

GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PVT LTD
9th & 10th Floors, VBC Solitaire, No. 47 & 49, Bazullah Road, T. Nagar, Chennai TN 600017
CIN NO:U45209TN2010PTC092111

Balance Sheet as at 31st March, 2020

Rs In lakhs

Particulars	Note No.	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
ASSETS			
Non-current assets			
Property, land & equipment	3.01	18.49	23.97
Intangible assets	3.02	25,999.74	27,587.41
Current assets			
Financial assets			
Investments		-	-
Trade receivables	3.03	-	-
Cash and cash equivalents	3.04	1,185.69	50.47
Bank balances other than above	0	0	0
Other financial assets	3.05	102.38	112.35
Other current assets	3.06	69.53	73.05
Total		27,375.83	27,847.25
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	3.07	5,286.00	5,286.00
Other equity	3.08	(10,340.19)	(8,906.97)
LIABILITIES			
Non-current liabilities			
Borrowings	3.09	13,992.96	14,607.52
Other financial liabilities	3.10	24.71	24.71
Deffered Tax	3.11	4,215.08	4,229.39
Deffered Income (Capital Grant)	3.12	4,208.76	4,402.46
Long term provisions	3.13	-	-
Current liabilities			
Financial Liabilities			
Borrowings		-	-
Trade payables	3.14	1,633.06	1,674.49
Other financial liabilities	3.15	4,269.30	2,451.59
Provisions	3.16	3,917.51	3,917.51
Other current liabilities	3.17	168.64	160.55
Total		27,375.83	27,847.25
Significant accounting policies and notes to financial statements	1, 2 & 3		

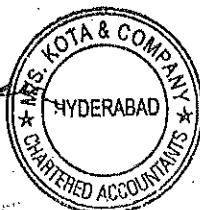
The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For KOTA & COMPANY.,
Chartered Accountants
Firm Regn No. 011982S

For and on behalf of the Board
GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PVT LTD

P. M. SUDHEER
Partner
Membership No. : 212427



T. Sateesh
SATEESH THANANKI
Chairman
DIN: 08178735

UDIN:21212427AAAAAM3633
Place : Chennai
Date : 03.12.2020

GVRMP WHAGDHARI RIBBANPALLY TOLWAY PVT LTD

9th & 10th Floors, VBC Solitaire, No. 47 & 49, Bazullah Road, T. Nagar, Chennai TN 600017

CIN NO:U45209TN2010PTC092111

Statement of Profit and Loss for the year ended 31st March, 2020

Rs in lakhs

Particulars	Note No.	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
Income			
Revenue from operations	3.18	3,006.00	3,619.55
Other income	3.19	193.70	126.24
Total Revenue		3,199.71	3,745.79
Expenses:			
Operation & maintenance expenses	3.20	83.55	68.26
Employee benefits expenses	3.21	255.54	229.95
Finance costs	3.22	2,573.88	2,357.54
Depreciation / Amortization	3.23	1,593.15	1,096.28
Other expenses	3.24	141.13	1,062.70
Total Expenses		4,647.24	4,814.72
Profit before exceptional and extra ordinary items		(1,447.54)	(1,068.93)
Exceptional items		-	-
Prior period item		-	-
Profit before extra ordinary terms and tax		(1,447.54)	(1,068.93)
Extraordinary items		-	-
Profit/(loss) before tax		(1,447.54)	(1,068.93)
Current tax		-	-
Deferred tax		(14.31)	(135)
Total tax expense		(14.31)	(135.09)
Profit/(loss) for the year		(1,433.23)	(933.84)
Other Comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability/asset			
Total comprehensive income for the year		(1,433.23)	(933.84)
Earnings per equity share			
Basic	3.25	(2.71)	(1.77)
Diluted	3.25	(2.71)	(1.77)
Significant accounting policies and notes to financial statements	1,2 & 3		

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For KOTA & COMPANY.,

Chartered Accountants
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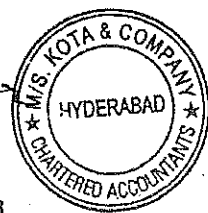
P.M. SUDHEER
Partner

