.V. SATISH KUMAR

Partner

Membership number: 026526

UDIN No: 23026526BGXOAF1953

Place: Bangalore

Date: 29-04-2023

Annexure B to Auditors' Report of even date

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

We have audited the internal financial controls over financial reporting of GMR Highways Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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NKATA SATISH SATISH KUMAR
KUMAR Date: 2023.04.29
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A.V. SATISH KUMAR

Partner

Membership number: 026526

UDIN No: 23026526BGXOAF1953

Place: Bangalore

Date: 29-04-2023

GMR HIGHWAYS LIMITED

CIN: U45203MH2006PLC287171

**Financial Statement for the Year Ended
31 March 2023**

Board of Directors

B V N Rao, Director

O Bangaru Raju, Managing Director

Madhva B. Terdal , Director

Mohan Rao Murthy, Independent Director

Sridevi Venisheety, Woman Director

S. Rajagopal, Independent Director

Vikas Bansal, Chief Financial Officer

Paramjeet Singh, Company Secretary

Statutory Auditors

Girish Murthy & Kumar

Bankers

IDBI Bank Limited

Kotak Mahindra Bank Ltd

Yes Bank

Registered Office Address

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

GMR Highways Limited
CIN: U45203MH2006PLC287171
Balance Sheet as at March 31, 2023

Rupees in Lacs

	Note	As At March 31, 2023	As At March 31, 2022
ASSETS			
Non Current Assets			
(a) Property, plant and equipment	3	5.97	8.66
(b) Investment property	5	1,605.74	1,610.40
(c) Other Intangible assets	4	-	0.00
(d) Financial Assets			
(i) Investments	6	140,828.50	92,569.26
(ii) Loans	7 (i)	52,091.47	64,949.99
(iii) Other Financial Assets	8 (i)	26,966.52	35,582.09
(e) Non Current Tax Assets (Net)	11	789.95	1,044.86
(f) Other Non Current Assets	13 (i)	134.43	87.80
Total Non-Current Assets		222,422.58	195,853.06
Current Assets			
(a) Financial Assets			
(i) Current Investments	6 (i)	-	-
(ii) Loans	7 (ii)	10,368.65	36,931.44
(iii) Trade Receivables	9	2,126.88	2,820.84
(iv) Cash & Cash Equivalents	10 (i)	30,133.79	83.88
(v) Bank balances other than cash and cash equivalents	10 (ii)	1.71	1.63
(vi) Other Financial Assets	8 (ii)	14,287.81	22,717.29
(b) Other Current Assets	13 (ii)	443.94	803.22
Total Current Assets		57,362.78	63,358.30
TOTAL ASSETS		279,785.36	259,211.36
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	84,333.47	77,544.05
(b) Equity share capital pending issuance		-	6,789.42
(c) Other Equity	15	48,436.94	61,431.28
Total Equity		132,770.41	145,764.75
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	96,673.45	73,559.82
(ii) Other Financial Liabilities	19 (i)	36.18	20.33
(b) Provisions	20 (i)	-	-
(c) Deferred Tax Liabilities (Net)	12	-	-
Total Non-Current Liabilities		96,709.63	73,580.15



GMR Highways Limited
 CIN: U45203MH2006PLC287171
 Balance Sheet as at March 31, 2023

Rupees in Lacs

	Note	As At March 31, 2023	As At March 31, 2022
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	30,160.44	21,279.10
(ii) Trade payables			
(a) Total Outstanding dues of micro enterprises and small enterprises	17 A	2,677.51	1,888.06
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprise	17 B	3,598.09	4,558.96
(iii) Other Financial Liabilities	19 (ii)	6,428.37	8,341.83
(b) Provisions	20 (ii)	1,603.53	713.76
(c) Other current liabilities	21	5,837.38	3,084.75
Total Current Liabilities		50,305.32	39,866.46
TOTAL EQUITY AND LIABILITIES		279,785.36	259,211.36
Notes forming part of the financial statements	1-52		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For **Girish Murthy & Kumar**

Firm registration number: 09345

Chartered Accountants

A.V. Satish Kumar

A.V. Satish Kumar

Partner

Membership no.: 26526



For and on behalf of
GMR Highways Limited

O Bangaru Raju

O Bangaru Raju
 Managing Director
 DIN:00082228

B V N Rao

B V N Rao
 Director
 DIN:00051167

Vikas Bansal

Vikas Bansal
 Chief Financial Officer

Paramjeet Singh

Paramjeet Singh
 Company Secretary

Place: New Delhi

Date: 29th April 2023



GMR Highways Limited
CIN: U45203MH2006PLC287171
Statement of Profit & Loss for the Year Ended March 31, 2023

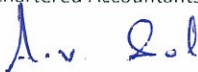
		Rupees in Lacs	
	Note	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from Operation	22	11,493.89	7,753.84
Other Income	23	11,965.66	13,361.32
Total Income		23,459.55	21,115.16
Expenses			
Sub contracting expenses	24	3,758.16	1,723.28
Operation & maintenance expenses	24	7,341.52	5,449.90
Employee benefits expense	25	61.49	86.04
Finance costs	26	15,282.38	13,634.44
Depreciation and amortization expense	27	2.69	2.03
Other expenses	28	173.51	284.75
Total Expenses		26,619.75	21,180.44
Profit / (Loss) for the year before exceptional items and taxation		(3,160.20)	(65.28)
Exceptional Item -	44	(10,083.67)	(5,659.33)
Profit / (Loss) for the year before taxation		(13,243.87)	(5,724.61)
Tax Expense:			
(1) Current Tax		-	-
(2) Tax adjustments of prior years		(251.74)	(294.05)
(3) Deferred Tax		-	-
		(251.74)	(294.05)
Profit / (Loss) for the year after tax		(12,992.13)	(5,430.56)
Other Comprehensive Income			
Re-measurement (loss)/ gains on defined benefit plans		(2.21)	20.18
		(2.21)	20.18
Total comprehensive Income for the year		(12,994.34)	(5,410.38)
-Owners of the Company		(12,994.34)	(5,410.38)
		(12,994.34)	(5,410.38)
Earning per Equity Share:			
- Basic & Diluted	29	(1.54)	(0.64)
Notes forming part of the financial statements	1-52		

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements

As per our Report of even date

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


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



For and on behalf of
GMR Highways Limited


O Bangaru Raju
Managing Director
DIN:00082228


B V N Rao
Director
DIN:00051167


Vikas Bansal
Chief Financial Officer


Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 29th April 2023



GMR Highways Limited
 CIN: U45203MH2006PLC287171
 Statement of Change in Equity for the Year Ended March 31, 2023

A. Equity Share Capital	Rupees in Lacs
	Share capital Rs.
As at March 31, 2021	77,544.05
Changes in Equity Share Capital due to prior period errors	-
Restated balance at April 01, 2021	77,544.05
Share Capital Issued during the year	-
Capital Redution during the Year	-
As at March 31, 2022	77,544.05
Changes in Equity Share Capital due to prior period errors	-
Restated balance at April 01, 2022	77,544.05
Share Capital Issued during the year	6,789.42
Capital Redution during the Year	-
As at March 31, 2023	84,333.47

B. Equity share capital pending issuance

	Amount in Rs.
	Share capital Rs.
As at March 31, 2021	6,789.42
As at March 31, 2022	6,789.42
Cancelled during the year*	(6,789.42)
As at March 31, 2023	-

*Shares issued/cancelled pursuant to the scheme of arrangement

B. Other Equity

	Equity component of financial instrument		Retained Earning	Re-measurement (loss)/ gains on defined benefit plans	Total
	Preference shares	Related Party Loans			
As at March 31, 2021	16,968.23	19,179.49	30,641.37	52.56	66,841.65
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2021	16,968.23	19,179.49	30,641.37	52.56	66,841.65
Net Profit / (Loss)	-	-	(5,430.56)	-	(5,430.56)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	20.18	20.18
As at March 31, 2022	16,968.23	19,179.49	25,210.82	72.74	61,431.28
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2022	16,968.23	19,179.49	25,210.82	72.74	61,431.28
Net Profit	-	-	(12,992.13)	-	(12,992.13)
Actuarial (gain)/loss in respect of defined benefit plan	-	-	-	(2.21)	(2.21)
As at March 31, 2023	16,968.23	19,179.49	12,218.69	70.53	48,436.94

The accompanying notes are an integral part of the financial statements

As per our Report of even date
 For Girish Murthy & Kumar
 Firm registration number: 09345
 Chartered Accountants

