

**ADVISORY REPORT ON SHARE EXCHANGE RATIO FOR AMALGAMATION OF GMR TUNI-ANAKAPALLI EXPRESSWAYS LIMITED (TRANSFEROR COMPANY 1) AND GMR TAMBARAN TINDIVANAM EXPRESSWAYS LIMITED (TRANSFEROR COMPANY 2) WITH AND INTO GMR HIGHWAYS LIMITED ("TRANSFeree COMPANY")**

Prepared by:

**Siddharth Gupta,**  
Registered Valuer (Securities & Financial Assets),  
(Insolvency and Bankruptcy Board of India)  
UGF-52, Aarohi Complex, Kapoorthala Chauraha  
Lucknow-226024

To,

The Board of Directors,

GMR Highways Limited

Naman Centre 7th Floor, Opp. Dena Bank,

Plot No. C-3, G Block, Bandra Kurla Complex,

Bandra (East) Mumbai - 400 051

The Board of Directors,

GMR Tambaran Tindivanam Expressways Limited

Naman Centre, 7th Floor, Opp. Dena Bank,

Plot No. C-31, G Block, Bandra Kurla Complex,

Bandra (East), Mumbai-400 051

The Board of Directors,

GMR Tuni-Anakapalli Expressways Limited

Naman Centre, 7th Floor, Opp. Dena Bank,

Plot No. C-31, G Block, Bandra Kurla Complex,

Bandra (East), Mumbai-400 051

Dear Sir (s),

Re: Advisory Report on Share Exchange Ratio for the proposed amalgamation of GMR Highways Limited, GMR Tuni-Anakapalli Expressways Limited and GMR Tambaran Tindivanam Expressways Limited through a Scheme of Arrangement for Amalgamation under section 230-232 of the Companies Act, 2013.

We refer to the engagement letter dated March 11, 2020 confirming our appointment to provide equity value analysis of the Companies (defined hereinafter) and recommend Share Exchange Ratio for the proposed amalgamation of GMR Tuni-Anakapalli Expressways Limited (Transferor Company1/ GTA), GMR Tambaran Tindivanam Expressways Limited (Transferor Company 2/ GTT) with and into GMR Highways Limited (Transferee Company/ GHL), pursuant to the Draft Scheme of Amalgamation in accordance with the provisions of Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as "Act") and other applicable provisions of the Act, as may be applicable (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., 1<sup>st</sup> April 2019 or such other date as may be fixed or approved by National Company Law Tribunal (NCLT). As per the terms of our engagement, we are enclosing our valuation report as under.



**Scheme**"), with effect from the Appointed Date, i.e., 1<sup>st</sup> April 2019 or such other date as may be fixed or approved by National Company Law Tribunal (NCLT). As per the terms of our engagement, we are enclosing our valuation report as under.

Note that for the purpose of equity value analysis of the Companies to determine share exchange ratio, we have solely relied on the information and documents provided by your office. It may please be noted that we have not conducted any independent verification, attestation or audit of the information and documents provided to us nor do we express our opinion on the correctness of such information or document. The report is subject to the caveats mentioned therein and we shall not take any responsibility on the success of any transaction initiated relying solely on the report with or without the assessment of other factors. Also, we understand that the report shall be used for certain regulatory filings and we expressly provide our consent to the same.

Yours faithfully,

**For Siddharth Gupta**

**Registered Valuer (Securities & Financial Assets)**

**Insolvency & Bankruptcy Board of India**

**Registration No. IBBI/RV/05/2019/11261**

**Siddharth Gupta**



**Date: 19.11.2020**

**Place: Lucknow**

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## CHAPTER 1 - DISCLAIMER CLAUSE

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This Valuation Report ("**Report**") is being furnished by Siddharth Gupta, Registered Valuer ("**Valuer**") at the request of the management of the GMR Highways Limited, GMR Tuni-Anakapalli Expressways Limited and GMR Tambaran Tindivanam Expressways Limited. The reference date for this valuation exercise March 31, 2019 ("**Valuation Date**"). This Report provides for Share Exchange Ratio for amalgamation of the Transferor Companies with the Transferee Company only.

The relevant background of the transaction and our scope of work are mentioned in Chapter 2 below. This Report must be considered in that context only and is not an advisory document for any other purpose. The Report may not be distributed, reproduced, or used, without the express written consent of Valuer for any purpose other than that mentioned in Chapter 2 of this Report, below. Our valuation analysis should not be construed as an investment advice in the any of the companies involved.