Membership No. : 212427

UDIN:21212427AAAAAM3633

Place : Chennai

Date : 03.12.2020



For and on behalf of the Board

GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PVT LTD

T. Srinivasa
SATEESH THANANKI
Chairman
DIN: 08178735

GVRMP WHAGDHARI RIBBANPALLY TOLWAY PVT LTD
9th & 10th Floors, VBC Solitaire, No. 47 & 49, Bazullah Road, T. Nagar, Chennai TN 600017
CIN NO:U45209TN2010PTC092111

Cash flow Statement for the year ended 31st March, 2020

Rs In lakhs

STATEMENT OF CASH FLOWS

Rs in lakhs

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
1	2	3
Cash flow from operating activities		
Profit/(loss) before income tax	(1,447.54)	(1,068.93)
Adjustments for:		
Depreciation and amortisation expense	1,593.15	1,096.28
Provision for Major Maintenance Reserve	-	927.51
Dividend and interest income classified as investing cash flows	-	-
Amortisation on capital grant	(193.70)	-
Amortisation of Processing Fee	5.81	5.81
Finance costs	2,573.88	2,357.54
Operating profit before working capital changes	2,531.60	3,318.21
Adjustments for changes in working capital:		
(Increase)/decrease in trade receivables	-	-
(Increase)/decrease in other financial assets	9.98	-
(Increase)/decrease in loans and advances / other advances	3.51	-
Increase/(decrease) in trade payables	(41.43)	-
Increase/(decrease) in other financial liabilities	1,817.71	-
Increase/(decrease) in in advance from contractees	2.28	(5.81)
Cash generated from operations	4,323.66	3,312.40
Income taxes refund received	-	-
Net cash inflow from operating activities	4,323.66	3,312.40
Cash flows from investing activities		
Payments for property, plant and equipment	-	-
Interest received	-	-
Net cash outflow from investing activities	-	-
Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	(614.56)	-
Interest paid	(2,573.88)	(2,357.54)
Net cash outflow from financing activities	(3,188.44)	(2,357.54)
Net increase/(decrease) in cash and cash equivalents	1,135.22	954.86
Cash and cash equivalents at the beginning of the financial year	50.47	50.47
Cash and cash equivalents at end of the year	1,185.69	1,005.33

Notes

1. Components of Cash & Cash equivalents:

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with current account	1,180.38	1.43
Cash on hand	5.31	49.04
Total	1,185.69	50.47

2. The cash flow statement has been prepared under the indirect method as set out in the IND AS 7 on Cash Flow Statement specified

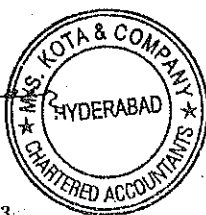
3. Figures in brackets represent cash outflows.

4. Previous year figure have been regrouped and reclassified wherever necessary.

As per our report of even date attached

For KOTA & COMPANY.,
Chartered Accountants
Firm Regn No. 011982S

P. M. Sude
P.M. SUDHEER
Partner
Membership No. : 212427
UDIN:21212427AAAAAM3633
Place : Chennai
Date : 03.12.2020



For and on behalf of the Board
GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PVT LTD

T. S. Srinivas
SATEESH THANANKI
Chairman
DIN: 08178735

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD
Significant accounting policies and notes to financial statements
Rs In lakhs

Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.03	<u>TRADE RECEIVABLE</u>		
	Unsecured, considered good KRDCL	0	0
	TOTAL	-	-
3.04	<u>CASH AND BANK BALANCES</u>		
	(A) Cash and cash equivalents		
	Balances with banks :		
	On current accounts	1,180.38	1.43
	Cash on hand	5.31	49.04
	Sub total	1,185.69	50.47
	(B) Other bank balances	0	0
	TOTAL (A+B)	1,185.69	50.47
3.05	<u>OTHER FINANCIAL ASSETS</u>		
	Other Receivables	42.24	48.87
	Security Deposits	4.88	4.46
	Other	0	0
	Advances To Related party	55.26	59.02
	TOTAL	102.38	112.35
3.06	<u>OTHER CURRENT ASSETS</u>		
	Prepaid expenses	62.50	72.43
	Advances to Employees	7.04	0.62
	Other Advances	0	0
	TOTAL	69.53	73.05