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



For and on behalf of
 GMR Highways Limited

O Bangalu Raju
 Managing Director
 DIN:00082228

Vikas Bansal
 Chief Financial Officer

B V N Rao
 Director
 DIN:00051167

Paranjit Singh
 Company Secretary

Place: New Delhi
 Date: 29th April 2023



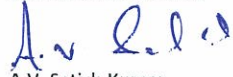
Particulars	Rupees in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the year	(13,243.87)	(5,724.61)
Adjustments For :		
Depreciation and Amortisation	2.69	2.03
Finance Charges	15,282.38	13,634.44
Loss / (Gain) on disposal of assets (net)	(50.16)	-
Exceptional items	10,083.67	5,659.33
Interest Income on Financial Assets	(7,905.93)	(7,913.81)
Interest Income on Bank deposit and others	(3,820.58)	(5,182.97)
Provisions/Liability no longer required written back	(168.34)	(253.86)
Remeasurements of the defined benefit plans	(2.21)	20.18
Profit on sale of Investment	(0.26)	-
	177.38	240.73
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Financial Assets and other non Current Assets	(8,040.24)	(5,771.08)
Decrease / (Increase) in Inventories, Financial Assets and other Current Assets	359.28	2,694.77
Decrease / (Increase) in Trade Receivables	693.96	386.72
Increase / (Decrease) in Trade Payables	(171.41)	(3,034.25)
Increase / (Decrease) in Other Finance Liabilities	(621.40)	(254.33)
Increase / (Decrease) in Provision	1,058.11	839.89
Increase / (Decrease) in Other Current Liabilities and Retention Money	2,752.62	529.57
Cash From/(Used In) Operating activities	(3,791.69)	(4,367.96)
Tax (Paid)/Refund	506.65	429.88
Net Cash From/(Used In) Operating activities	(3,285.04)	(3,938.07)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Addition) / Deletion to Fixed Assets	54.82	(8.17)
Interest Income on Bank deposit and others	1,801.94	2,918.53
Decrease/(Increase) in Loan to related parties	16,041.62	29,249.86
Decrease/(Increase) in Other Bank Balance	(0.08)	777.92
Profit on Sale of Investment	0.26	-
Cash From/(Used In) Investing Activities	17,898.57	32,938.15
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Loan from external parties	(9,874.24)	(5,536.12)
Increase/(Decrease) in Loan from Group Companies (Net)	40,860.66	(12,060.71)
Interest paid on Loan	(15,543.39)	(10,833.50)
Other Finance Charges Paid	(6.64)	(6.85)
Increase/(Decrease) in Short Term Borrowings	-	(685.64)
Cash From/(Used In) Financing Activities	15,436.37	(29,122.80)
Net Increase /Decrease in Cash and Cash Equivalents	30,049.91	(122.73)
Cash and Cash Equivalents as at beginning of the year	83.88	206.61
Cash and Cash Equivalents as at end of the year	30,133.79	83.88



GMR Highways Limited
CIN: U45203MH2006PLC287171
Cash Flow Statement for the Year Ended March 31, 2023

Components of Cash and Cash Equivalents as at:	Rupees in Lacs	
	March 31, 2023	March 31, 2022
Balances with the scheduled banks:		
- In Current accounts	133.79	83.88
- Deposits with less than three months maturity	30,000.00	-
	30,133.79	83.88

As per our Report of even date
For Girish Murthy & Kumar
Firm registration number: 09345
Chartered Accountants


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



For and on behalf of
GMR Highways Limited


O Bangaru Raju
Managing Director
DIN:00082228


B V N Rao
Director
DIN:00051167


Vikas Bansal
Chief Financial Office


Paramjeet Singh
Company Secretary

Place: New Delhi
Date: 29th April 2023



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

1 Corporate information

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

The Company is public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra.

The Company's Holding Company is GMR Power and Urban Infra Limited post demerger of transportation division by GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited) vide NCLT Order w.e.f 31.12.2021 while ultimate Holding Company is GMR Enterprises Private Limited.

2 Significant accounting policies

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

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Rupees in Lacs

2.2 Summary of significant accounting policies

a) Current versus non-current classification

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

An asset has been classified as current if

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is expected to be realized within twelve months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when

- (a) it is expected to be settled in the Company's normal operating cycle; or
- (b) it is held primarily for the purpose of being traded; or
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

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

Advance tax paid is classified as non-current assets.

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

b) Foreign currency and derivative transactions

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

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

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

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

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

(a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(b) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before 31 March 2016:

Exchange differences on long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets. In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long-term foreign currency monetary item by recognition as income or expense in each of such periods.

Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after 1 April 2016:

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

c) Fair value measurement

The Company's measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company's

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company's uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

d) Revenue Recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

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

e) Property, Plant and Equipment

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

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

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

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

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

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

Machinery spares which are specific to a particular item of property, plant and equipment and whose use is expected to be irregular are capitalized as property, plant and equipment.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.

Depreciation on property, plant and equipment is provided on straight line method, up to the cost of the asset (net of residual value, in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 which are as below:

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

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

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

f) Intangible assets

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

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

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

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

h) Taxes

Tax expense comprises current and deferred tax.

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

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

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

i) Borrowing costs

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

j) Inventories

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

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

k) Lease

Finance Leases:

Where the Company is the lessee

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

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

Operating Leases:

Where the Company is the lessee

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

- (i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
- (ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

l) Impairment

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

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

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

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

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

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

Contingent Liabilities

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

Provisions

Provisions are recognized 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 recognized 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 recognized as a finance cost.



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

n) Retirement and other Employee Benefits

Short term employee benefits and defined contribution plans.

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

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

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

Compensated absences

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

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

Defined benefit plans

Gratuity

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

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

Remeasurements

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

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

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

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

o) Financial Instruments

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

Financial assets

Initial recognition and measurement

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

Subsequent measurement

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

Debt instruments at amortised cost

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

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

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

Derecognition

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

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

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

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

Impairment of financial assets

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

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

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



GMR Highways Limited
(CIN: U45203MH2006PLC287171)

Notes forming part of Financial Statements for the Year ended March 31, 2023

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

Loans and borrowings

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

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

This category generally applies to borrowings and security deposits received.

Derecognition

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

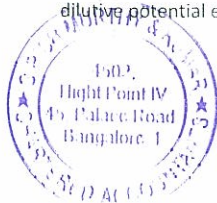
p) Cash and cash equivalents

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

q) Earning per share

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

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



GMR Highways Limited

CIN: U45203MH2006PLC287171

Notes forming part of Financial Statements for the Year ended March 31, 2023

3 Property, Plant and Equipment

Rupees in Lacs

Sr.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As At April 01, 2022	Additions	Deductions	As At March 31, 2023	As At April 01, 2022	For the year	Deductions	As At March 31, 2023	As At March 31, 2022
1	Computers	6.13		(2.03)	4.10	6.13	-	(2.03)	4.10	0.00
2	Office Equipments	8.31		(2.32)	5.99	7.42	0.52	(2.32)	5.62	0.89
3	Furniture & Fixtures	2.22		(1.54)	0.68	2.21	0.01	(1.54)	0.68	0.01
4	Plant and Machinery	8.86		-	8.86	1.10	2.16	-	3.25	7.76
5	Vehicles	29.73		(0.00)	29.73	29.73	-	-	29.73	0.00
	Total	55.24	-	(5.90)	49.34	46.58	2.69	(5.90)	43.37	5.97

Note: Company has not revalued its Property, Plant and Equipment during the year

Sr.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As At April 01, 2021	Additions	Deductions	As At March 31, 2022	As At April 01, 2021	For the year	Deductions	As At March 31, 2022	As At March 31, 2021
1	Computers	6.13		-	6.13	5.83	0.30	-	6.13	0.30
2	Office Equipments	8.31		-	8.31	6.84	0.58	-	7.42	1.47
3	Furniture & Fixtures	2.22		-	2.22	1.94	0.27	-	2.21	0.28
4	Plant and Machinery	0.68	8.17	-	8.86	0.21	0.88	-	1.10	0.47
5	Vehicles	29.73		-	29.73	29.73	-	-	29.73	0.00
	Total	47.07	8.17	-	55.24	44.55	2.03	-	46.58	2.52



Rupees in Lacs

4 Other Intangible Assets

Sr.No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK	
		As At	Additions	Deductions	As At	For the year	Deductions	As At	As At	
		April 01, 2022		(4.79)	March 31, 2023	April 01, 2022		March 31, 2023	March 31, 2023	March 31, 2021
1	Software	4.79		(4.79)	-	-	(4.79)	-	0.00	
	Total	4.79	-	(4.79)	-	-	(4.79)	-	0.00	

Note: Company has not revalued its intangible assets during the year.

Sr.No.	PARTICULARS	GROSS BLOCK				AMORTISATION			NET BLOCK	
		As At	Additions	Deductions	As At	For the year	Deductions	As At	As At	
		April 01, 2021		-	March 31, 2022	April 01, 2021		March 31, 2022	March 31, 2022	March 31, 2020
1	Software	4.79		-	4.79	-	-	4.79	0.00	
	Total	4.79	-	-	4.79	-	-	4.79	0.00	



		Rupees in Lacs
5 Investment property		Amount
Land		
As At April 01, 2021		1,610.40
Additions		-
Disposals		-
As At March 31, 2022		1,610.40
Additions		-
Disposals		(4.66)
As At March 31, 2023		1,605.74

Note:- 1) Company is having original title deeds in its name. Investment property represents in Land as follows:-

Land Detail	As At March 31, 2023	As At March 31, 2022
Situated at Ambala Chandigarh Road, Dist - Ambala (58628.83 Sq Mtr)	1,605.74	1,605.74
Situated at Mouje Dudhai, Dist - Mehsana (1893.02 Sq Mtr)	-	2.37
Situated at Mouje Dudhai, Dist - Mehsana (1885.85 Sq Mtr)	-	2.29
	1,605.74	1,610.40

The original title deeds of the property has been offered as security with the Registry of the Court for getting claim award from NHAI in GTT case

		Rupees in Lacs	
6 Non current investments		As At March 31, 2023	As At March 31, 2022
Investment in Equities Shares		20,437.81	20,437.81
Equity part of Investment in Preference Shares		46,914.05	32,334.01
Equity part of Investment in CCDs		36,060.00	-
Equity portion of related party loans		37,337.25	39,718.05
Investment in financial guarantees		79.39	79.39
		140,828.50	92,569.26