The Report has been prepared by Valuer from information extracted from Audited Financials of the Companies, Draft Scheme of Amalgamation, List of Shareholders, Statutory Registers and discussions from time to time and other data provided by the management of the Transferor Companies and the Transferee Company ("**Management**"). Our scope of work does not include verification of data submitted by the Management and we have relied upon the data provided to us. Wherever required, the information and data submitted by the Transferor Companies and the Transferee Company has been duly certified by the Management.

The factual data, business details and financial statements have been provided by the Management. While the information provided herein is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information.

In furnishing the Report, Valuer reserves the right to amend or replace the Report at any time. The information contained herein is based on certain assumptions and the analysis of the information available at the time the Report was prepared. Valuer does not purport to give any representation, warranty or other assurance in relation to this document.

This Report highlights the basis of arriving at the Share Exchange Ratio for the Scheme of Amalgamation between the Transferor Companies and the Transferee Company, keeping in view the circumstances prevailing at the time of valuation and arrives at the opinion on the fair value considering the facts of the case. However, it may be noted that valuation is a highly subjective exercise and may differ from valuer to valuer depending upon the perception of attendant circumstances. At best it is an expression of opinion or a recommendation based on certain assumptions at a given point of time.



## CHAPTER 2 - BACKGROUND OF SCHEME OF AMALGAMATION AND SCOPE OF WORK

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The Scheme of Amalgamation provides for amalgamation of GMR Tuni-Anakapalli Expressways Limited (Transferor Company 1) and GMR Tambaran Tindivanam Expressways Limited (Transferor Company 2) with and into GMR Highways Limited ("Transferee Company"). The Appointed Date for the Scheme of Amalgamation is April 1<sup>st</sup>, 2019 ("**Appointed Date**").

We understand that as on the Valuation Date GMR Tuni-Anakapalli Expressways Limited and GMR Tambaran Tindivanam Expressways Limited are subsidiaries of GMR Highways Limited, the Transferee Company, wherein the Transferee Company holds 73% equity shares in each of the Transferor Companies (directly and through nominee shareholders) and remaining 23% equity shares are held by another GMR Group Company namely GMR Generation Assets Limited (formerly the shares were held by GMR Power Corporation Limited which was merged with GMR Generation Assets Limited w.e.f. April 03, 2020).

Siddharth Gupta (Registered Valuer), have been appointed by the management of the Transferee Company to advise on the Share Exchange Ratio for the amalgamation.

Valuation Date for this valuation exercise is March 31<sup>st</sup>, 2019 ("**Valuation Date**").

### About the Valuer

Siddharth Gupta (the "Valuer"), is Registered Valuer having Registration No. IBBI/RV/05/2019/11261. The Valuer is registered with the Insolvency and Bankruptcy Board of India to undertake the Valuation of Securities and Financial Assets of the Companies in accordance with Section 247 of the Companies Act, 2013.



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### **CHAPTER 3 - DATA RELIED UPON**

For the purpose of the Report, we have relied on the data, facts, information, documents and explanations as authenticated and provided to us by the Management.

We have relied upon the following information, as provided by the management:

1. Audited Financials of Transferor Companies and Transferee Company for the FY ended March 31, 2019.
2. Capital structure of Transferor Companies and the Transferee Company as at the FY ended March 31, 2019.
3. Petition for Reduction of Share Capital of GMR Highways Limited and the Order of Hon'ble NCLT dated March 20, 2020.
4. Certified copy of List of Shareholders of the Transferor Companies and the Transferee Company.
5. Certified copy of the Draft Scheme of Arrangement.
6. Other facts and data considered necessary.



## CHAPTER 4 - BACKGROUND OF COMPANY

### 1. GMR Highways Limited

The Company was originally incorporated as GMR HIGHWAYS PRIVATE LIMITED on 3<sup>rd</sup> February 2006 bearing CIN: U45203KA2006PTC038379 as a Private Company limited by shares under Companies Act, 1956.

The status of Transferee Company was changed from Private Limited to Public Limited by way of conversion from GMR HIGHWAYS PRIVATE LIMITED to GMR HIGHWAYS LIMITED with the approval of Central Government vide fresh certificate of incorporation consequent upon change of name on conversion to public limited company issued by Registrar of Companies, Karnataka on 24<sup>th</sup> March, 2010.