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD
Significant accounting policies and notes to financial statements

Rs In lakhs			
Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.07	<u>EQUITY SHARE CAPITAL</u>		
	Authorized 53000000 (previous year - 53000000) equity shares of INR 10 each	5,300.00	5,300.00
	Total	5,300.00	5,300.00
	Issued, subscribed and fully paid-up		
	(I) Equity:		
	Equity shares of INR 10 each fully paid up	5,286.00	5,286.00
	Total	5,286.00	5,286.00
	<u>(A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:</u>		
	<u>Equity shares (Nos.)</u>		
	At the beginning of the year	5,286	5,286
	issued during the year	-	-
	Outstanding at the end of the year	5,286	5,286
	<u>Equity shares (INR)</u>		
	At the beginning of the year	52,860	52,860
	Issued during the year	-	-
	Outstanding at the end of the year	52,860	52,860
3.08	<u>(B) Shares held by holding company:</u>		
	Out of equity shares issued by the company, shares held by it's holding company are as below.		
	<u>(C) Details of shareholders holding more than 5% shares in the company:</u>		
	<u>(i) Equity:</u>		
	GVR Infra Projects Ltd	2,69,58,600	2,69,58,600
	% of holding	51.00	51.00
	RMN Infrastructures Limited	1,32,15,000	1,32,15,000
	% of holding	25.00	25.00
	Prathyusha Resources and Infra Private Limited	1,26,86,400	1,26,86,400
	% of holding	24.00	24.00
	Terms/rights attached to equity shares		
	Rs.10 per share. Each holder of equity shares is entitled to one vote per share.		
	In the event of liquidation of the company, the holders of equity shares will 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.		
	<u>OTHER EQUITY</u>		
	<u>(a) Retained earnings</u>		
	Surplus/(deficit) in the statement of profit and loss	(8,906.97)	(7,973.13)
	Balance as per last financial statements	(1,433.23)	(933.84)
	Profit/(Loss) for the year		
	Total	(10,340.19)	(8,906.97)

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD			
Significant accounting policies and notes to financial statements			
Rs In lakhs			
Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.09	BORROWINGS		
	Secured		
	(A) Term loans		
	From banks (Secured)		
	TERM LOAN FROM BANKS	16,556.96	17,059.11
	Less: Current Maturities of Term Loan*	2,564.00	1,874.20
	Interest accrued and due*	-	577.39
	Sub-total (A)	13,992.96	14,607.52
	Additional information to secured Long Term Borrowings		
	a) Terms of Repayment:		
	(i) Security terms : First mortgage and charge on all Company's properties and assets both present and future except Project Asset, charge on tangible movable asset, all accounts including escrow account and the Sub- Account opened in accordance with the Concession Agreement or any of the project Document, all funds deposited, receivables, all authorised investment or other security, Intangible, Charge on Uncalled Capital, Debt Service Reserve Account and Trust & Retention Account including the Right under the project documents and pledge of 51% of promoters shares of pari passu basis.		
	(ii) Terms of interest : Floating rate of Interest based on Bank's Base Rate		
	(iii) Terms of repayment : Repayable during the period between 30.09.2013 and 31.12.2024 on quarterly basis unequal installments		

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD
Significant accounting policies and notes to financial statements