Breakup of Investment in Equities at Cost		As At March 31, 2023	As At March 31, 2022
(a) Investment in subsidiaries			
(i) 13,59,30,000 (March 31, 2022: 13,59,30,000) Equity Shares of Rs. 10 Each in GMR Pochanpalli Expressways Limited		13,593.00	13,593.00
(ii) 5,07,42,720 (March 31, 2022: 5,07,42,720) Equity Shares of Rs. 10 Each in GMR Ambala Chandigarh Expressways Private Limited		5,074.27	5,074.27
(iii) 24,50,000 (March 31, 2022: 24,50,000) Equity Shares of Rs. 10 each in GMR Hyderabad Vijayawada Expressways Private Limited		245.00	245.00
(iv) 1,47,00,000 (March 31, 2022: 1,47,00,000) Equity Shares of Rs. 10 each in GMR Chennai Outer Ring Road Private Limited		1,470.00	1,470.00
(b) Other Investment - Equity			
(i) 5,55,370 (March 31, 2022: 5,55,370) Equity Shares of Rs. 10 each in Indian Highways Management Company Ltd.		55.54	55.54
Total Investment in Equity		20,437.81	20,437.81
Less: - Impairment in Investment of Shares			
Impairment in Investment		-	-
Net Total Investment in Equity		20,437.81	20,437.81



6 (i) Current investments	As At	As At
	March 31, 2023	March 31, 2022
Investment in Quoted mutual funds	-	-
	-	-

Rupees in lacs

7 Loans (Unsecured, considered good)	As At	As At
	March 31, 2023	March 31, 2022
(i) Non Current		
(a) Loans and advance to related parties		
Loan to body corporate	4,432.00	4,153.13
Loan to related party	47,659.47	60,796.86
	52,091.47	64,949.99
(ii) Current		
Loan Receivables considered good - UnSecured		
(a) Loans to related parties	10,368.65	36,931.44
	10,368.65	36,931.44

Loan to related parties / others considered good include :

(i) Non Current	Rupees in lacs	
GHVEPL	35,247.20	31,845.32
GCORR	-	3,235.31
GACEPL	12,176.38	5,432.66
GIL-SIL JV	63.00	300.00
Namitha Real Estates Private Limited	172.89	100.00
UEPL (Others)	4,432.00	4,153.13
GMR Krishnagiri SIR Limited	-	18,258.18
GMR SEZ AND PORT HOLDING LIMITED	-	1,625.39
	52,091.47	64,949.99
(ii) Current		
GPUIL Corporate	-	11,030.13
GPUIL EPC	1,519.65	1,104.91
GIL-SIL JV	50.00	-
GACEPL	-	6,163.38
GMR SFZ AND PORT HOLDING LIMITED	-	9,834.02
GHVEPL	8,799.00	8,799.00
	10,368.65	36,931.44

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



8 Other Financial Assets	As At	As At
	March 31, 2023	March 31, 2022
(i) Non Current		
Security Deposit	-	-
Interest accrued on Inter corporate loans and deposits	3,582.41	-
Financial Asset of Invest. in preference shares issued by related parties	23,384.11	35,582.09
	26,966.52	35,582.09
(ii) Current		
Security Deposit	27.93	127.42
Non trade receivable- related party	10,153.69	3,913.78
Non trade receivable considered good	18,696.23	18,696.23
Receivable Other than trade - considered good	8.67	8.63
Unbilled revenue - related party	2,625.53	772.37
Interest accrued on fixed deposit	24.03	0.02
Interest accrued others	991.61	826.80
Interest accrued on Inter corporate loans and deposits	433.55	6,960.79
	32,960.24	31,306.04
Less- Provision for doubtful non trade receivable	(18,672.43)	(8,588.75)
	14,287.81	22,717.29

The Company had subscribed 1,45,00,040 8% redeemable non-cumulative non-convertible preference shares of Rs. 100 each fully paid up in GMR Ambala Chandigarh Expressway Private Limited. Preference Shares are redeemable at par on May 1, 2022. However the company reserves the right to all for buy-out of the Preference shares by the promoters of the issuer Company or redemption of the preference shares by the issuer company at any time after the expiry of 6 months from the date of allotment by giving one month notice.

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

In April 2022, the terms associated with the existing preference shares has change to make them Compulsorily Convertible into equity shares at ration of 1:10 on or before August 31, 2027

9 Trade Receivables	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
Unsecured, considered good		
Trade Receivables considered good - UnSecured	2,126.88	2,820.84
	2,126.88	2,820.84

Trade receivables Ageing Schedule

As at 31 March 2023

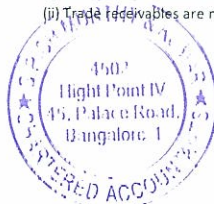
	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	1,361.02	318.20	447.66	-	-	2,126.88
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	1,361.02	318.20	447.66	-	-	2,126.88

As at 31 March 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	1,055.17	1,765.67	-	-	-	2,820.84
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	1,055.17	1,765.67	-	-	-	2,820.84

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

(ii) Trade receivables are non-interest bearing.



10 Cash and cash equivalents	As At	As At
	March 31, 2023	March 31, 2022
(i) Balances with banks		
- In Current Account	133.79	83.88
- Deposits with less than three months maturity	30,000.00	
(ii) Bank balances other than cash and cash equivalents		
- Margin money*	1.71	1.63
	30,135.50	85.51

Breakup of financial assets	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
At Cost		
Investment in Equities	20,437.81	20,437.81
At amortised cost		
Equity portion of Investment in Preference Shares	46,914.05	32,334.01
Equity portion of related party loans	37,337.25	39,718.05
Investment in financial guarantees	79.39	79.39
Financial Asset of Invest. in preference shares issued by related parties	23,384.11	35,582.09
Loans to Related parties	62,460.12	101,881.43
Cash & Cash Equivalent	30,135.50	85.51
Trade Receivables	2,126.88	2,820.84
Other Financial Assets	17,870.22	22,717.29
Total	240,745.34	255,656.43

11 Income Tax-Non Current	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
Advance income tax (net of provision for current tax)	789.95	1,044.86
	789.95	1,044.86

12 Deferred Tax Assets/(Liability)	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
Deferred Tax Assets		
Total	-	-
Deferred Tax Liabilities		
Total	-	-
Net Deferred Tax Assets/(Liabilities)	-	-

13 Other Current/Non Current Assets	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
(i) Other Non Current Assets (Considered Good)		
Prepaid Expenses pertains to Gratuity	134.43	87.80
	134.43	87.80
(ii) Other Current Assets (Considered Good)		
Prepaid Expenses	1.14	0.45
Advances recoverable in cash or kind	61.57	337.38
Balance with government authorities	381.23	465.39
	443.94	803.22



14 Share capital	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
Authorised		
(i) 234,20,00,000 equity shares of Rs. 10 each fully paid up (March 31, 2022: 234,20,00,000 equity shares of Rs. 10 each)	234,200.00	234,200.00
(ii) 17,96,00,000 Preference Shares of Rs. 100 each (March 31, 2022: 17,96,00,000 preference shares of Rs. 100 each)	179,600.00	179,600.00
	413,800.00	413,800.00
Issued, Subscribed & Paid-Up		
(i) 843,334,710 equity shares of Rs. 10 each fully paid up (March 31, 2022: 775,440,510 equity shares of Rs. 10 each)	84,333.47	77,544.05
	84,333.47	77,544.05
Equity share pending issuance		
(ii) Equity share capital pending issuance	-	6,789.42

NOTES :

(i) **Terms to Equity Shares**

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

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

Pursuant to Composite Scheme of Amalgamation and Arrangement as sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated August 03, 2022, the authorised share capital altered from Rs. 395000.00 lacs (divided into 23400 lacs Equity Shares of face value of Rs. 10/- each and 1610 lacs Preference Shares of face value of Rs. 100/- each) to Rs. 413800.00 lacs (divided into 23420 lacs Equity Shares of face value of Rs. 10/- each and 1796 lacs Preference Shares of face value of Rs. 100/- each) on the date scheme become effective from 11.08.2022 with the Appointed Date i.e April 01, 2019.

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

	As At March 31, 2023		As At March 31, 2022	
	Number	Rupees in Lacs	Number	Rupees in Lacs
Equity Shares				
Shares outstanding at the beginning of the year	775,440,510	77,544.05	775,440,510	77,544.05
Shares Issued during the year	67,894,200	6,789.42	-	-
Shares outstanding at the end of the year	843,334,710	84,333.47	775,440,510	77,544.05

Share Capital Issued

Pursuant to the sanctioned Composite Scheme of Arrangement for Amalgamation amongst GMR Tuni-Anakapalli Expressways Limited, GMR Tambaram Tindivanam Expressways Limited (Transferor Companies), GMR Highways Limited ("Transferee Company") and their respective Shareholders & Creditors sanctioned vide Order dated August 03, 2022 by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT), allotment of 6,78,94,200 (Six Crore Seventy Eight Lakh Ninety Four Thousand Two Hundred Only) equity shares of Rs.10/- each was made to GMR Generations Assets Limited on September 06, 2022.

Further, with effect from 24-03-2023, 67,894,200 equity shares held by GMR Generation Asset Limited (GGAL) transferred to GMR Power and Urban Infra Limited (GPUIL).