The Registered Office of the Transferee Company is presently situated at Naman Centre 7<sup>th</sup> Floor, Opp. Dena Bank, Plot No. C-3, G Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400051.

The Company carries on business of infrastructure development viz; undertaking construction and development projects of Roads/ Highways and also provides repairs, maintenance and tolling related services to its subsidiaries/associate companies and otherwise also.

The Company is the holding company of GMR Tuni-Anakapalli Expressways Limited (Transferor Company -1) and GMR Tambaram Tindivanam Expressways Limited (Transferor Company -2).



**Capital Structure**

The authorized, issued, subscribed and paid up share capital of the Transferee Company as at March 31, 2019 i.e. the Appointed Date is as under:

<b>Authorized Capital</b>	<b>Amount (INR)</b>
234,00,00,000 Equity shares of INR 10/- each	23,40,00,00,000
16,10,00,000 Preference shares of INR 100/- each	16,10,00,00,000
<b>Total</b>	<b>39,500,000,000</b>
<b>Issued, Subscribed and Paid-up</b>	<b>Amount (INR)</b>
205,29,29,749 Equity shares of INR 10/- each fully paid up	20,52,92,97,490
<b>Total</b>	<b>20,52,92,97,490</b>

We have been told that, the Transferee Company had filed the application before the Hon'ble NCLT for its approval for the reduction of its share capital, and the Hon'ble NCLT has approved the application for reduction of share capital on 20<sup>th</sup> March, 2020. The order of Hon'ble NCLT, Mumbai Bench was filed by the Company with the Registrar of Companies, Mumbai in e-form INC-28 vide SRN R36120517 dated March 26<sup>th</sup>, 2020, which is registered on May 12<sup>th</sup>, 2020 therefore, the Reduction of Share Capital is effective from May 12<sup>th</sup>, 2020. The shareholders of the Transferee Company have approved Reduction of Share Capital vide their resolution passed in the meeting dated 15<sup>th</sup> November, 2019.

Upon Reduction of Share Capital being effective under the order of the Hon'ble NCLT, the issued, subscribed and paid up capital of the Transferee Company is as under:

<b>Issued, Subscribed and Paid-up</b>	<b>Amount (INR)</b>
77,54,40,510 Equity shares of INR 10/- each fully paid up	7,754,405,100
<b>Total</b>	<b>7,754,405,100</b>



**Financial Summary****Amount in INR**

Statement of Profit & Loss	March 31, 2019 (12 Months)	March 31, 2018 (12 Months)
<b>Revenue</b>	2,30,54,05,993	1,06,75,67,033
Expenses	1,05,98,41,152	38,37,92,925
<b>EBITDA</b>	1,24,55,64,841	68,37,74,108
Depreciation & Amortization	5,13,523	1,20,317
<b>EBIT</b>	1,24,50,51,318	68,36,53,791
Interest Expenses (Finance Cost)	1,30,23,56,313	1,38,80,36,822
<b>Profit Before Tax</b>	(5,73,04,995)	(70,43,83,031)
Tax Expenses	41,13,729	(2,35,27,019)
<b>Profit After Tax</b>	(6,14,18,724)	(68,08,56,012)
Other Comprehensive Income/(Expenses)	21,81,282	4,06,072
<b>Net Income</b>	(5,92,37,442)	(68,04,49,940)

Balance Sheet (INR Cr.)	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
Shareholders' funds	11,10,41,38,384	11,23,58,00,812



Non-Current Liabilities	8,48,22,33,742	8,78,46,33,142
Current Liabilities	2,18,19,76,318	1,64,37,61,108
<b>Total Equity &amp; Liabilities</b>	<b>21,76,83,48,444</b>	<b>21,66,41,95,062</b>
<b>Assets</b>		
Non-Current Assets	17,68,16,42,559	19,09,35,38,930
Current Assets	4,08,67,05,885	2,57,06,56,132
<b>Total</b>	<b>21,76,83,48,444</b>	<b>21,66,41,95,062</b>

**List of Shareholders:**

Share Holding Pattern	Percentage
GMR Infrastructure Limited	90.26 %
Dhruvi Securities Private Limited	9.74 %



## 2. GMR TUNI-ANAKAPALLI EXPRESSWAYS LIMITED

The Company was incorporated as **GMR TUNI-ANAKAPALLI EXPRESSWAYS PRIVATE LIMITED** on 27<sup>th</sup> August 2001 as a Private Company limited by Shares under the provisions of the Companies Act, 1956. The Company was converted into Public Company with effect from 28<sup>th</sup> March 2014.