Rs In lakhs

Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.10	OTHER FINANCIAL LIABILITIES		
	FSD GVR Infra Projects Limited*	20.66	20.66
	FSD Payable to Others	4.06	4.06
		24.71	24.71
	*FSD Liability is payable to GVR Infra Projects Limited, the Parent Company.		
3.11	OTHER LONG TERM LIABILITY- DEFERRED INCOME		
	Grant received from KRDCL	4,402.46	4,525.03
	Opening balance	-	-
	Add: Received during the year	-	-
	Less: Transferred to other Income on account of amortisation of Deferred Income	193.70	122.56
		4,208.76	4,402.46
	As per the terms of the concession agreement between the company and the Karnataka Road Development Corporation (KRDCL), the company is entitled for VGF (Viability Gap Fund) from Department of Economic Affairs, Ministry of Finance of Rs. 4771.00 Lakhs during the construction period, out of which Rs. 4771.00 Lakhs received till the end of the year. Up to the previous period, the company had received Rs. 4771.00 Lakhs as grant by the way of VGF grant. As per Clause 25.2 of the Concession Agreement, Grant received from KRDCL for meeting the cost of the project is in the nature of equity support and has been treated as a part of shareholder's fund. Company had changed the treatment as per Ind-AS 20 and Rs. 4771.00 Lakhs received as grant from KRDCL accounted as Deferred Income for Grant. Out of the amount of grant received, the amount of Rs. 245.97 Lakhs up to the year 17-18, Rs. 61.28 Lakhs for the year 18-19 has been transferred to Other Income.		
3.12	DEFERRED TAX LIABILITIES		
	Differences between book depreciation and tax depreciation		
	Opening balance	4,229.39	4,364.47
	Additions during the year	(14.31)	(135.09)
	Closing balance		
	TOTAL	4,215.08	4,229.39
3.13	Long term provisions		
	Major maintenance Reserve	-	-
	TOTAL	-	-
3.14	TRADE PAYABLES		
	Dues to auditors	3.46	3.46
	Other payables	0	-
	IF Fee Payable	10.69	10.69
	Salary Payable	16.84	32.25
	EPF Payable	4.73	4.44
	ESI Payable	0.64	1.87
	Electricity Charges Payable	1.54	2.21
	Dues to Related party*	579.65	580.90
	Others	24.08	47.24
	Dues to contractors	991.44	991.44
	Total	1,633.06	1,674.49
	*Dues to Related party including Amount payable to GVR Infra Projects Limited, the Parent Company. Dues to Contractors including amount payable to GVR Infra projects Ltd, the related party		
3.15	OTHER FINANCIAL LIABILITY		
	Current maturities of long term borrowings	2,564.00	1,874.20
	Interest accrued and due*	1,705.30	577.39
	Total	4,269.30	2,451.59
	*Refer to Note No. 3.10 (B)		
3.16	Short Term Provisions		
	Major maintenance Reserve	3,917.51	3,917.51
	Total	3,917.51	3,917.51
3.17	OTHER CURRENT LIABILITIES		
	Statutory Dues		
	TDS Payable	0.86	0.95
	Other statutory Dues	8.54	0.35
	Provision for Income tax	159.24	159.24
	Total	168.64	160.55

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD
Significant accounting policies and notes to financial statements

Rs In lakhs

Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.18	<u>REVENUE FROM OPERATIONS</u>		
	Revenue from Toll operations	3,006.00	3,619.55
	Other operating income	-	-
	Grant from KRDCL	-	-
	Total	3,006.00	3,619.55
3.19	<u>OTHER INCOME</u>		
	Amortization on deferred income (Capital grant)	193.70	122.56
	Other income	-	3.68
	Total	193.70	126.24