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

	As At March 31, 2023		As At March 31, 2022	
	No of Share	%	No of Share	%
Equity Shares				
GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited)	-	-	209,968,722	27.08%
GMR Power and Urban Infra Limited	767,789,941	91.04%	489,927,019	63.18%
Dhruv Securities Private Limited	75,544,769	8.96%	75,544,769	9.74%



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

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

Equity Shares	As At March 31, 2023		As At March 31, 2022	
	Number	Rupees in Lacs	Number	Rupees in Lacs
GMR Airports Infrastructure Limited (formerly known as GMR Infrastructure Limited) NIL (March 31, 2022: 209,968,722) equity shares of Rs. 10 each fully paid up	-	-	209,968,722	20,996.87
GMR Power and Urban Infra Limited 767,789,937 (March 31, 2022: 489,927,015) equity shares of Rs. 10 each fully paid up	767,789,937	76,778.99	489,927,015	48,992.70
GMR Business Process and Services P Ltd representing and for the benefit of GMR Power and Urban Infra Limited 1 (March 31, 2022: 1) equity shares of Rs. 10 each fully paid up	1	0.00	1	0.00
GMR Corporate Affairs P Ltd representing and for the benefit of GMR Power and Urban Infra Limited 1 (March 31, 2022: 1) equity shares of Rs. 10 each fully paid up	1	0.00	1	0.00
GMR Aerostructure Services Ltd representing and for the benefit of GMR Power and Urban Infra Limited 1 (March 31, 2022: 1) equity shares of Rs. 10 each fully paid up	1	0.00	1	0.00
GMR Infra Developers Limited representing and for the benefit of GMR Power and Urban Infra Limited 1 (March 31, 2022: 1) equity shares of Rs. 10 each fully paid up	1	0.00	1	0.00
Mr. Kiran Kumar Grandhi representing and for the benefit of Dhruvi Securities Private Limited 1 (March 31, 2022: 1) equity shares of Rs. 10 each fully paid up	1	0.00	1	0.00
Dhruvi Securities Private Limited 75,544,768 (March 31, 2022: 75,544,768) equity shares of Rs. 10 each fully paid up	75,544,768	7,554.48	75,544,768	7,554.48

15 Other Equity

Rupees in Lacs

	As At March 31, 2023		As At March 31, 2022	
(i) Equity component of Preference shares				
Opening Balance	16,968.23		16,968.23	
Add : Adjustment for the year	-	16,968.23	-	16,968.23
(ii) Equity component of Loans from group companies				
Opening Balance	19,179.49		19,179.49	
Add : Adjustment for the year	-	19,179.49	-	19,179.49
(iii) Surplus / (Deficit) in the Statement of Profit and Loss				
Opening Balance	25,210.87		30,641.37	
Add : Profit/ (Loss) for the year	(12,992.13)		(5,430.56)	
		12,218.69		25,210.82
(iii) Other Comprehensive Income- Re-measurement (loss)/ gains on defined benefit plans				
Opening Balance	72.74		52.56	
Add : During the year	(2.21)	70.53	20.18	72.74
		48,436.94		61,431.28



16 Long Term Borrowings	Rupees in Lacs	
	As At March 31, 2023	As At March 31, 2022
Secured		
Term loans (Indian rupee term loan from bank)	55,621.34	73,559.82
Unsecured		
Loans from group company	41,052.11	-
	96,673.45	73,559.82

(i) Secured Indian rupee term loan from Yes bank of Rs. 62389.45.00 lacs (March 31, 2022: 69538.74 lacs) is secured by First charge over current assets and movable fixed assets (present and future) of the Borrower, First Charge on the assets created out of YBL facility to provide minimum cover of 1.0x, Pledge over 20% shares of GMR Energy Limited (GEL) along with all beneficial/economic voting rights, Pledge over 23.5% Shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights to be pledged by GIL, Unconditional and Irrevocable Corporate Guarantee of GMR Infrastructure Limited, and Margin of 6% of outstanding amount (in form of FD/cash or any other instrument to the satisfaction of YBL). The margin shall be lien marked/pledged to YBL prior to first disbursement.

The loan carries an interest rate 3.20% p.a ("Spread") over and above the YBL 1 Year MCLR and is repayable in 14 half yearly installments after the moratorium period of 12 months.

The company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

(ii) Secured Indian rupee term loan from Yes bank of Rs. 11192.41 lacs (March 31, 2022: 12908.80 lacs) is secured by First charge over current assets and movable fixed assets (present and future) of the Borrower, First Charge on the assets created out of YBL facility to provide minimum cover of 1.0x, Pledge over 20% shares of GMR Energy Limited (GEL) along with all beneficial/economic voting rights, Pledge over 8% Shares of GEL along with all beneficial/economic voting rights and NDU over 2% shares of GEL (Prior to Disbursement), Pledge over 23.5% Shares of GMR Airport Limited (GAL) along with all beneficial/economic voting rights (Prior to Disbursement), Unconditional and Irrevocable Corporate Guarantee of GMR Infrastructure Limited Margin of 19.14% of outstanding amount (in form of FD/cash or any other instrument to the satisfaction of YBL). The margin shall be lien marked/pledged to YBL prior to first disbursement.

The loan carries an interest rate 3.10% p.a ("Spread") over and above the YBL 1 Year MCLR and is repayable in 14 half yearly installments after the moratorium period of 12 months.

The company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

(iii) An unsecured loan of Rs 10189.11 lacs (as at March 31, 2022: NIL lacs) from GMR Power and Urban Infra Ltd. shall be repayable within 3 yrs from date of agreement. This loan carries an interest rate of 12.25% p.a.

(iv) An unsecured loan of Rs 30863.00 lacs (as at March 31, 2022: NIL lacs) from GMR Airports Infrastructure Limited shall be repayable within 6 yrs from date of agreement. This loan carries an interest rate of 7.25% p.a.

17 Trade Payables	As At	
	March 31, 2023	March 31, 2022
Trade Payables		
A Due to micro small and medium enterprise	2,677.51	1,888.06
B Due to creditors other than micro small and medium enterprise	3,598.09	4,558.96
	6,275.60	6,447.02



Trade payables Ageing Schedule

As at 31 March 2023

	Amt Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	1,692.01	303.55	481.65	200.29	2,677.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,316.45	105.00	1,432.88	743.76	3,598.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	-	3,008.46	408.55	1,914.54	944.05	6,275.60

As at 31 March 2022

	Amt Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	419.59	511.67	644.35	262.75	49.71	1,888.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,117.05	490.94	1,811.63	596.49	542.85	4,558.96
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	1,536.64	1,002.61	2,455.98	859.24	592.56	6,447.02

Rupees in Lacs

18 Short Term Borrowings	As At	As At
	March 31, 2023	March 31, 2022
Secured		
(a) Current Maturities of long term debt	17,960.52	8,887.72
Unsecured		
(a) Short term Loan from related parties	12,199.92	12,391.38
	30,160.44	21,279.10

(i) An unsecured loan of Rs. 5590.00 lacs (as at March 31, 2022: Rs. 5931.45 lacs) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 11% p.a.

(ii) An unsecured loan of Rs. 6219.92.00 lacs (as at March 31, 2022: Rs. 6069.92 lacs) from GMR Pochanpalli Expressways Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 10% p.a.

(iii) An unsecured loan of Rs. 290.00 lacs (as at March 31, 2022: Rs 290.00 lacs) from Raxa Security Service Ltd. shall be repayable within 12 months from date of agreement or extendable as per mutual agreement. This loan carries an interest rate of 12.50% p.a.

(iv) Unsecured Short Term loan of Rs.100.00 lacs (March 31, 2022 - Rs.100.00 lacs) from Raxa Security Services Limited Carries an interest rate of 10%.

Rupees in Lacs

19 Other Financial Liability	As At	As At
	March 31, 2023	March 31, 2022
(i) Non Current		
(a) Financial guarantee contracts	14.57	20.33
(b) Interest accrued on Inter corporate loans	21.61	-
	36.18	20.33
(ii) Current		
(a) Interest Accrued & Due on Loans	-	1,707.04
(b) Interest accrued on Inter corporate loans and deposits	6,245.43	5,836.21
(c) Financial guarantee contracts	5.75	7.00
(d) Non trade payables	177.19	791.58
	6,428.37	8,341.83



Rupees in Lacs

Breakup of financial liabilities category wise	As At	As At
	March 31, 2023	March 31, 2022
At amortised cost		
Secured Loan from Banks	73,581.87	82,447.54
Loans from related parties	53,252.03	12,391.38
Interest accrued but not due on borrowings	6,267.04	7,543.26
Financial guarantee contracts	5.75	7.00
Trade Payables	6,275.60	6,447.02
Financial guarantee contracts	14.57	20.33
Non trade payables	177.19	791.58
	139,574.05	109,648.10

20 Provisions	As At	As At
	March 31, 2023	March 31, 2022
(i) Non Current		
	-	-
(ii) Current		
(a) Provision for Leave benefits	7.31	6.23
(b) Provision for Other Employee Benefit	-	0.07
(c) Other Provision	1,596.22	707.46
	1,603.53	713.76

Rupees in Lacs

21 Other current liabilities	As At	As At
	March 31, 2023	March 31, 2022
Advances from customers & others	5,688.41	2,982.67
TDS Payable	144.41	99.63
Other Statutory dues	4.56	2.45
	5,837.38	3,084.75



GMR Highways Limited

CIN: U45203MH2006PLC287171

Notes forming part of Financial Statements for the Year ended March 31, 2023

	Rupees in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
22 Revenue from operations		
(a) Operation and maintenance	11,451.89	7,711.84
(b) Highway Maintenance Fees	42.00	42.00
	11,493.89	7,753.84
23 Other income		
(a) Interest Income on Bank Deposit and Others	109.56	100.45
(b) Management Fee	13.27	-
(c) Interest Income of Financial Assets	7,905.93	7,913.81
(d) Interest Income on Inter Corporate Loans	3,711.02	5,082.52
(e) Profit on sale of Mutual Fund	0.26	-
(f) Provisions/Liability no longer required written back	168.34	253.86
(g) Gain on disposal of assets (net)	50.16	-
(h) Other non-operating income	7.10	10.68
	11,965.66	13,361.32



GMR Highways Limited
CIN: U45203MH2006PLC287171

Notes forming part of Financial Statements for the Year ended March 31, 2023

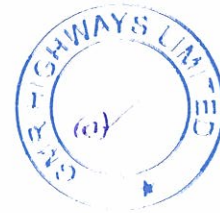
Rupees in Lacs

	Year ended March 31, 2023	Year ended March 31, 2022
24 Operating expenses		
(a) Sub contracting expenses	3,758.16	1,723.28
(b) Operation & maintenance expenses	7,341.52	5,449.90
	11,099.68	7,173.18