The Registered office of GTA situated at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Mumbai City - 400 051, Maharashtra, INDIA.

The Transferor Company -1 is engaged in development of highways on build, operate and transfer model on annuity basis.

The Transferor Company -1 is a subsidiary of the Transferee Company. On the Appointed Date and on the date of approval of the Scheme, Transferee Company holds 730,000 (Seven Lakhs Thirty Thousand) equity shares of INR 10/- each comprising of 73% of the paid-up equity share capital of the Transferor Company 1.

### Capital Structure

The authorized, issued, subscribed and paid up share capital of the Transferor Company - 1 as at March 31, 2019 i.e. the Appointed Date, is as under:

Authorized Capital	Amount (INR)
10,00,000 Equity shares of INR 10/- each	10,000,000
79,00,000 Preference shares of INR 100/- each	790,000,000
<b>Total</b>	<b>800,000,000</b>
Issued, Subscribed and Paid-up	Amount (INR)
10,00,000 Equity shares of INR 10/- each fully paid up	10,000,000
<b>Total</b>	<b>10,000,000</b>



**Financial Summary**

Amount in INR

Statement of Profit & Loss	March 31, 2019 (12 Months)	March 31, 2018 (12 Months)
<b>Revenue</b>	<b>52,99,21,033</b>	<b>54,17,31,940</b>
Expenses	22,65,38,754	23,32,63,326
<b>EBITDA</b>	<b>30,33,82,279</b>	<b>30,84,68,614</b>
Depreciation & Amortization	5,31,937	4,58,108
<b>EBIT</b>	<b>30,28,50,342</b>	<b>30,80,10,506</b>
Interest Expenses (Finance Cost)	14,34,84,427	14,96,49,049
<b>Profit Before Tax</b>	<b>15,93,65,915</b>	<b>15,83,61,457</b>
Tax Expenses	3,60,01,013	2,58,25,431
<b>Profit After Tax</b>	<b>12,33,64,902</b>	<b>13,25,36,026</b>
Other Comprehensive Income/(Expenses)	31,90,445	(12,13,615)
<b>Net Income</b>	<b>12,65,55,347</b>	<b>13,13,22,411</b>



Balance Sheet (INR Cr.)	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
Shareholders' funds	1,26,21,30,492	1,13,55,75,145
Non-Current Liabilities	44,08,08,147	1,05,34,84,002
Current Liabilities	98,25,01,953	46,81,56,228
<b>Total Equity &amp; Liabilities</b>	<b>2,68,54,40,592</b>	<b>2,65,72,15,375</b>
<b>Assets</b>		
Non-Current Assets	99,60,61,236	1,27,91,24,889
Current Assets	1,68,93,79,356	1,37,80,90,486
<b>Total</b>	<b>2,68,54,40,592</b>	<b>2,65,72,15,375</b>

**List of Shareholders:**

Share Holding Pattern	Percentage
GMR Highways Limited (Directly and through Nominee)	73%
GMR Generation Assets Limited (formerly the shares were held by GMR Power Corporation Limited which was merged with GMR Generation Assets Limited w.e.f. April 03, 2020)	27%





### 3. GMR Tambaran Tindivanam Expressways Limited

The Company was incorporated as GMR TAMBARAM TINDIVANAM EXPRESSWAYS PRIVATE LIMITED on 27<sup>th</sup> August 2001 as a Private Company limited by Shares under the provisions of the Companies Act, 1956. The Company was converted into Public Company with effect from 21<sup>st</sup> March 2014.

The Registered office of GTT situated at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Mumbai City - 400 051, Maharashtra, INDIA.

The Transferor Company - 2 is engaged in development of highways on build, operate and transfer model on annuity basis.

The Transferor Company - 2 is a subsidiary of the Transferee Company. On the Appointed Date and on the date of approval of the Scheme, Transferee Company holds 730,000 (Seven Lakh Thirty Thousand) equity shares of INR 10/- each comprising of 73% of the paid up equity share capital of the Transferor Company -2.