GVRMP WHAGDHARI RIBBANPALLY TOLLWAY PVT LTD			
Significant accounting policies and notes to financial statements			
Rs In lakhs			
Note No.	Particulars	Figures as at the end of current reporting period 31.03.2020	Figures as at the end of current reporting period 31.03.2019
3.20	OPERATION & MAINTENANCE EXPENSES		
	Toll plaza maintenance	19.52	18.41
	Resurfacing expenses	33.83	19.74
	Electricity charges	14.73	14.70
	Insurance expenses	15.47	15.40
	Total	83.55	68.26
3.21	EMPLOYEE BENEFITS EXPENSES		
	Staff Salaries	212.60	203.00
	Staff welfare expenses	13.32	7.10
	EPF Expenses	23.80	12.97
	ESI Expenses	5.80	6.88
	Total	255.54	229.95
3.22	FINANCE COSTS		
	Interest on term loans	2,543.96	2336.21
	Amortisation of Processing Charges	11.63	11.63
	Bank charges	18.29	9.70
	Total	2,573.88	2,357.54
3.23	DEPRECIATION / AMORTISATION		
	Depreciation	5.48	8.14
	Amortization on intangible asset	1,587.67	1,088.14
	Total	1,593.15	1,096.28
3.24	OTHER EXPENSES		
	Auditors remuneration		
	Audit fee	2.95	2.95
	Other expenses		
	Advertisement Charges	0	0.73
	Rates and taxes	3.54	0.39
	Travelling and Conveyance	7.02	7.24
	Communication expenses	6.05	7.77
	Hire Charges	16.17	13.22
	Filling Fee	1.24	0.31
	Professional charges	7.54	0.50
	Office Maintenance	10.99	5.05
	Interest on TDS	0.60	0.52
	Printing & Stationery	3.81	3.08
	Vehicle running expenses	31.62	31.46
	Other expenses	10.17	12.96
	Security Charges	28.61	34.82
	Repairs and Maintenance	10.82	14.19
	Major Maintenance Expenses		927.51
	Total	141.13	1,062.70
3.25	EARNINGS PER EQUITY SHARE		
	Profit/(loss) for the year	(1,433.23)	(933.84)
	Number of equity shares	5,28,60,000	5,28,60,000
	Basic	(2.71)	(1.77)
	Diluted	(2.71)	(1.77)

Note 1:- Corporate Information:

GVRMP Whagdhari Ribbanpally Toll way Pvt. Ltd (the Company) incorporated on 29th April, 2010 Is a Special Purpose Vehicle (SPV) for the Project "Improvements to State Highway (SH 10) from Maharashtra Border to Andhra Pradesh border via Aland, Gulbarga, Malkhed, Sedam, Ribbanpally (Whagdhari-Ribbanpally Road) in Gulbarga District, Karnataka for a length of 141.20 Kms under Build Operate and Transfer (BOT) basis Concessionaire (the Company) the exclusive right, license and Authority to construct, operate and maintain the project for a period of 30 years commencing from the Financial closure of the project.

Note 2 - Significant Accounting Policies:**2.01 Basis of Preparation of Accounts****(a) Compliance with INDAS:**

The Company's financial statements comply in all material respects with Indian Accounting Standards (INDAS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to the year ended 31 March 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under INDAS. And the adoption was carried out in accordance with INDAS101 "First time adoption of Indian Accounting Standards" Refer Note 24 for an explanation on how the transition from previous IGAAP to INDAS has affected the Company's financial position, financial performance and cash flows. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis, except for the following items	
Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets (if any) less present value of defined benefit obligations
Assets held for sale	fair value less costs to sell

(C Use of Estimates & Judgments:-

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

D) Measurement of fair values:

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1:-** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- **Level 2:-** inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- **Level 3:-** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.02 Presentation of financial statements:-

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

2.03 Revenue recognition:-

- (a) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits would flow to the entity and specific criteria have been met for each of the activities described below. The Company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of the arrangement.
- (b) Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement are accounted for based on actual collection.

- (c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.
- (d) Contract revenue for fixed price contracts is recognized only to the extent of cost incurred that it is probable will be recoverable till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

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

For this purpose, actual cost includes cost of land and developmental rights but excludes borrowing cost. Expected loss, if any, on the construction activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

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

- (e) Fair value gains on current investments carried at fair value are included in other income.
- (f) Dividend income is recognized when the right to receive the same is established by the reporting date.
- (g) Other items of income are recognized as and when the right to receive arises.

2.04 Cash and bank balance

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

2.05 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- a) transactions of a non-cash nature;
- b) any deferrals or accruals of past or future operating cash receipts or payments and,
- c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure

2.06 Current and Non-current classification :-

Current Asset:

An asset shall be classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) It is held primarily for the purpose of being traded
- 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.
- e) All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- 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. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification.
- e) All other liabilities shall be classified as non-current

2.07 Property, Plant and equipment (PPE):-

- (a) Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalized in accordance with the

Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on assets has been provided on Written down value at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

An item of property, plant and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as of April 01, 2015 (transition date) measured as per the previous GAAP.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

2.08 Intangible Assets

a) Rights and Services of concession Arrangements:-

Intangible assets are recognized when it is probable that future economic benefits that are attributable to, the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

b) Toll projects (Right to Charge users):-

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service (road) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to KRDC/State authorities, if any. Till the completion of the project, the same is recognized under intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursements in respect of such amounts from KRDC/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalized as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a Deferred Income.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

c) Amortization of intangible asset :-

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortization is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. **Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortized over the concession period.**

2.09 Investments:-

Trade investments comprise investments in entities in which the Group has strategic business interest. Investments, which are readily realizable and are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

2.10 Borrowing costs:-

'Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.11 Earnings per share:-

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Income taxes:-

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognized as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

'Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realized or settled.

'Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

'Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

2.13 Impairment of assets:-

'The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

2.14 Provisions, contingent liabilities and contingent assets:-

'A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

'The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

'When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

2.15 Financial Instruments:-

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

a) Financial Assets:-

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognized in profit or loss and other changes in fair value are recognized in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

b) Financial Liabilities:

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

c) Impairment of financial assets (Expected Credit Loss Model):

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.16 Insurance claims:-

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.17 Claims :-

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

2.18 Commitments:-

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for
- b) Uncalled liability on shares and other investments partly paid
- c) Funding related commitment to subsidiary, associate and joint venture companies and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
- e) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.19 Employee Benefit:-

'Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

I. Short term Employee Benefit:

'All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. 'The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service. "The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) In case of non-accumulating compensated absences, when the absences occur.

II. Post-employment benefits:

a) Defined contribution plans:

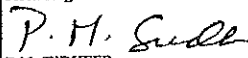

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognized during the period in which the employee renders the related service.

b) Defined benefit plans:

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities.

c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognized in the same manner as in the case of defined

GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PRIVATE LIMITED						
CIN NO:U45209TN2010PTC092111						
Notes to Balance Sheet						
(All amounts INR in Lakhs, unless otherwise stated)						
Note 23 : Additional Notes - Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"						
(a) Parent Entity						
The Company is controlled by the following entity:						
Name	Type	Place of incorporation	Ownership Interest			
			31-Mar-20	31-Mar-19		
GVR Infra Projects Limited	Holding company	India	51.00%	51.00%		
(a) Transaction with related parties						
The following transactions occurred with related parties:						
Related Party	Relation	Nature of Transaction	31st March, 2020		31st March, 2019	
			Transactions During the year	Closing Balance	Transactions During the year	Closing Balance
GVR Infra Projects Limited	Holding Company	Equity Component Of Unsecured Loan				
		Short term advances from related party		580.90	1.64	580.90
		Sub Contract work Payment		991.44		991.44
		Sub Contract work Done				
GVRMP Belgaum Khanapur Tollway PVT LTD	Fellow Subsidiary/Group Entity	Short term advances to related party		12.07		12.07
GVR Panna Amanganj Tollway Pvt Ltd	Fellow Subsidiary/Group Entity	Short term advances to related party		2.09	(0.42)	2.09
GVR Behari hanumana Tollway Pvt Ltd	Fellow Subsidiary/Group Entity	Short term advances from related party		0.58	0.32	0.58
GVNS TOLLWAY PVT LTD	Fellow Subsidiary/Group Entity	Short term advances to related party		29.19		29.19
GVR Khandaphod Bijwad Road project P Ltd	Fellow Subsidiary/Group Entity	Short term advances to related party		0.94	0.94	0.94
GVR RMN HUBLI LAKSHMESWARA ROAD PROJECTS PVT LTD	Fellow Subsidiary/Group Entity	Short term advances to related party	0.65	8.02	7.37	8.02
GVRMP DHARWAD RAMNAGAR TOLLWAY PVT LTD	Fellow Subsidiary/Group Entity	Short term advances to related party		6.13		6.13
As per our report of even date attached						
For KOTA & COMPANY, Chartered Accountants Firm Regn No. 0119825  P.M. SUDHEER Partner Membership No. : 212427 UDIN:21212427AAAAAM3633 Place : Chennai Date : 03.12.2020			For and on behalf of the Board GVRMP WHAGDHARI RIBBAN PALLY TOLLWAY PVT LTD  SATEESH THANANKI Chairman DIN: 08170735			