	Year ended March 31, 2023	Year ended March 31, 2022
25 Employee benefit expense		
(a) Salaries, Perquisites & Allowance	56.71	61.60
(b) Contribution to provident and other funds	4.13	3.25
(c) Gratuity expense	-	20.18
(d) Staff welfare expenses	0.65	1.01
	61.49	86.04

	Year ended March 31, 2023	Year ended March 31, 2022
26 Finance costs		
(a) Interest on debts and borrowings	12,521.69	11,035.87
(b) Interest on intercompany debt and borrowings	1,745.48	1,603.79
(c) Interest Others	4.46	0.07
(d) Other borrowing cost	1,010.75	994.71
	15,282.38	13,634.44

	Year ended March 31, 2023	Year ended March 31, 2022
27 Depreciation and amortisation expense		
(a) Depreciation on property, plant and equipment	2.69	2.03
(b) Amortisation of intangible assets	-	-
	2.69	2.03



28 Other expenses	Rupees in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
Rent	5.08	7.98
Rates and taxes	0.81	1.36
Logo Fees	0.01	0.03
Insurance	0.37	0.23
Fixed assets writeoff	0.00	-
Repairs and maintenance Others	4.40	1.57
Travelling and conveyance	3.37	0.13
Communication costs	0.13	0.15
Securtiy Expenses	2.50	2.95
Printing and stationery	0.08	0.05
Books & Periodicals	-	0.02
Membership	6.00	1.00
Bidding Expenses	-	59.39
Legal and professional fees	113.07	101.69
Directors' sitting fees	5.75	7.72
Advertising and business promotion	4.00	-
Recruitment expenses	0.02	-
Meeting and seminar	0.54	-
Bank charges	0.40	0.07
Remuneration to auditor	4.00	8.54
Charities and Donations	10.00	89.61
Miscellaneous expenses	13.01	2.23
	173.51	284.75

Payment to auditor

Particulars	March 31, 2023 in Rs.	March 31, 2022 in Rs.
As auditor:		
Audit fee	2.50	6.04
Tax audit fee	0.50	1.39
Other services (certification fees)	1.00	1.12
Total	4.00	8.54



29 Earning/ (Loss) Per Share

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

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

	Year ended	Year ended
	March 31, 2023	March 31, 2022
Profit attributable to equity holders of the Company (Rs in Lacs)	(12,992.13)	(5,430.56)
Profit attributable to equity holders for basic earnings (Rs in Lacs)	(12,992.13)	(5,430.56)
Profit attributable to equity holders for diluted earnings (Rs in Lacs)	(12,992.13)	(5,430.56)
Weighted Average number of equity shares for computing Earning Per Share (Basic)	843,334,710	843,334,710
Weighted average number of Equity shares adjusted for the effect of dilution	843,334,710	843,334,710
Earning Per Share (Basic) (Rs)	(1.54)	(0.64)
Earning Per Share (Diluted) (Rs)	(1.54)	(0.64)
Face value per share (Rs)	10	10

30 Significant accounting judgements, estimates and assumptions

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

31 Capital Commitments

Capital commitments : Estimated amount of Contracts remaining to be executed on capital account and not provided for Rs. Nil (March 2022: Rs. Nil).

32 Contingent Liabilities

(i) Particulars	Rupees in Lacs	
	March 31, 2023	March 31, 2022
Irrevocable Corporate Guarantee in favor of IDBI Trusteeship Services Limited for the benefit of GMR Chennai Outer Ring Road Pvt Ltd (Borrower)	5,550.00	5,550.00

(ii) A Show Cause notice has been issued by Commissioner of Custom (DRI Matters) to its earlier subsidiary GOHPL whereby a penalty of Rs 15.91 lacs has been imposed by the authority, against which company has filed appeal before CESTAT after depositing 7.5% of penalty amount i.e. Rs 1.19 lacs, which is pending as on date for adjudication.

33 Litigation:

Company is having a litigation matter which mainly came on-account of merger of TT and TA in accordance of NCLT order dated 3rd August, 2022.

In TT, subsequent to signing of Concession Agreement, there was change/increase in the Minimum Alternative Tax rates and Service Tax rates and the Fringe Benefit Tax was introduced, thereby leading to claims of ₹18.49 crores under Change in Law as per Article 11 of the Concession Agreement dated 09.10.2001.

The Hon'ble Tribunal vide order dated 24th Feb'2018 had upheld the claims of the Company and has awarded ₹14,51,57,902 plus interest of ₹6,75,61,842/- at SBI PLR plus 3% upto the date of the award (total amount ₹21.27,19,744/-). NHAI was given time till 7th April, 2018 to pay the total amount failing which interest @ 7% p.a. will be payable from 25.02.2018 till the date of actual payment.

Since NHAI did not pay the decretal amount by the time allowed by the Arbitral Tribunal, the Company had filed an execution petition u/s 36 of Arbitration Act, 1996, before Hon'ble Delhi High Court for recovery of the awarded amount. NHAI had also challenged the Award by filing application u/s 34 of the Arbitration Act, 1996. The Hon'ble Court had clubbed the Execution Petition of the Company with the application filed by NHAI as the parties and subject of both the cases were similar.

In compliance of the directions of the Hon'ble Delhi High Court, NHAI had deposited an amount of ₹21.44 cr. on 17.08.2018 with the Registrar of the Court. On applications of the Company, Delhi High Court vide order dated 20.07.2022 has released the amount deposited by NHAI and further vide order dated 28.09.2022 has allowed the application of the Company for release of balance amount lying with the court.

Company has received amount of Rs 25.29 lacs (along with interest) on 23.08.2022. Delhi High Court vide order dated 15.09.2022 in an application filed by GMR Highways Ltd. has allowed the substitution of GMR Tambaram Tindivanam Expressway Limited with GMR Highways Ltd. Matter is now listed on 19.05.2023 for final arguments.

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



35 Investment Pledge details

Particulars	March 31, 2023			March 31, 2022		
	Total Shares Held (In No.)	Shares Pledged (In No.)	In favour of	Total Shares Held (In No.)	Shares Pledged (In No.)	In favour of
GMR Hyderabad Vijayawada Expressways Private Limited (Equity shares of Rs.10 each fully paid up)	2,450,000	1,300,000	IDBI Trusteeship Services Ltd	2,450,000	1,300,000	IDBI Trusteeship Services Ltd
GMR Chennai Outer Ring Road Private Limited (Equity shares of Rs.10 each fully paid up)	14,700,000	5,512,500	IDBI Trusteeship Services Ltd	14,700,000	5,512,500	IDBI Trusteeship Services Ltd
GMR Hyderabad Vijayawada Expressways Private Limited (Preference shares of Rs.100 each fully paid up)	21,600,000	7,735,713	IDBI Trusteeship Services Ltd	21,600,000	7,735,713	IDBI Trusteeship Services Ltd
GMR Ambala Chandigarh Expressways Private Limited (Equity shares of Rs. 10 each fully Paid up)	50,742,720	50,742,720	IDBI Trusteeship Services Ltd	50,742,720	50,742,720	IDBI Trusteeship Services Ltd

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

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

- 36 The Company has made an investment of Rs. 27407.31 lacs (March 31 2022: Rs. 27407.31 lacs) [including loans of Rs.7753.00 lacs (March 31 2022: Rs. 7753.00 lacs) share application money pending allotment of Rs. NIL (March 31 2022: NIL) and investment in equity / preference shares of Rs. 19654.31 lacs (March 31 2022: Rs. 19654.31 lacs) made by the Company and its subsidiaries] in GMR Ambala Chandigarh Expressways Private Limited ('GACEPL') an associate of the Company. GACEPL has been incurring losses since the commencement of commercial operations. The management believes that these losses are due to loss of revenue arising as a result of diversion of partial traffic on parallel roads. The matter is currently under arbitration however based on management's internal assessment and a legal opinion the management of GACEPL is confident that it will be able to claim compensation from relevant authorities for the loss it has suffered due to such diversion of traffic and accordingly the investment in GACEPL has been carried at cost.

The Arbitral Tribunal vide order dated 26.08.2020 had pronounced the Award whereby all the claims of GMR were rejected by two members of the AT in both the cases. However, Mr. Justice (Retd. Deepak Verma by way of separate award has awarded ₹1,003 cr. plus interest to the Company. The Interim stay granted against the recovery of Negative Grant has also been vacated.

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

Aggrieved by rejection of all of its claims, GMR had filed two applications each in both Punjab and Haryana matters before Delhi High Court – one u/s 34 of Arbitration Act, 1996, seeking setting aside of the award of Arbitral Tribunal and another application u/s 9 of Arbitration Act, 1996, seeking stay on the letters of NHAI demanding payment of the instalments of Negative Grant along with interest. GMR had also filed an application under section 36 of Arbitration Act, 1996, for stay of operation of the Award till the time its challenge u/s 34 is decided.

The Court vide its order dated 24.09.2020 had admitted the challenge to Award and issued notice in section 34 application but the other two applications filed u/s 9 and 36 were rejected.

Delhi High Court vide order dated 26.09.2022, had set aside the award dated 26.08.2020 and the entire dispute is to be referred to arbitration once again for which parties are at liberty to re-initiate arbitral proceedings as per the contractual covenants. All issues of fact and law would remain open to be agitated by GMR, NHAI and States of Haryana and Punjab in the de-novo arbitral proceedings. GMR has filed an appeal u/s 37 of the Arbitration Act and is listed on 18.05.2023.