#### Capital Structure

The authorized, issued, subscribed and paid up share capital of the Transferor Company - 2 as at March 31, 2019 i.e. the Appointed Date, is as under:

Authorized Capital	Amount (INR)
10,00,000 Equity shares of INR 10/- each	10,000,000
1,07,00,000 Preference shares of INR 100/- each	1,070,000,000
<b>Total</b>	<b>1,080,000,000</b>
Issued, Subscribed and Paid-up	Amount (INR)
10,00,000 Equity shares of INR 10/- each fully paid up	10,000,000
<b>Total</b>	<b>10,000,000</b>



Financial Summary

Amount in INR

Statement of Profit & Loss	March 31, 2019 (12 Months)	March 31, 2018 (12 Months)
<b>Revenue</b>	<b>89,42,72,049</b>	<b>86,65,08,649</b>
Expenses	45,55,22,168	43,36,06,554
<b>EBITDA</b>	<b>43,87,49,881</b>	<b>43,29,02,095</b>
Depreciation & Amortization	2,96,841	2,81,557
<b>EBIT</b>	<b>43,84,53,040</b>	<b>43,26,20,538</b>
Interest Expenses (Finance Cost)	23,07,11,045	22,20,63,210
<b>Profit Before Tax</b>	<b>20,77,41,995</b>	<b>21,05,57,328</b>
Tax Expenses	4,40,35,907	5,64,28,610
<b>Profit After Tax</b>	<b>16,37,06,088</b>	<b>15,41,28,718</b>
Other Comprehensive Income/(Expenses)	2,57,944	(2,63,826)
<b>Net Income</b>	<b>16,39,64,032</b>	<b>15,38,64,892</b>



Balance Sheet (INR Cr.)	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
Shareholders' funds	2,33,86,78,098	2,17,47,14,066
Non-Current Liabilities	56,50,40,872	1,68,28,58,772
Current Liabilities	1,87,20,71,704	81,36,94,593
<b>Total Equity &amp; Liabilities</b>	<b>4,77,57,90,674</b>	<b>4,67,12,67,431</b>
<b>Assets</b>		
Non-Current Assets	2,62,70,75,167	2,94,79,84,669
Current Assets	2,14,87,15,507	1,72,32,82,762
<b>Total</b>	<b>4,77,57,90,674</b>	<b>4,67,12,67,431</b>

**List of Shareholders:**

Share Holding Pattern	Percentage held
GMR Highways Limited (Directly and through Nominee)	73%
GMR Generation Assets Limited (formerly the shares were held by GMR Power Corporation Limited which was merged with GMR Generation Assets Limited w.e.f. April 03, 2020)	27%



## CHAPTER 5 - VALUATION APPROACHES

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For the purpose of arriving at the share exchange ratio for the proposed merger, we have placed reliance on various judicial precedents laid down by Courts while deciding the matters involved in determination of share exchange ratios. The valuation of a business is an exercise which is carried out using various methodologies, to the extent applicable:

1. Net Asset Value (NAV) Method
2. Comparable Companies (Quoted) Multiple (CCQM or CCM) Method.
3. Discounted Cash Flow (DCF) Method
4. Market Price Method
5. Price Earning Capacity Value (PECV) Method
6. Price of Recent Investment (PORI) Method

The application of any particular method of valuation depends on the purpose for which the valuation exercise is performed, relevance of each method under the circumstances of the case and other factors as determined appropriate.

1. **Net Asset Value (NAV) method**

The asset based valuation technique is based on the value of the underlying net assets of the business. Under this method, the net assets as per financial statements may or may not be adjusted for the market value of surplus/ non-operating assets, contingent liabilities which may be crystallized and other adjustments as determined appropriate. *This method of valuation provides the minimum value of the Company and are normally applied in asset based companies or intra group transaction.*

2. **Comparable Companies (Quoted) Multiple (CCM) method:**

Under this method, value of the equity shares of the company is arrived at by using multiples derived from valuations of comparable listed companies, as manifest through stock market valuations of listed companies. This valuation is based on the

principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

3. **Discounted Cash Flow (DCF) method**

As per this method, equity value is defined as the 'the present value of future cash flow that are available to all the equity holders of the Company. The value so derived is not impacted by accounting practices as it is based on cash flows and not book profits. Further, DCF method incorporate all factors relevant to the business.

4. **Market price (MP) method**

The market price of an equity shares as quoted on the stock exchange in the same company is normally considered as the fair value of the shares of that company where such quotation are arising from the shares being regularly and freely traded in.