NHAI and GoHR have also filed appeals u/s 37 of the Arbitration Act. Arguments by NHAI, GoHR and GMR have been concluded. On 11.04.2023, arguments are completed and the judgement is reserved for orders. Against dismissal of its application u/s 9 (for interim protection from recovery of Negative Grant) as well as section 36 applications (for stay of operation of Award) in appeal before Division Bench of Delhi High Court, GMR has filed 4 SLPs both in Haryana and Punjab matters before the Hon'ble Supreme Court. All SLPs were listed on 18.11.2020 before the Bench of Hon'ble Chief Justice of India when the Court directed that SLPs of GMR be listed with 3 other SLPs pending in the Court on the same issue. However, in view of award being set aside, these SLPs became infructuous and were dismissed as withdrawn on 16.01.2023.

- 37 The Company has made an investment of Rs. 65037.00 lacs (March 31 2022: Rs. 65037.00 lacs) [including loans of Rs.43192.00 lacs (March 31 2022: Rs. 43192.00 lacs) share application money pending allotment of Rs. NIL (March 31 2022: NIL) and investment in equity / preference shares of Rs. 21845.00 lacs (March 31 2022: Rs. 21845.00 lacs) made by the Company and its subsidiaries] in GMR Hyderabad Vijayawada Expressways Private Limited ('GHVEPL') an subsidiary of the Company. GHVEPL has been incurring losses since the commencement of commercial operations. These losses are primarily due to loss of revenue arising as a result of drop in commercial traffic due to bifurcation of state of Andhra Pradesh and ban on sand mining in the region. These events constitutes a Change in Law as per the Concession Agreement and same has been agreed by NHAI and has also agreed to pay compensation, however there was no agreement on the quantification of the claim amount. GHVEPL has invoked Arbitration and has filed a claim of Rs. 167600.00 lacs (Based on values upto March 31, 2020) before the Tribunal. Tribunal vide its order dated March 31, 2020 has pronounced the award unanimously, upholding GHVEPL's contention that bifurcation of state of Andhra Pradesh and ban on sand mining in the region constitutes Change in Law event and GHVEPL is entitled for compensation for the loss of revenue arising as a result of drop in commercial vehicles. However, on the quantum of the claim amount, majority of the Tribunal members has directed NHAI to constitute a committee for determining the claim amount based on data / record available with GHVEPL and NHAI.

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

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

Justice D.K. Jain has submitted his report on 28.02.2022 with Delhi High Court whereby he has awarded a sum of Rs. 1672.20 cr. upto 31.03.2020. Interest on the claimed amount in terms of clause 47.5 of Concession Agreement has also been allowed. For claims for the year 2020-2021 and onwards, the same principle would be applicable.

In the hearing held on 03.03.2022, the report submitted by Justice D.K. Jain was taken on record. In view of the pendency of appeal u/s 37 before Division Bench, the matter is now listed on 07.07.2023. for further proceedings.



On May 8, 2020, GHVEPL has received a notice from NHAI restricting the concession period to 15 years pursuant to clause 3.2.2. of the Concession Agreement by stating that NHAI is satisfied that 6-laning of the project is not required. GHVEPL has sought material on record from NHAI and has further obtained legal opinion. Aggrieved by the action of NHAI, the Company has invoked arbitration under Dispute Resolution mechanism prescribed under the Concession Agreement by appointing Mr. Justice D B Bhosale (former Chief Justice of Allahabad High Court) as its nominee Arbitrator vide letter dated 6th April, 2021 and NHAI has appointed Mr. Samirendra Chatterjee, IAS (Retd) as its nominee arbitrator and both the arbitrators have appointed Justice Ms. R. Banumathi as the Presiding Arbitrator. GHVEPL has filed an application u/s 17 of the Arbitration Act, 1996 before Tribunal for stay of operation of NHAI's letter dated 08.05.2020 till pendency of current arbitration proceedings. Vide interim order dated 29.09.2021, the Hon'ble Tribunal has stayed the letter dated 08.05.2020. On 12.10.2022, the Counsel for claimant and the Respondent concluded their submission on the Sec 17 application. By order dated 07.11.2022, the AT has allowed the application and directed continuation of interim order dated 09.09.2022 until the final Award. The examination-in-chief and cross-examination of CW-1 was recorded and concluded on 02.12.2022. Further, cross examination of CW-2 was concluded on 21.04.2023. The matter is now listed on 20.07.2023, 21.07.2023 and 22.07.2023 for completion of cross examination of witnesses.

38 Leases

The Company has entered into certain cancellable operating lease agreements for office premises.

The lease rentals paid during the period and the maximum obligation on the long term cancellable operating lease payable are as follows:

Particulars	Rupees in Lacs	
	March 31, 2023	March 31, 2022
Lease rentals under cancellable and non-cancellable leases	5.08	7.98

39 Based on information available with the Company, suppliers who are registered as micro, small or medium enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006' as at March 31, 2023 has been classified under note no. 17A.

Provision for Rs 4.35 lacs created in books on account of interest accrued and remaining unclaimed.



40 Gratuity and other post-employment benefit plans:

Valuation of Employee Benefit has been done for the period ended March 31 2023 as per INDAS 19 - Employee Benefits issued by the Institute of Chartered Accountants of India

(a) Defined Contribution Plans

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

Particulars	Rupees in Lacs	
	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to provident fund	2.65	2.40
Contribution to superannuation fund	0.29	0.85
	2.94	3.25

(b) Defined Benefit Plans

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

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

Net Benefit Expenses

Components of defined benefit costs recognised in profit or loss	Year ended March 31, 2023	Year ended March 31, 2022
	Rupees in Lacs	Rupees in Lacs
Current service cost	0.86	0.75
Past Service Cost - plan amendments	-	-
Interest cost on benefit obligation	(7.19)	(3.37)
Expected return on plan assets	-	-
Total	(6.33)	(3.22)

Components of defined benefit costs recognised in other comprehensive income

	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial (gains) / loss due to DBO experience	0.25	0.34
Actuarial (gains) / loss due to DBO assumption changes	(0.09)	(0.10)
Return on Plan assets (greater)/less than discount rate	2.05	(20.42)
Total	2.21	(20.18)

Benefit Asset/ (Liability)	Year ended March 31, 2023	Year ended March 31, 2022
	Defined benefit obligation	(4.61)
Fair value of plan assets	139.04	119.08
Benefit Asset/ (Liability)	134.43	87.80

Changes in the present value of the defined benefit obligation:

	Year ended March 31, 2023	Year ended March 31, 2022
Opening defined benefit obligation	31.28	30.14
Interest cost	0.24	0.15
Current service cost	0.86	0.75
Past Service Cost - plan amendments	-	-
Benefits Paid	-	-
Net actuarial(gain)/loss recognised in year	0.16	0.24
Acquisition adjustment	(27.92)	-
Closing defined benefit obligation	4.61	31.28

Changes in the fair value of plan assets:

	Year ended March 31, 2023	Year ended March 31, 2022
Opening fair value of plan assets	119.08	113.89
Acquisition adjustment	14.58	(19.35)
Interest Income on Plan Assets	7.42	4.12
Contributions by employer	-	-
Expected return	(2.05)	20.42
Benefits paid	-	-
Closing fair value of plan assets	139.04	119.08



	Year ended March 31, 2023	Year ended March 31, 2022
The major categories of plan assets as a percentage of total Insurer managed funds	100%	100%

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

Discount rate	7.30%	7.10%
Future salary increases	6.00%	6.00%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
	Ult.	Ult.
Withdrawal Rate	5.00%	5.00%

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

Contributions expected to be made by the Company during the next year is Rs. NIL (previous year R: NIL)

Risk Faced by Company:

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

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

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

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

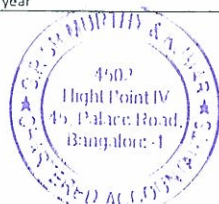
Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period,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

Sensitivity Analysis

Sensitivity Level	Rupees in Lacs					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
Impact on defined benefit obligation	(0.41)	0.46	0.46	(0.41)	0.02	(0.03)

Sensitivity Level	Rupees in Lacs					
	Discount rate		Future salary increases		Withdrawal Rate	
	+1%	-1%	+1%	-1%	+1%	-1%
Impact on defined benefit obligation	(0.31)	0.36	0.36	(0.32)	0.00	(0.01)

Maturity Plan of defined benefit obligation:	Rupees in lacs
Within 1 year	0.23
1-2 year	0.41
2-3 year	0.47
3-4 year	0.53
4-5 year	0.60
5-10 year	3.99



41 List of Related parties and Transactions / Outstanding Balances:

a) Name of Related Parties and description of relationship:

Enterprises that control the Company / exercise significant influence	GMR Airport Infrastructure Limited (GIL) (Holding Company till 31.12.2021 as per NCLT Order) GMR Power and Urban Infra Limited (GPUIL) (Holding Company w.e.f 31.12.2021 as per NCLT Order) GMR Enterprises Pvt Ltd. (GEPL) (the Parent Company)
Subsidiary Companies of the reporting enterprise	GMR Porhanpalli Expressways Ltd (GPEL) GMR Ambala-Chandigarh Expressways Private Limited (GACE) GMR Hyderabad Vijayawada Expressways Private Limited (GHVEPL) GMR Chennai Outer Ring Road Private Limited (GCORRPL)
Fellow Subsidiaries / Associates	GMR Airport Developers Limited (GADL) GMR Infrastructure Limited (GIL) Fellow Subsidiary Company w.e.f 01.01.2022 as per NCLT Order) GMR Energy Ltd (GEL) GMR Generation Assets Limited (GGAL) [formerly known as GMR Renewable Energy GMR Airports Limited (GAL) GMR Corporate Affairs Limited (GCAL) GMR Krishnagiri SIR Limited (GKSIR) GMR SEZ AND PORT HOLDING LIMITED (GSPHL) Namtha Real Estate Private Limited (NREPL) GMR Hyderabad International Airport Ltd (GHIAL) Delhi International Airport Limited Raxa Security Services Ltd Dhruvi Securities Pvt Ltd.(DSPL)
Key Management Personnel	Mr. B V N Rau, Director Mr. U.Bangaru Raju Managing Director Mr. Madhva B. Terdal, Director Mr. K. Parameswara Rao, Independent Director (till 07 Sep.2022) Mr. Mohan Rao Murthy Mrs. Sridevi Venisheety, Woman Director Mr S. Rajagopal, Independent Director



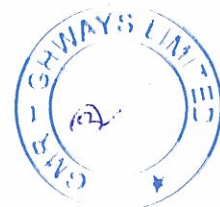
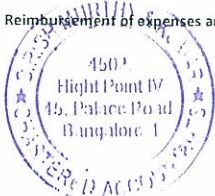
b) Summary of transactions with above related parties are as follows:

Name of Entity	Particulars	Rupees in Lacs	
		For the Year ended March 31, 2023	For the Year ended March 31, 2022
Transaction with Enterprises that control the Company / exercise significant influence			
GPUIL	Interest Expenses on Unsecured Loan Taken	418.07	298.08
	Unsecured Loan Refunded to GPUIL	4,605.10	13,851.41
	Unsecured Long Term Loan taken from GPUIL	14,794.21	1,790.70
	Managements Support Services-Expense	54.31	9.57
	Purchased of Fixed Assets	-	9.64
	Work Contract Services Provided to GPUIL	1,401.00	-
	Short Term Loan Given to GPUIL (Corporate)	1,872.00	29,313.68
	Short Term Loan Refund by GPUIL (Corporate)	12,902.13	18,283.55
	Short Term Loan Given to GPUIL (EPC)	414.74	40.91
	Interest Income on Loan given (GPUIL EPC)	132.25	106.41
	Interest Income on Loan given (GPUIL Corp)	438.34	873.86
GIL	Managements Support Services-Expense	-	53.99
	Interest Expenses on Unsecured Loan Taken	24.01	-
	Unsecured Long Term Loan taken from GIL	30,863.00	-
GEPL	Logo Fees and Trade Mark	0.01	0.03



Transaction with Subsidiaries		Rupees in Lacs	
GACEPL	Charges for Repair & Maintenance Work- Income	237.36	177.37
	Charges for Major Maintenance Work- Income	1,377.44	195.95
	Interest on Financial Assets of Preference Share Investment	125.14	1,395.11
	Interest income on Short Term Loan Given (GTT / GTA)	556.07	556.07
	Advance received / (Adjusted) on account of R & M/ COS / MMR Work	(1.10)	-
	Interest Income on financial asset part of Loan given	580.34	524.33
GPEL	Charges for Repair & Maintenance Work- Income	313.53	287.77
	Charges for Major Maintenance Work- Income	1,035.35	1,131.30
	Charges for COS Work- Income	2,606.49	1,283.03
	Advance received / (Adjusted) on account of R & M/ COS / MMR Work	(84.88)	(30.56)
	Unsecured Loan Refunded to GPEL	341.46	-
	Unsecured Loan taken from GPEL	150.00	-
	Interest on Unsecured Loan	1,257.15	1,259.45
GCORRPL	Interest on Financial Assets of Preference Share Investment	467.84	422.69
	Interest on Unsecured Loan Given	367.46	368.27
	Charges for Repair & Maintenance Work - Income	292.55	258.32
	Charges for Major Maintenance Work - Income	-	119.54
	Charges for COS Work - Income	124.30	176.84
	Advance received / (Adjusted) on account of R&M/ COS / MMR Work	322.51	376.52
	Income for Financial Guaratee given	7.00	8.39
	Sub Debts Given to CORR	1,216.78	799.92
	Sub Debts Refund by CORR	4,452.09	440.00
GHVEPL	Interest on Financial Assets of Preference Share Investment	1,789.07	1,616.40
	Interest Income on Loan given	3,401.88	3,073.55
	Charges for Repair & Maintenance - Income	591.39	1,174.64
	Charges for Major Maintenance Work - Income	3,472.47	2,673.82
	Charges for COS Work - Income	42.01	275.27
	Advance received / (Adjusted) on account of R&M/ COS / MMR Work	(88.31)	138.03
Transaction with Fellow Subsidiaries / Associates/Joint Ventures		Rupees in Lacs	
GIL - SIL JV	Unsecured Short Term Loan Given	300.00	300.00
	Unsecured Loan Refunded by GIL. SIL	487.00	-
	Interest Income on Loan given	37.94	34.94
KSEZ	Unsecured Loan Given to KSEZ	-	-
	Unsecured Loan Refunded by KSEZ	-	26,666.59
	Investment / (Sold) in CCDs issued by KSEZ	-	(25,836.15)
Namitha Real Estate	Unsecured Loan Given	72.89	-
	Interest Income on Loan given	21.06	12.25
GKSIR	Unsecured Loan Given to KSIR	-	1,365.41
	Interest income on Financial asset (GTT)	1,262.79	-
	Unsecured Loan Refunded by KSIR	100.00	14,377.18
	Investment in CCDs of GKSIR (loan converted)	23,460.00	-
	Interest Income on CCDs	0.10	-
	Interest Income on Loan given	1,258.95	2,802.30
GSPHL	Unsecured Loan Given	848.98	235.00
	Unsecured Loan Refunded by GSPHL	445.00	150.00
	Investment in CCDs of GSPHL (loan converted)	12,600.00	-
	Interest Income on CCDs	0.06	-
	Interest Income on Loan given	733.98	793.40
GHIAL	PMC fee for implementation of Fare Collection System - Income	13.27	-
DIAL	Support services for vehicle running (Diesel service)	2.95	-
Grandhi Enterprises Pvt Ltd	Mumbai Office Rental charges	-	3.16
Raxa Security Services Ltd	Unsecured Loan Taken	-	-
	Security Service Charges	2.50	2.95
	Interest Expenses on Loan Taken	46.25	46.25
Enterprise where Key Management Personnel and their relative exercise significant influence			
G. Varalakshmi	Vizag Guest House Rental charges	5.08	4.82
GVF	Donation	-	40.91
GFFT	Refund of Deposit by GFFT	54.21	-
	Rent	-	-

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



Transaction with Key Management Personnel							Rupees in Lacs
Details of Key Managerial Personnel	Remuneration						Outstanding loans/advances receivables
	Short-term employee benefits	Post employment benefits	Other long-term employee benefits	Termination benefits	Sitting Fee	Others	
Mr. K. Parameswara Rao	-	-	-	-	1.00	-	-
Ms. Kavitha Gudapati	-	-	-	-	(0.95)	-	-
Mr. S. Rajagopal	-	-	-	-	(0.30)	-	-
Mr. Mohan Rao Murthy	-	-	-	-	2.05	-	-
Mr. B.L. Gupta	-	-	-	-	(1.25)	-	-
Mr. S.J.S Ahmed	-	-	-	-	1.05	-	-
Mr. K. A. Sumayajulu	-	-	-	-	-	-	-
	-	-	-	-	(2.60)	-	-
	-	-	-	-	-	-	-
	-	-	-	-	(1.35)	-	-
	-	-	-	-	-	-	-
	-	-	-	-	(1.25)	-	-

Name of Entity	Particulars	Rupees in Lacs	
		As At March 31, 2023	As At March 31, 2022
Closing Balances with Enterprises that control the Company / exercise significant influence			
GPUIL	Financial Liability of Sub Debt	-	-
	Equity portion of Sub Debt	23,865.48	23,865.48
	Equity portion of Preference Shares	22,583.58	22,583.58
	Unsecured Long Term Loan Taken	10,189.11	-
	Interest Payable on Unsecured Loan	417.86	-
	Trade and Other Payables	43.66	23.73
	Trade and Other Payables (Provision)	23.20	-
	Trade Receivable	-	-
	Advance received on account of Work Contract Services	28.02	-
	Unbilled Revenue for of Work Contract Services	1,401.00	-
	Short Term Loan Given (GPUIL EPC)	1,519.65	1,104.91
	Short Term Loan Given (GPUIL Corporate)	-	11,030.13
	Interest Receivable (GIL EPC)	343.90	216.98
Interest Receivable (GIL Corporate)	-	800.20	
Retention Money Payable	16.25	16.25	
GIL	Trade and Other Payables	-	51.53
	Interest Accrued on Unsecured Loan (Long Term)	21.61	-
	Unsecured Long Term Loan Taken	30,863.00	-
GEPL	Trade and Other Payables	-	0.03
	Trade and Other Payables (Provision)	0.01	-
Closing Balances with Subsidiaries			
GACEPL	Investment in Equity share capital - (Other than trade)	5,074.27	5,074.27
	Financial Assets of Investment in Preference Shares	-	14,454.90
	Equity Portion of Investment in Preference Shares	24,553.07	9,973.03
	Interest Receivable on Long term loan given	3,582.41	3,040.62
	Short term loan given	-	6,163.38
	Long term loan given	6,163.38	-
	Financials Assets portion of Loan Given	6,013.00	5,432.66
	Equity portion of Loan Given	5,641.62	5,641.62
	Advance received on account of R&M/ COS / MMR Work	0.04	-
	Unbilled Revenue for O&M/COS/MMR/IT related	51.19	-
	Trade and Other Receivables	10,156.02	3,993.25
CORR	Investment in Equity share capital - (Other than trade)	1,470.00	1,470.00
	Equity Portion of Sub Debts Given	547.57	547.57
	Assets Portion of Sub Debts given	-	3,235.31
	Financial Assets of Investment in Preference Shares	4,847.37	4,379.52
	Equity portion of Preference Shares Investment	6,011.67	6,011.67
	Investment as Financial Guarantee given	79.39	79.39
	Interest Receivable	-	461.16
	Advance received on account of R&M/ COS / MMR Work	1,751.06	1,428.55
	Unbilled Revenue for O&M/COS/MMR/IT related	142.15	-
Trade and Other Receivables	14.22	16.48	
GHVEPL	Financials Assets portion of Loan Given	35,247.20	31,845.32
	Financial Assets of short term loan given	8,799.00	8,799.00
	Equity portion of Loan Given	29,255.49	29,255.49
	Investment in Equity share capital - (Other than trade)	245.00	245.00
	Unbilled Revenue for O&M/COS/MMR/IT related	547.11	-
	Trade and Other Receivables	814.23	1,258.29
	Retention Money Receivable	51.12	53.02
	Equity Portion of Investment in Preference Shares	16,349.31	16,349.31
	Advance received on account of Routine Maintenance Fee / MMR Work	67.66	155.97
	Financial Assets of Investment in Preference Shares	18,536.74	16,747.67