5. **Price Earnings Capacity Value (PECV) Method**

This method suggests the valuation of the Company by capitalizing the average of profits after tax. Future maintainable net profits are ascertained on the basis of the normalized past earnings of the company. Implied assumption of this method is that future earnings potential of the Company is the underlying value driver of the Company. The profit earning capacity is generally based on the profits actually earned or anticipated. It values a company on the basis of the underlying assets.

6. **Price of Recent Investment (PORI) Method**

This method suggests the valuation of the Company basis the recent transaction in equity shares of the subject company between two independent parties in an arms-length transaction.



## CHAPTER 6 - VALUATION APPROACHES ADOPTED

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For determining an accurate valuation of the Companies and determine the share exchange ratio, it is important to adopt an appropriate valuation method considering the shareholding structure of the Companies, nature of transaction, business of the Companies, etc.

Basis the information and documents available with us and discussion held with the management we understand that present scheme of amalgamation has been drafted to consolidate the Group Companies thereby strengthening the financials position of transferee Company. We further understand that the Transferor Companies are subsidiaries of Transferee Company, wherein 73% Shares are held by the Transferee Company and remaining 23% Shares are held by another GMR Group Company, namely GMR Generation Assets Limited (formerly the shares were held by GMR Power Corporation Limited which was merged with GMR Generation Assets Limited w.e.f. April 03, 2020). Further, the entire shares of Transferee Company is Directly / Indirectly held by GMR Infrastructure Limited, the Flagship Company of the GMR Group. Accordingly, all the Companies are owned and controlled by the GMR Group Companies and are managed by common group, thus, no third-party interest is involved in the Transferor and Transferee Companies. In the given situation, wherein no asset or liability is moving outside the Group and interest of none of the parties is impacted hence we have considered Net Asset Value Methodology to arrive at the Valuation of each of the Company thus arriving at Share Exchange Ratio. It may be noted that Net Asset Value Methodology provides the minimum value of the Company and are normally applied in asset based companies or intra group transaction.



## CHAPTER 7 - SHARE EXCHANGE RATIO ON AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

Particulars	Share Exchange Ratio Considering Book Value		
	GHL	GTA	GTT
Value Per Share	14.32	1,262.13	2,338.68
Share Exchange Ratio	1.00	88.14	163.32

\* Detail calculation attached as Annexure

### VALUATION AND SHARE EXCHANGE RATIO

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the share exchange ratio for the Amalgamation of Transferor Companies with and into Transferee Company works out to be as under:

- 8,814 (Eight Thousand Eight Hundred and Fourteen) equity shares of face value of INR 10 (Rupees Ten) each of GHL to be issued against every 100 (One Hundred) equity shares of face value of INR 10 (Rupees Ten) of GTA to the existing shareholders of GTA.
- 16,332 (Sixteen Thousand Three Hundred and Thirty Two) equity shares of face value of INR 10 (Rupees Ten) each of GHL to be issued against every 100 (One Hundred) equity shares of face value of INR 10 (Rupees Ten) of GTT to the existing shareholders of GTT.

We have not looked any other aspect of the proposed merger except the aforesaid share Exchange Ratio.