GPEL	Financial Liability portion of Security Deposit Received	-	-
	Investment in Equity share capital - (Other than trade)	13,523.00	13,523.00
	Equity portion of Security Deposit Received	11.58	11.58
	Unsecured Loan Taken	11,804.92	12,001.38
	Interest payable on Unsecured Loan	5,476.74	4,629.56
	Advance received on account of Routine Maintenance Fee / MMR Work	1,412.12	1,397.01
	Unbilled Revenue for O&M/COS/MMR/IT related	484.08	-
	Trade and Other Receivables	1,244.98	1,112.44
Closing Balances with Fellow Subsidiaries/ Associates/Joint Ventures			
Dhruvi	Equity portion of Preference Shares	1,972.47	1,972.47
GHIAL	Trade and Other Payables	10.66	24.99
GMR Energy Limited	Equity Portion of Subordinate Debt	2,676.86	2,676.86
Namitha Real Estate	Interest receivable	20.01	72.74
	Financials Assets portion of Loan Given	172.89	100.00
GMR Sez and Port Holding	Interest receivable	-	894.75
	Investment in CCDs	12,600.00	-
	Interest receivable on CCDs	0.05	-
	Short Term Loan Given	-	9,834.02
	Long Term Loan Given	-	1,625.39
DIAL	Trade and Other Payables	112.81	471.23
GGAL	Interest Payable	229.14	229.14
Krishnagiri SIR Ltd	Interest receivable	-	1,442.61
	Financial asset part of long Term Loan Given	-	18,158.18
	Investment in CCDs	23,460.00	-
	Interest receivable on CCDs	0.09	-
	Equity Component of Loan Given	1,892.57	4,273.37
	Long Term Loan Given	-	100.00
Raxa Security Services Ltd	Unsecured Loan Taken	390.00	390.00
	Interest payable on Unsecured Loan	121.69	89.28
	Security/Other Deposit Recoverable	-	12.12
	Trade and Other Payables (Provision)	2.90	2.90
GIL - SIL JV	Interest receivable	69.49	31.72
	Short Term Loan Given	50.00	-
	Long Term Loan Given	63.00	300.00
GFFT	Security Deposit Receivable	-	87.37
	Other Payable	-	33.16
Grandhi Varalakshmi	Trade and Other Payables (Provision)	0.40	-

Commitments with related parties: As at period ended March 31, 2023, there is no commitment outstanding with any of the related parties

Terms and conditions of transactions with related parties

The transaction from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. Guarantees provided or received for any related party receivables or payables are disclosed in Note 32. For the period ended 31 December 2021, impairment on Money receivable from related parties does not arise. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

42 Capital Management

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

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

Particulars	Rupees in Lacs	
	At 31 March 2023	At 31 March 2022
Borrowings- External	73,581.87	85,032.82
Borrowings- Related party	59,519.06	17,349.36
Net debts	133,100.93	102,382.17
Capital Components		
Share Capital	84,333.47	77,544.05
Share Capital pending issuance	-	6,789.42
Other Equity	48,436.94	61,431.28
Total Capital	132,770.41	145,764.75
Capital and net debt	265,871.33	248,146.92
Gearing ratio (%)	50.06%	41.26%

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, 2023 and March 31, 2022.



43 Financial Instrument by Category

Particulars	Rupees in Lacs					
	At 31 March 2023		As at March 31, 2022			
	At Amortised Cost	At FVTPL	At Amortised Cost	At FVTPL		
		Cost	Fair Value		Cost	Fair Value
Assets						
Equity portion of compound financial instruments	46,914.05	-	-	32,334.01	-	-
Investment in related party loans	37,337.25	-	-	39,718.05	-	-
Investment in financial guarantees	79.39	-	-	79.39	-	-
Investment in preference shares issued to related parties	23,384.11	-	-	35,582.09	-	-
Loans to Related parties	62,460.12	-	-	101,881.43	-	-
Cash & Cash Equivalent	30,135.50	-	-	85.51	-	-
Trade Receivables	2,126.88	-	-	2,820.84	-	-
Other Financial Assets	17,870.22	-	-	22,717.29	-	-
Total	220,307.53	-	-	235,218.62	-	-
Liabilities						
Loans from related parties	53,252.03	-	-	12,391.38	-	-
Loan from external parties	73,581.87	-	-	82,447.54	-	-
Interest accrued but not due on borrowings	6,267.04	-	-	7,543.26	-	-
Financial guarantee contracts	5.75	-	-	7.00	-	-
Trade Payables	6,275.60	-	-	6,447.02	-	-
Financial guarantee contracts	14.57	-	-	20.33	-	-
Non trade payables	177.19	-	-	791.58	-	-
Total	139,574.05	-	-	109,648.10	-	-

44 Exceptional Items

Break-up of Exceptional Item is as under:

Particulars	Rupees in Lacs	
	As at March 31, 2023	As at March 31, 2022
Gain / (Loss) on Receivables of CCDs	(10,083.67)	(5,659.33)
Total	(10,083.67)	(5,659.33)

45 Fair values

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

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

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

Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of December 31, 2021:

Particulars	As at March 31, 2023	Fair Value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Particulars	As at March 31, 2022	Fair Value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Assets	-	-	-	-

46 Financial Risk Management Objectives and Policies

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

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



Market risk

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

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

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

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The analysis for the contingent consideration liability is provided in Note 37.

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

The sensitivity of the relevant profit or loss item is, the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

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 Rupees in Lacs
March 31, 2023		
INR	+50	(481.96)
INR	-50	481.96
March 31, 2022		
INR	+50	(512.99)
INR	-50	512.99

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. With respect to credit risk arising from other financial assets of the Company's, which comprise Cash and cash equivalents, loans and advances and investment, the Company's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instrument.

The Carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs. 276805.33 lacs and Rs. 255656.43 lacs as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivable, balance with bank, bank deposits, investments and other financial assets.

Liquidity risk

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

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

Year ended	Rupces in Lacs						Total
	On Demand	Within 1 year	1-2 years	2-3 years	3-5 years	More than 5 Years	
March 31, 2023							
Term Loan from Bank	-	18,884.18	28,326.26	28,326.26	-	-	75,536.71
Loan from Related parties		18,445.35		10,189.11	30,884.61		59,519.07
Trade payables		6,275.60					6,275.60
Other financial liabilities		177.19					177.19
		43,782.32	28,326.26	38,515.38	30,884.61	-	141,508.57
March 31, 2022							
Term Loan from Bank	3,017.43	9,442.09	18,884.18	28,326.26	28,326.26	-	87,996.23
Loan from Related parties		16,705.08		-			16,705.08
Trade payables		6,447.02					6,447.02
Other financial liabilities		791.58					791.58
	3,017.43	33,385.77	18,884.18	28,326.26	28,326.26	-	111,939.91

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.

47 Corporate Social Responsibility (CSR)

The company does not cover under section 135 of the companies act 2013.



48 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to IND AS 107 and IND AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to IND AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

49 Additional disclosure pursuant to schedule III of Companies Act 2013

- a There is no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- b The Company does not have any transactions/ balances with companies struck off under section 248 of Companies Act, 2013 to the best of knowledge of Company's management.
- c The Company does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961
- d The Company has not traded or invested funds in Crypto currency of Virtual currency.
- e The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f The Company has not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understating (whether recorded in writing or otherwise) that the Company shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- g The Company has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date
- h The Company has not declared wilful defaulter by any bank of financial institution of other lender.
- i The quarterly return/ statement of current assets filed by the Company with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts.
- j The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment



Notes forming part of Financial Statements for the Year ended March 31, 2023

50 Ratios

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.14	1.59	-28.25%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.00	0.70	42.70%	Increase in Loans
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.49	0.70	-29.54%	Due to increase in Term loan repayment installment as per schedule
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.02)	(0.01)	-143.39%	Loss increased due to Other exceptional items
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	-	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	1.16	0.64	81.10%	Increase in Sale and also realization of trade receivable
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.44	0.23	93.66%	Increase in Expenses and also payment to vendors
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.63	0.33	393.42%	Increase in Sales and Reduction in Net Working Capital
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	(1.13)	(0.70)	-61.39%	Loss increased due to Other exceptional items
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.56%	5.47%	-16.61%	
Return on Investment	Profit after tax	Equity share capital + Instruments entirely equity in nature + Securities premium	-9.79%	-3.73%	-162.66%	Loss increased due to Other exceptional items



51 Segment Reporting

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

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

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For Girish Murthy & Kumar

Firm registration number: 09345

Chartered Accountants



A.V. Satish Kumar

Partner

Membership no.: 26526



For and on behalf of
GMR Highways Limited



O Bangaru Raju
Managing Director
DIN:00082228



B V N Rao
Director
DIN:00051167



Vikas Bansal
Chief Financial Officer



Paramjeet Singh
Company Secretary

Place: New Delhi

Date: 29th April 2023