## Annexure 1: Valuation of GMR Highways Limited as on March 31, 2019 as per Net Worth Methodology

GMR Highways Limited	
Particulars	As on March 31, 2019 Book Value
<b>ASSETS</b>	
Property, Plant & Equipment	5,42,449.00
Investment in Property	16,05,74,120.00
Other Intangible Assets	47,000.00
<b>Financial Assets</b>	
(i) Investments	8,61,23,23,006.00
(ii) Loans	7,25,87,08,690.00
(iii) Other Financial Assets	1,56,36,85,100.00
Non Current Tax Assets	8,30,00,194.00
Other Non Current Assets	27,61,896.00
<b>TOTAL NON CURRENT ASSETS</b>	<b>17,68,16,42,559.00</b>
<b>Financial Assets</b>	
(i) Current Investments	8,84,164.00
(ii) Loans	2,57,50,10,746.00
(iii) Trade Receivables	54,47,95,979.00
(iv) Cash & Cash Equivalents	1,60,76,638.00
(v) Other Financial Assets	79,84,54,567.00
Other Current Assets	16,15,45,801.00
<b>TOTAL CURRENT ASSETS</b>	<b>4,08,67,05,885.00</b>
<b>TOTAL ASSETS</b>	<b>21,76,83,48,444.00</b>
<b>LIABILITIES</b>	
<b>Financial Liabilities</b>	
(i) Borrowings	8,47,56,63,671.00
(ii) Other Financial Liabilities	45,94,576.00
Provisions	20,05,575.00
Deferred Tax Liabilities (Net)	
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>8,98,22,33,742.00</b>
<b>Financial Liabilities</b>	
(i) Borrowings	66,70,00,000.00
(ii) Trade Payable	31,51,02,075.00
(iii) Other Financial Liabilities	58,85,10,508.00
Provisions	6,64,54,286.00
Deferred Tax Liabilities (Net)	
Other Current Liabilities	73,69,09,449.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,19,19,76,318.00</b>
<b>TOTAL LIABILITIES</b>	<b>11,17,42,10,060.00</b>
<b>Net Worth</b>	<b>11,10,41,38,384.00</b>
No. of Shares	77,54,40,510
<b>NAV Per Share</b>	<b>14.32</b>

Amount in INR





Note that to arrive at the Value per share of Transferee Company as on March 31<sup>st</sup>, 2019, we have considered No. of Shares post Reduction of Share Capital.

**Annexure 2: Valuation of GMR Tuni-Anakapalli Expressways Limited as on March 31, 2019 as per Net Worth Methodology**

Amount in INR

GMR Tuni Anakapalli Expressways Limited	
Particulars	As on March 31, 2019 Book Value
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
(a) Property, plant and equipment	6,30,029.00
(b) Investment property	1,17,115.00
(c) Financial Assets	
(i) Investments	55,92,74,092.00
(ii) Loans	79,84,00,000.00
(iii) Other Financial Assets	1,73,00,000.00
(d) Deferred Tax Assets (Net)	-
(e) Non-Current Tax Assets (Net)	-
(f) Other Non-Current Assets	-
<b>Total Non-Current Assets</b>	<b>99,00,51,236.00</b>
<b>Current Assets</b>	
(a) Inventories	4,03,967.00
(b) Financial Assets	
(i) Cash & Cash Equivalents	20,77,119.00
(ii) Bank Balance & Other Bank Cash & Cash Equivalents	11,75,40,450.00
(iii) Loans	79,41,60,000.00
(iv) Other Financial Assets	26,27,14,449.00
(v) Current Tax Assets	-
(vi) Other Current Assets	3,26,79,420.00
<b>Total Current Assets</b>	<b>1,48,93,79,356.00</b>
<b>TOTAL ASSETS</b>	<b>2,48,54,40,592.00</b>
<b>Liabilities</b>	
<b>Non-Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	43,90,00,000.00
(ii) Provisions	15,08,147.00
(iii) Deferred Tax Liabilities (Net)	-
<b>Total Non-Current Liabilities</b>	<b>44,08,08,147.00</b>
<b>Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	8,94,00,000.00
(ii) Trade payables	
a) Due to micro enterprises and small enterprises	9,26,468.00
b) Due to others	5,09,53,000.00
(iii) Other Financial Liabilities	46,04,00,000.00
(b) Other current liabilities	
(i) Other current liabilities	15,99,761.00
(ii) Provisions	56,29,15,759.00
(iii) Current Tax Liabilities (Net)	71,20,692.00
<b>Total Current Liabilities</b>	<b>98,25,01,953.00</b>
<b>TOTAL LIABILITIES</b>	<b>1,42,33,10,100.00</b>
<b>Net Worth</b>	<b>1,26,21,30,492.00</b>
No. of Shares	10,00,000.00

Private & Confidential

Note that to arrive at the Value per share of Transferee Company as on March 31<sup>st</sup>, 2019, we have considered No. of Shares post Reduction of Share Capital.

**Annexure 2: Valuation of GMR Tuni-Anakapalli Expressways Limited as on March 31, 2019 as per Net Worth Methodology**

**Amount in INR**

GMR Tuni Anakapalli Expressways Limited	
Particulars	As on March 31, 2019 Book Value
<b>ASSETS</b>	
<b>Non Current Assets</b>	
(a) Property, plant and equipment	6,30,029.00
(b) Investment property	2,37,115.00
(c) Financial Assets	
(i) Investments	55,92,74,092.00
(ii) Loans	19,84,00,000.00
(iii) Other Financial Assets	3,75,00,000.00
(d) Deferred Tax Assets (Net)	-
(e) Non Current Tax Assets (Net)	-
(f) Other Non Current Assets	-
<b>Total Non-Current Assets</b>	<b>99,60,61,236.00</b>
<b>Current Assets</b>	
(a) Investments	4,03,967.00
(b) Financial Assets	
(i) Cash & Cash Equivalents	20,77,016.00
(ii) Bank Balances Other than Cash & Cash Equivalents	12,75,40,450.00
(iii) Loans	78,41,61,055.00
(iv) Other Financial Assets	74,27,18,448.00
(v) Current Tax Assets	-
(vi) Other Current Assets	1,26,78,630.00
<b>Total Current Assets</b>	<b>1,68,93,79,356.00</b>
<b>TOTAL ASSETS</b>	<b>2,68,54,40,592.00</b>
<b>Liabilities</b>	
<b>Non-Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	43,90,00,000.00
(ii) Provisions	15,08,147.00
(iii) Deferred Tax Liabilities (Net)	-
<b>Total Non-Current Liabilities</b>	<b>48,98,147.00</b>
<b>Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	8,94,00,000.00
(ii) Trade payables	
a) Due to micro enterprises and small enterprises	9,36,466.00
b) Due to others	5,09,55,001.00
(iii) Other Financial Liabilities	46,82,66,052.00
(b) Other current liabilities	
(i) Provisions	13,89,791.00
(ii) Current Tax Liabilities (Net)	36,74,12,799.00
(iii) Other Current Liabilities	71,20,892.00
<b>Total Current Liabilities</b>	<b>98,25,61,953.00</b>
<b>TOTAL LIABILITIES</b>	<b>1,47,23,76,100.00</b>
<b>Net Worth</b>	<b>1,21,30,64,492.00</b>
No. of Shares	10,00,000.00



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## Annexure 3: Valuation of GMR Tambaran Tindivanam Expressways Limited as on March 31, 2019 as per Net Worth Methodology

Amount in INR

GMR Tambaran Tindivanam Expressways Limited	
Particulars	As on March 31, 2019 Book Values
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
(a) Property, plant and equipment	4,01,167.56
(b) Investment property	2,29,180.00
(c) Financial Assets	
(i) Investments	30,06,32,590.00
(ii) Loans	2,00,65,65,000.00
(iii) Other Financial Assets	30,50,00,000.00
(d) Deferred Tax Assets (Net)	-
(e) Non-Current Tax Assets (Net)	1,22,41,259.00
(f) Other Non-Current Assets	5,000.00
<b>Total Non-Current Assets</b>	<b>2,62,70,75,166.56</b>
<b>Current Assets</b>	
(a) Inventories	1,07,52,521.00
(b) Financial Assets	
(i) Cash & Cash Equivalents	7,37,19,296.11
(ii) Bank Balances & Other than Cash & Cash Equivalents	14,66,51,007.33
(iii) Loans	75,45,31,547.86
(iv) Other Financial Assets	1,30,18,13,820.96
(c) Current Tax Assets	3,47,49,075.00
(d) Other Current Assets	2,73,35,899.00
<b>Total Current Assets</b>	<b>2,14,67,15,907.63</b>
<b>TOTAL ASSETS</b>	<b>4,77,37,90,673.09</b>
<b>Liabilities</b>	
<b>Non-Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	36,10,00,000.00
(ii) Provisions	40,40,572.49
(c) Deferred Tax Liabilities (Net)	0.42
<b>Total Non-Current Liabilities</b>	<b>36,50,40,672.91</b>
<b>Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	7,41,00,000.00
(ii) Trade payables	
a) Due to micro enterprises and small enterprises	-
b) Due to others	22,74,02,075.86
(iii) Other Financial Liabilities	38,86,12,747.00
(b) Other current liabilities	70,62,473.00
(c) Provisions	92,84,63,345.00
(d) Current Tax Liabilities (Net)	4,99,52,183.25
<b>Total Current Liabilities</b>	<b>1,67,26,73,796.11</b>
<b>TOTAL LIABILITIES</b>	<b>2,43,77,14,469.02</b>
<b>Net Worth</b>	<b>2,33,06,76,204.07</b>
No. of Shares	10,00,000.00
<b>NAV Per Share</b>	<b>2,330.66</b>

